THIS IS EXHIBIT "M" REFERRED TO IN THE
TRIAL AFFIDAVIT OF RUSS GIANNOTTA
SWORN BEFORE ME THIS 6 DAY OF FEBRUARY, 2015.

A Commissioner, etc.

Ronald Birkett
IRQ # 43  Charge/Mortgage  
Registered as PR2081830 on 201109 28  3115:19
The applicant(s) hereby applies to the Land Registrar.

<table>
<thead>
<tr>
<th>PIN</th>
<th>Description</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>13383 - 0003 LT</td>
<td>PT LT2 3 &amp; 4, RGE 5 NDS(TOR.TWP) DES PT 1, 43R31060 CITY OF MISSISSAUGA</td>
<td>1415 THORNY BRAE PLACE MISSISSAUGA</td>
</tr>
<tr>
<td>13383 - 0022 LT</td>
<td>LT 1, PL 496, EXCEPT PT 1, 43R19765 CITY OF MISSISSAUGA</td>
<td>1755 THORNY BRAE PLACE MISSISSAUGA</td>
</tr>
<tr>
<td>13383 - 0023 LT</td>
<td>LT 2, PL 496 CITY OF MISSISSAUGA</td>
<td>1765 THORNY BRAE PLACE MISSISSAUGA</td>
</tr>
</tbody>
</table>

Chargor(s)
The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name: 2122763 ONTARIO INC.
Address for Service: 93 SKYWAY AVENUE SUITE 108 ETOBICOKE, ONTARIO M9W 6N6

I, Naheel SULEMAN, have the authority to bind the corporation.
This document is not authorized under Power of Attorney by this party.

Chargee(s)

<table>
<thead>
<tr>
<th>Name</th>
<th>Address for Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>VISRAM, ZAHERALI</td>
<td>7 LAREDO COURT NORTH YORK, ONTARIO M2M 4H7</td>
</tr>
</tbody>
</table>

Statements
Schedule: See Schedules

Provisions

<table>
<thead>
<tr>
<th>Principal</th>
<th>Currency</th>
<th>Calculation Period</th>
<th>Balance Due Date</th>
<th>Interest Rate</th>
<th>Payments</th>
<th>Interest Adjustment Date</th>
<th>Payment Date</th>
<th>First Payment Date</th>
<th>Last Payment Date</th>
<th>Standard Charge Terms</th>
</tr>
</thead>
<tbody>
<tr>
<td>$650,000.00</td>
<td>CDN</td>
<td>MONTHLY, NOT IN ADVANCE</td>
<td>2013/09/16</td>
<td>15% PER ANNUM, INTEREST ONLY</td>
<td>$10,625.00</td>
<td>2011 09 06</td>
<td>18th day of each and every month</td>
<td>2011 10 16</td>
<td>2012 09 16</td>
<td>200033</td>
</tr>
</tbody>
</table>

Insurance Amount: full insurable value
Guarantor: HUSH HOMES INC., MUSA SULEMAN, NAHEEL SULEMAN

Additional Provisions

GUARANTORS:
Additional Provisions

CORPORATION, HUSH HOMES INC. HEREBY AGREES TO BE BOUND BY THE TERMS OF THE CHARGE/MORTGAGE OF LAND TOGETHER WITH THE STANDARD CHARGE TERMS 200033 AND HUSH HOMES INC. HEREBY ACKNOWLEDGES RECEIPT OF A TRUE COPY OF THE SAID DOCUMENTS.


RIGHTS AND REMEDIES IN EVENT OF DEFAULT

THE RIGHTS AND REMEDIES OF THE MORTGAGEE UNDER THIS MORTGAGE OR WHICH THE MORTGAGEE MAY HAVE AT LAW OR IN EQUITY AGAINST THE MORTGAGORS OR ANY OTHER PERSONS OR LEGAL ENTITIES, SHALL BE DISTINCT, SEPARATE AND CUMULATIVE, AND SHALL NOT BE DEEMED INCONSISTENT WITH ONE ANOTHER AND ANY ONE OR MORE OF THE SAID RIGHTS AND REMEDIES MAY BE EXERCISED AT THE SAME TIME, THE OBLIGATIONS OF THIS MORTGAGE SHALL CONTINUE UNTIL THE ENTIRE DEBT EVIDENCED HEREBY IS PAID. NOTWITHSTANDING ANY COURT ACTION OR ACTIONS TAKEN BY THE MORTGAGEE WHICH MAY BE BROUGHT TO RECOVER ANY AMOUNTS DUE AND PAYABLE UNDER THIS MORTGAGE, NO DELAY OR FAILURE BY THE MORTGAGEE IN THE ENFORCEMENT OF ANY COVENANT, PROMISE OR AGREEMENT OF THE MORTGAGORS HEREUNDER OR TO EXERCISE ANY RIGHT OF THE MORTGAGEE HEREIN CONTAINED SHALL CONSTITUTE OR BE DEEMED TO CONSTITUTE A WAIVER OF SUCH RIGHT BUT RATHER, SUCH WAIVER SHALL ONLY OCCUR WHEN SET FORTH IN WRITING SIGNED BY THE MORTGAGEE. NO WAIVER OF ANY EVENT OR DEFAULT SHALL DISCHARGE OR RELEASE ANY PERSON AT ANY TIME LIABLE FOR THE PAYMENT OF THIS MORTGAGE FROM SUCH LIABILITY, NO SINGLE OR PARTIAL EXERCISE OF ANY OF THE MORTGAGOR'S POWERS HEREUNDER SHALL PRECLUDE OTHER AND FURTHER EXERCISE THEREOF OR THE EXERCISE OF ANY OTHER POWER THE MORTGAGEE SHALL AT ALL TIMES HAVE THE RIGHT TO PROCEED AGAINST ANY PORTION OF THE SECURITY HELD THEREFOR IN SUCH MANNER AS HE SHALL DEEM FIT, WITHOUT WAIVING ANY RIGHTS, WHICH THE HOLDER MAY HAVE WITH RESPECT TO ANY OTHER SECURITY, THE MORTGAGEE MAY EXTEND THE MATURITY OF THIS MORTGAGE FROM TIME TO TIME WITHOUT IN ANY WAY AFFECTING THE LIABILITY OF THE MORTGAGORS OR ANY OTHER PERSONS UNDER THE MORTGAGE.

PREPAYMENT PRIVILEGE

PROVIDED THAT THE CHARGORS, WHEN NOT IN DEFAULT HEREUNDER, SHALL HAVE THE PRIVILEGE OF PAYING THE WHOLE OR ANY PART OF THE PRINCIPAL SUM HEREBY SECURED AT ANY TIME OR TIMES WITHOUT NOTICE OR BONUS ON ANY SCHEDULED PAYMENT DATE.

Signed By

Ronald Charles Wright
44 Victoria Street, Suite 918
Toronto, MSC 1Y2
acting for Chargor Signed 2011 09 28

Tel 4153637111
Fax 4153634441

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

Submitted By

RONALD WRIGHT LAW OFFICE
44 Victoria Street, Suite 918
Toronto, MSC 1Y2

Tel 4153637111
The applicant(s) hereby applies to the Land Registrar.

<table>
<thead>
<tr>
<th>Submitted By</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fax 4183834441</td>
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</table>

<table>
<thead>
<tr>
<th>Fees/Taxes/Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory Registration Fee</td>
</tr>
<tr>
<td>Total Paid</td>
</tr>
</tbody>
</table>

<table>
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<tr>
<th>File Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charger Client File Number</td>
</tr>
<tr>
<td>Charges Client File Number</td>
</tr>
</tbody>
</table>
SCHEDULE
Form 5 – Land Registration Reform Act, 1984

ADDITIONAL PROVISIONS

The terms contained in this Schedule are in addition to the terms contained in the Standard Charge Terms filed as No. 200033 (the “Standard Charge Terms”). In the event of any conflict between the terms contained in this Schedule and those contained in the Standard Charge Terms, the terms of this Schedule shall, to the extent of the conflict, prevail.

10.01 PREPAYMENT PENALTY: Intentionally Deleted

10.02 NSF FEE AND LATE PAYMENT

PROVIDED that each Mortgagee shall be entitled to an administrative fee of Two Hundred Dollars ($200.00) in the event any payment to the Mortgagee is returned unpaid by the Mortgagee’s bank for any reason or payments not received on payment date. The administrative fee is payable to Mortgagee.

10.03 REALTY TAX RECEIPTS

PROVIDED paid realty tax receipts are to be provided to the Mortgagee upon the Mortgagee’s request.

10.04 NON-TRANSFERABLE/NON ASSUMABLE

PROVIDED that in the event of the transfer, sale or other change of ownership of the property secured by this charge, the charge shall become due and payable forthwith at the Mortgagee’s option.

10.05 MORTGAGE STATEMENTS

PROVIDED that in the event the Mortgagee is required to provide a mortgage statement, there shall be an administrative fee of Three Hundred Dollars ($300.00) for each and such statement, payable to Mortgagee.

10.06 TIME PAYMENT

Any payment (other than the post dated cheques aforementioned) made after 1:00 p.m. shall be deemed for the purpose of calculation of interest to have been made and received on the next bank business day; and for the purpose of this paragraph, Saturday, Sunday, Provincial and Federal Holidays shall be deemed as non-business bank days.

10.07 INSURANCE

IN THE EVENT that the Mortgagee deem it necessary to arrange for insurance to be placed for the mortgaged property, any amount paid by the Mortgagee therefore shall be part of the indebtedness secured by the Mortgage bearing interest at a rate set out in the Mortgage. The Mortgagee shall also pay to Mortgagee a fee in the amount of Five Hundred Dollars ($500.00) on each occasion on which the Mortgagee so arrange the placement of insurance.
10.08 **COMPOUND INTEREST**

AND it is hereby agreed that in case default shall be made in payment of any sum to become due for interest at any time appointed for payment thereof as aforesaid, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity, shall bear interest at the rate aforesaid, and in case the interest and compound interest are not in one (1) month(s) from the time of default a rest shall be made, and compound interest at the rate aforesaid shall be payable on the aggregate amount then due, as well after as before maturity and so on from time to time, and all such interest and compound interest shall be charged upon said lands.

10.09 **DEFAULT**

FOR each action or proceeding instituted, the Mortgagor shall pay to Mortgagee the following:

<table>
<thead>
<tr>
<th>Service</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issuance of Notice of Sale</td>
<td>$700</td>
</tr>
<tr>
<td>Statement of Claim</td>
<td>$500</td>
</tr>
<tr>
<td>Writ of Possession</td>
<td>$500</td>
</tr>
<tr>
<td>Payment of arrears to a 1st Mortgagee</td>
<td>$500</td>
</tr>
<tr>
<td>Payment of tax arrears</td>
<td>$500</td>
</tr>
</tbody>
</table>

10.10 **POSSESSION**

In the event that the Mortgagee obtains possession of the property, an administration fee of Fifty Dollars ($50.00) per day will be payable to the Mortgagee.

10.11 **PURCHASER APPROVAL**

For processing each application for assumption, whether or not approved or completed, a fee of Three Hundred Dollars ($300.00) will be charged.

10.12 **DISCHARGE**

THE Mortgagee shall be entitled to prepare a discharge or assignment of mortgage and any other documents necessary to release or assign any security held by the Mortgagee, and shall have a reasonable time after payment of the mortgage debt in full in which to prepare, execute and deliver such documents. A discharge fee in the amount of Three Hundred and Fifty Dollars ($350.00) plus Goods and Services Tax (GST), courier charges and disbursements in connection with the preparation, review, execution and delivery of such documents shall be paid by the Mortgagor to the Mortgagee’s Solicitor. In the event the Mortgagee does not prepare the documentation, a fee of Two Hundred Dollars ($200.00) will be charged for the attendance to signing the necessary documentation provided by the Mortgagor(s) or their solicitor(s).

10.13 **DEFAULT UNDER PRIOR ENCUMBRANCE**

The Mortgagor hereby agrees that default by the Mortgagor under any prior encumbrance against the mortgaged property shall constitute a default under the Mortgage and entitle the Mortgagee to all remedies available to it as a consequence of any default by the Mortgagor under the Mortgage.

10.14 **ADVANCED FUNDS**

The Mortgagor(s) agree to pay interest from the date of September 16, 2011 on the full principal amount of this mortgage, including any amounts advanced from time to time, at the rate and times specified in the provisions of the Mortgage.

10.15 **ENFORCEMENT**

If any term or provision of the Mortgage or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of the Mortgage, or the application of the terms or provisions to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of the Mortgage shall be valid and enforceable to the fullest extent permitted by law.
The applicant(s) hereby applies to the Land Registrar.

**Properties**

<table>
<thead>
<tr>
<th>PIN</th>
<th>Description</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>13383 - 0563</td>
<td>PT LTS 3 &amp; 4, RGE 5 NDS (TOR. TWP) DES PT 1, 43R31060; CITY OF MISSISSAUGA</td>
<td>1745 THORNY BRAE PLACE MISSISSAUGA</td>
</tr>
<tr>
<td>13383 - 0022</td>
<td>LT 1, PL 498, EXCEPT PT 1, 43R10765; CITY OF MISSISSAUGA</td>
<td>1775 THORNY BRAE PLACE MISSISSAUGA</td>
</tr>
<tr>
<td>13383 - 0023</td>
<td>LT 2, PL 498; CITY OF MISSISSAUGA</td>
<td>1755 THORNY BRAE PLACE MISSISSAUGA</td>
</tr>
</tbody>
</table>

**Consideration**

Consideration $2.00

**Applicant(s)**

The notice is based on or affects a valid and existing estate, right, interest or equity in land

<table>
<thead>
<tr>
<th>Name</th>
<th>Address for Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>2122763 ONTARIO INC.</td>
<td>93 Skyway Avenue Suite 108 Elbovcoke Ontario M9W 8N6</td>
</tr>
</tbody>
</table>

I, NAHEEL SULEMAN, Authorized Signing Officer, have the authority to bind the corporation.

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

**Party To(s)**

<table>
<thead>
<tr>
<th>Name</th>
<th>Address for Service</th>
</tr>
</thead>
<tbody>
<tr>
<td>VISRAM, ZAHERALI</td>
<td>7 Laredo Court North York Ontario M2M 4H7</td>
</tr>
</tbody>
</table>

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

**Statements**

This notice is pursuant to Section 71 of the Land Titles Act.

This notice may be deleted by the Land Registrar when the registered instrument, PR2081830 registered on 2011/09/28 to which this notice relates is deleted

Schedule: See Schedules

This document relates to registration no (s) PR2081830

**Signed By**

Vincenzo Puccinone acting for Applicant(s) Signed 2012 07 12

Woodbridge L4H 3H9

Tel 9058503110

Fax 9058503123

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

**Submitted By**

CCSMAN & ASSOCIATES 2012 07 12

111 Zornway Blvd Unit 37 Woodbridge L4H 3H9
The applicant(s) hereby apply to the Land Registrar.

Submitted By
Tel 9058603110
Fax 9056503123

Fees/Taxes/Payment
Statutory Registration Fee $50.00
Total Paid $50.00

File Number
Applicant Client File Number: VISRAM 12694
Party To Client File Number: 12694
AGREEMENT AMENDING AND EXTENDING
CHARGE/MORTGAGE OF LAND
(the "Agreement")


BETWEEN:

ZAHERALI VISRAM
an individual of the City of Toronto
Province of Ontario

- and -

2122763 ONTARIO INC.
a corporation incorporated under the laws
of the Province of Ontario

- and -

HUSH HOMES INC.
a corporation incorporated under the laws
of the Province of Ontario

- and -

NAHEEL SULEMAN
an individual of the City of Mississauga
of the Province of Ontario

- and -

MUSA SULEMAN
an individual of the City of Toronto
of the Province of Ontario

(Collectively called the “Guarantors”)

WHEREAS the Lender, the Borrowers and the Guarantors have entered into a second mortgage
loan in the principal amount of Eight Hundred and Fifty Thousand ($850,000.00) Dollars (the
"Loan"), which Loan is secured by a charge over the properties municipally known as 1745
Thorny Brae Place, Mississauga, Ontario, 1775 Thorny Brae Place, Mississauga, Ontario, and 1765
Thorny Brae Place, Mississauga, Ontario (collectively referred to as the "Property") registered as
Instrument No. PR2081830 on September 28, 2011 in the principal amount of $850,000.00 (the
"Charge");

AND WHEREAS the Charge matures on September 16, 2012;

AND WHEREAS the Borrower has requested an amendment and extension to the Charge;
AND WHEREAS the Borrower has requested an increase in the loan amount from Eight Hundred and Fifty Thousand Dollars ($850,000.00) to One Million Five Hundred Thousand Dollars ($1,500,000.00);

AND WHEREAS the Lender has agreed to such extension and amendment to the Charge based on the following terms and conditions as set out below.

NOW THEREFORE this Agreement witnesseth that in consideration of other good and valuable consideration and the sum of One ($1.00) Dollar, the receipt and sufficiency of which are acknowledged, the Parties hereto as follows:

1. The Parties acknowledge that the foregoing recitals are true in substance and in fact.

2. The Parties agree that the Charge is hereby amended as follows:
   a) The principal amount of the Loan is increased to $1,500,000.00;
   b) The monthly interest payment is amended to $18,750.00 to and including the payment date on September 16, 2012.
   c) The monthly interest payment is amended to $20,000.00 following September 16, 2012.
   d) The Last Payment Date and the Balance Due Date are hereby amended from September 16, 2012 to October 16, 2012;
   e) Interest shall accrue at the rate of 15.00% per annum up to and including September 16, 2012 on the total Loan;
   f) Interest shall accrue at the rate of 24.00% per annum commencing September 17, 2012;
   g) The Borrower shall have the privilege of paying the whole of the principal amount secured by the Charge at any time without notice or bonus.

4. The Borrower shall pay the Lender a Lender's Fee of Thirteen Thousand ($13,000.00) Dollars which shall be deducted from the advance of the Loan proceeds.

5. All collateral and additional security given to the Lender for the performance of the Borrower's and Guarantors' obligations to the Lender, including the payment of all indebtedness, shall continue to be in full force and effect as continuing collateral and additional security, notwithstanding that the Lender, the Borrower and Guarantors, have amended the Charge by the terms of this Agreement.

6. In all other respects the parties hereto confirm the terms and conditions in the aforesaid Charge.

7. The parties acknowledge and agree that the Charge, as amended herein shall continue to be in full force and effect.

8. The Guarantors hereby acknowledge the terms of this Agreement and agrees to be bound by the terms hereof.

9. This Agreement shall enure to the benefit of and be binding on the parties hereto and their permitted successors and assigns.

10. This Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall be but one and the same instrument.
10. The parties hereto agree that this Agreement may be transmitted by facsimile or such similar device and that the reproduction of signatures by facsimile or such similar device will be treated as binding as if originals and each party hereto undertakes to provide each and every other party hereto with a copy of the Agreement bearing original signatures forthwith upon demand.

DATED at Vaughan, Ontario this 11 day of July, 2012.

IN WITNESS WHEREOF the parties hereto have executed this Agreement.

ZABERALL VISRAM

Dated at Toronto, Ontario this 12 day of July, 2012.

2122763 ONTARIO INC. hereby accepts all the terms and conditions of the above mentioned Agreement and HUSH HOMES INC., NAHEE SUCEI NAE AND MUSA SULEMAN in their personal capacities hereby agree to guarantee the Charge and agree to be responsible for all fees and disbursements payable pursuant to the provisions of this Agreement.

2122763 ONTARIO INC:

per:

Name: NAHEE SULEMAN
Title: Authorized Signing Officer
"I have authority to bind the Corporation."

HUSH HOMES INC.

Per:

Name: Naheen Suleman
Title: President
"I have authority to bind the Corporation."

Witness:

Witness:

Musa Suleman - Guarantor
The applicant hereby applies to the Land Registrar.

### Properties

<table>
<thead>
<tr>
<th>Property</th>
<th>Address</th>
<th>Description</th>
<th>PIN</th>
</tr>
</thead>
<tbody>
<tr>
<td>13383 - 0022 LT</td>
<td>LT 1, PL 498, EXCEPT PT 1, 43R1675, CITY OF MISSISSAUGA</td>
<td>Fee Simple</td>
<td>12373 - 0033 LT</td>
</tr>
<tr>
<td>13383 - 0023 LT</td>
<td>LT 2, PL 498, CITY OF MISSISSAUGA</td>
<td>Fee Simple</td>
<td>12373 - 0023 LT</td>
</tr>
<tr>
<td>13383 - 0023 LT</td>
<td>LT 3 &amp; 4, RG 6 NDS (TOR. TWP) DES PT 1, 43R1069, CITY OF MISSISSAUGA</td>
<td>Fee Simple</td>
<td>12373 - 0023 LT</td>
</tr>
</tbody>
</table>

### Chargor(s)

The chargor(s) hereby charges the land to the chargeree(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

- **Name**: 2122763 ONTARIO INC.
- **Address for Service**: 75 International Blvd., Suite 430, Toronto, Ontario, M2M 4H7

L. NAHEEL SULEMAN, President, have the authority to bind the corporation.

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

### Chargee(s)

<table>
<thead>
<tr>
<th>Name</th>
<th>Capacity</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>VISRAM, ZAHERALI</td>
<td></td>
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</tr>
</tbody>
</table>

### Provisions

- **Principal**: $2,000,000.00
- **Currency**: CDN
- **Calculation Period**: monthly, interest only
- **Balance Due Date**: 2013/02/17
- **Interest Rate**: 19.01%
- **Payments**: $30,000.00
- **Interest Adjustment Date**: 2012/08/15
- **Payment Date**: 15th day of each and every month
- **First Payment Date**: 2012/08/15
- **Last Payment Date**: 2013/02/15
- **Standard Charge Terms**: 209033
- **Insurance Amount**: full-insurable value
- **Guarantor**: Musa SuLeMan, Naheel SuLeMan and HUSH Inc.

### Additional Provisions

See Schedules

### Signed By

Mark Lorrie Cosman
111 Zanway Blvd Unit 1 37
Woodbridge
L4H 3H9

Tel: 9058862110
Fax: 90588603123

Signed for Chargee: 2012/08/19

Signed 2012/08/20
Signed By

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

Submitted By

COSMAN & ASSOCIATES
111 Zunway Blvd Unit 37
Woodbridge
L1H 3H9

Tel 9058503110
Fax 9058503123

Fees/Taxes/Payment

Statutory Registration Fee $90.00
Total Paid $90.00

File Number

Chargor Client File Number : 12711
Chargor Client File Number : 12711
ADDITIONAL PROVISIONS

The Chargor charges the property covered by the Charge as security for payment to the Charges, of all amounts and obligations owing by the Chargor to the Charges, including without limitation, the following:

(a) all present and future debts, liabilities and obligations now or hereafter owing by the Chargor to the Charges including any and all principal advances and re-advances made by the Charges to the Chargor after the repayment of any or all principal amounts, provided that the total principal amount secured shall not at any time exceed the principal amount referred to in the electronic form of charge to which this document forms a schedule.

The Mortgage is an open mortgage provided that, in the event that the Chargor is not in default hereunder, the Chargor shall have the privilege of paying the whole of the principal amount hereby secured at any time with the payment of one (1) months' bonus.

Provided that if the Chargor, at any time, shall sell, transfer, convey or otherwise dispose of the herein described lands without the prior written consent of the Charges, at the Chargee's option, the herein Mortgage shall immediately become due and payable in full including interest as set out above.

Post-Dated Cheques

The Chargor shall provide to the Chargee a series of Six (6) post-dated cheques upon registration of this Mortgage and, if necessary, upon the renewal of the term herein.

In the event that any of the Chargor's cheques are not honoured when presented for payment to the bank or trust company on which they are drawn, or should the Chargor fail to provide a monthly payment when due, the Chargor shall pay to the Chargee for each such returned cheque the amount of TWO HUNDRED AND FIFTY DOLLARS ($250.00) to cover the Chargee's administration costs and not as a penalty and such sum shall be a charge upon the Lands and shall bear interest at the rate hereinafore stated.

Payments After 1:00 p.m.

Any payment (other than payment of the regular payments of interest) that is made after 1:00 p.m. on any date, shall be deemed, for the purpose of calculation of interest, to have been made and received on the next bank business day.

Acknowledgement on Assignment

In the event that the Chargee assigns, transfers or otherwise conveys its interest hereunder, and upon the delivery of notice of same to the Chargor, the Chargor, if so requested, shall without cost, at any time and from time to time, execute an acknowledgment with respect to the terms and conditions of the Mortgage and the amount outstanding thereunder. Failure to execute the acknowledgment shall be deemed to be default by the Chargor under the Mortgage.
Costs

The Chargor covenants and agrees to pay all property tax, public utility rates, charges and insurance premiums as and when they become due, to keep all encumbrances and agreements in good standing, comply with all zoning by-laws, standards and work orders and not to permit the existence of any work orders, deficiency notices, letters of compliance or the registration of any liens of any nature or kind; the failure of the Chargor to comply with this covenant shall constitute an event of default hereunder and entitles the Charges at its sole and absolute discretion to avail itself of remedies available hereunder and at law including the right to accelerate the principal sum secured hereunder together with all accrued interest thereon plus costs.

Servicing Fee

In the event that the Chargor is called upon to pay any payment in order to protect its security position including but not limited to realty taxes, insurance premiums, condominium common expenses, principal interest or costs under a prior mortgage, it is agreed that such payment shall bear interest at TEN POINT FIVE PERCENT (10.50%) per annum, calculated and compounded monthly and that there shall be a service charge of not less than TWO HUNDRED AND FIFTY DOLLARS ($250.00) for making each such payment.

Insurance

The Chargor shall insure all buildings on the Lands and keep them constantly insured against loss or damage by any other cause or peril which, in the Chargor’s solicitor’s opinion, should be protected by insurance to the full extent of their insurable value in a company or companies approved by the Chargor and transferred to the Chargor as first loss payee.

Such insurance shall include (1) general liability, minimum coverage of FIVE MILLION DOLLARS ($5,000,000.00) per occurrence.

Sale on Terms

In the event power of sale proceedings are taken, the Chargor as vendor may sell the property on terms and if the result is that any mortgages taken back are at a rate lower than the rate for first and/or second mortgages in the industry then the Chargor shall be entitled to sell these charges at a discount and the discount shall form part of the loss incurred by the Chargor and be recoverable against the Chargor.

Costs and Expenses

It is agreed that all costs and expenses of the Chargor incurred in endeavouring to collect any money overdue under this Mortgage, including all legal costs on a solicitor and client basis, whether legal proceedings are instituted or not, shall be added to the principal and be payable forthwith by the Chargor.
Additional Financing

Once the Chargee has advanced funds with respect to a particular lot, no further financing shall be permitted to be registered against such lot without the prior written consent of the Chargee. Failure to obtain such consent shall constitute a default under the Charge.

Discharge

Upon the balance due date of the principal and interest secured hereunder or any renewal thereof, the Chargor shall be deemed to have requested the Chargee's solicitor to prepare the discharge documents for this Mortgage and shall pay the following fees to the Chargee's solicitor:

1. Statement fee of ONE HUNDRED DOLLARS ($100.00), plus HST; and
2. Discharge preparation and execution fee of THREE HUNDRED & SEVENTY-FIVE DOLLARS ($375.00), plus HST.

In addition, in the event that the Chargor requires the Chargee to attend on the closing of a refinancing or sale transaction, the Chargor shall pay all disbursements incurred by the Chargee's solicitor including courier and conveyancer fees.

The parties agree that, where practicable, any postponement, partial discharge, mortgage statement or other document shall include as many lots as one time as requested by the Chargor or its solicitors.

Partial Discharges

(a) Notwithstanding anything otherwise contained herein, the Chargor shall not be entitled to request or receive any partial discharge when there is any outstanding default by the Chargor or any guarantor of this Charge or under any security held by the Chargee for or in respect of the financing secured by this Charge;

(b) In addition to all amounts on account of principal required to be paid by the Chargor to the Chargee in respect of any part of the Lands to be partially discharged, the Chargor shall also pay to the Chargee:
   (i) accrued and unpaid interest on such principal amounts to the date of partial discharge;
   (ii) the reasonable legal and other costs incurred by the Chargee in connection with each such partial discharge;
   (iii) any and all other charges due and owing by the Chargor pursuant to the provisions of this Charge.

(c) All monies payable to the Chargee in respect of each partial discharge shall be paid in cash or by certified cheque, in lawful money of Canada; and
(d) Each request for partial discharges shall be made by the Charger upon not less than TEN (10) days' prior written notice to the Chargee accompanied by execution copies of all instruments and other documents required to be executed by the Charges in connection therewith.

Provided the Charger is not in default hereunder, the Charger shall be entitled to request and obtain from the Chargees a partial discharge of a unit/lot upon payment to the Chargees for each lot, the net sales proceeds after external sales commissions, HST remittances and the amount to discharge the first mortgage.

The parties acknowledge that this is a "Private Mortgage", and to accomplish closing the sale of the lots, it will be necessary for partial discharges to be received and held in escrow by the solicitors for the Charger for registration on title at the time of the receipt of closing proceeds by the Charger's solicitors and the Charger hereby irrevocably agrees to provide the partial discharges, subject to the other applicable provisions of the Charge, to the Charger's solicitors to facilitate the closing of the sale of the lots provided that the Charger's solicitors execute an appropriate undertaking or escrow agreement in favour of the Chargee and its solicitors.

Payment to Discharge

The parties herein agree that payment to discharge the said Mortgage must be by certified cheque or electronic wire transfer.

Possession

Notwithstanding anything herein to the contrary, if default shall happen to be made of or in the payment of the principal amount or the interest payable thereon or any part of either thereof, as provided in this Mortgage, or of or in the doing, observing, performing, fulfilling or keeping of one or more of the provisions, agreements or stipulations contained herein contrary to the true intent and meaning of this Mortgage, then and in every case it shall and may be lawful to and for the said Chargee to peaceably and quietly enter into, have, hold, use, occupy, possess, and enjoy the Lands hereby charged free and clear and freely and clearly acquired, exonerated and discharged of and from all former conveyance, mortgages, charges, rights, annuities, debts, executions and recognisances, and of and from all manners of other charges or encumbrances whatsoever without the let, suit, hindrance, interruption or denial of the Charger or any other person or persons whatsoever.

Charger Not in Possession

It is agreed between the Charger and the Chargee that the Chargee, in exercising any of the rights given to the Chargee under the Mortgage, shall be deemed not to be a Charger in possession.
Additional Remedies

The rights, powers, and remedies conferred herein are supplementary to and not in substitution for any of the powers which the Chargor may have or be entitled to at law or otherwise. Any one or more remedies may at any time be exercised independently or in combination with any of the others.

Severability of Any Invalid Provisions

If in the event that any covenant, term or provision contained in this Mortgage is held to be invalid, illegal or unenforceable in whole or in part, then the validity, legality and enforceability of the remaining covenants, provisions and terms shall not be affected or impaired hereby, and all such remaining covenants, provisions and terms shall continue in full force and effect. All covenants, provisions and terms hereof are declared to be separate and distinct covenants, provisions or terms as the case may be.

Farm Debt Mediation Act

Provided further that the Chargor represents and warrants that he is not a “Farmer” as defined in the Farm Debt Mediation Act and the Chargor further covenants and agrees that during the currency of the within Mortgage he will not engage in any activity which would have the effect of deeming him a “Farmer” within the meaning of the Farm Debt Mediation Act. In the event that the Chargor fails to comply with the within provision, the within Mortgage shall, at the Chargor’s option, immediately become due and payable in full, together with a one (1) month interest thereon.

No Deemed Reinvestment

Notwithstanding the reference herein to the interest rate on a per annum basis and notwithstanding any other provision herein contained, the parties hereto acknowledge that it is their intention that the interest rate shall at all times be payable and calculated monthly at a rate per month equal to \( \frac{1}{12} \) of the yearly rate as hereinbefore referred to and the Chargor shall not be deemed to have reinvested any monthly or other payments received by it hereunder.

Indemnification of Chargee

In the event the Chargor shall, without fault on its part, be made a party to any litigation commenced by or against the Chargor, the Chargor shall protect and hold the Chargee harmless therefrom and shall pay all costs, expenses and solicitors’ and counsel’s fees on a solicitor and his own client basis. Such costs shall be a charge on the lands and may be added to the loan secured hereby.
Enforcement of Additional Security

In the event that, in addition to the Lands charged hereby, the Chargee holds further security on account of the monies secured hereby, it is agreed that no single or partial exercise of any of the Chargee's powers hereunder or under any of such security, shall preclude other and further exercise of any other right, power or remedy pursuant to any of such security. The Chargee shall at all times have the right to proceed against all, any, or any portion of such security in such order and in such manner as it shall, in its sole discretion, deem fit, without waiving any rights which the Chargee may have with respect to any and all of such security, and the exercise of any such powers of remedies from time to time shall in no way affect the liability of the Chargor under the remaining security, provided however, that upon payment of the full indebtedness secured hereunder the rights of the Chargee with respect to any and all such security shall be at an end.

Construction Liens

The Chargee may, at its option, withhold from any advances for which the Chargor may have qualified such amounts as the Chargee, in its sole direction, considers advisable so as to ensure the priority of all advances over all liens arising under any construction lien legislation until such time as the Chargee is fully satisfied that all lien periods have expired and that there are no preserved or perfected liens outstanding. Nothing in this Charge shall be construed to make the Chargee an "owner" or "payer" as defined under any construction lien legislation, nor shall there be or be deemed to be any obligation by the Chargee to retain any holdback which may be required by the said legislation. Any holdback which may be required to be retained by the "owner" or "payer" pursuant to any construction lien legislation shall remain solely the Chargor's obligation. The Chargor hereby covenants and agrees to comply in all respects with the provisions of the construction lien legislation.

Bankruptcy and Insolvency Act

The Chargor hereby waives and releases any right that it may have to receive from the Chargee notice of intention to enforce security pursuant to subsection 244(1) of the Bankruptcy and Insolvency Act (Canada). This waiver and release shall not be deemed or interpreted to be a prior consent to earlier enforcement of a security within the meaning of subsection 244(2.1) of the said Act.
The Chargor hereby acknowledges and agrees that the security held by the Chargee is not all or substantially all of the inventory, accounts receivable or other property of the Chargor acquired for or used in relation to any business carried on by the Chargor. The Chargor hereby further acknowledges and agrees that notwithstanding any act of the Charges by way of appointment of any person or persons for the purposes of taking possession of the Lands as agent on behalf of the Chargor or otherwise or by taking possession of the Lands itself pursuant to any rights that the Chargor may have with respect thereto shall not constitute the Chargee or any such person, a receiver within the meaning of subsection 243(2) of the Bankruptcy and Insolvency Act (Canada), and that any and all requirements of Part XI of the said Act as it may pertain to obligations of receivers shall not be applicable to the Chargee with respect to the transaction pursuant to which this Mortgage has been given or with respect to enforcement of this Mortgage or any other security held by the Chargee. The Chargor hereby acknowledges and agrees that no action shall lie against the Chargee as a receiver and manager or otherwise for any loss or damage arising from noncompliance with any obligations of a receiver pursuant to the provisions of the Bankruptcy and Insolvency Act (Canada) whether or not the Chargee had reasonable grounds to believe that the Chargor was not insolvent.

The Chargor further acknowledges and agrees that any and all costs as may be incurred from time to time by the Chargee in order to effect compliance or avoid any adverse ramifications of the Bankruptcy and Insolvency Act (Canada) shall be entirely for the account of the Chargor. The Chargee shall be entitled to incur any such costs, including any costs of its personnel in administering any requirements of the said Act and to add the same to the indebtedness owing pursuant hereto and the same shall be secured hereunder and under any and all security held by the Chargee for the indebtedness owing to the Chargee in the same manner and in the same priority as the principal secured hereunder.

**Hazardous Substances**

The Chargor and the Guarantors jointly and severally represent, warrant, covenant and agree that:

(a) each has not and, to the best of their respective knowledge, information and belief after making due inquiry, no other person has caused or permitted any Hazardous Substances to be placed, stored, located or disposed of on, under or at the Lands, except in compliance with applicable laws;

(b) they and their tenants, invitees and other occupiers of the Lands have and will at all times and, to the best of their respective knowledge, information and belief after making due inquiry, all prior owners and occupiers of the Lands have at all times carried out all business and other activities upon the Lands in compliance with all applicable laws intended to protect the environment including, without limitation, laws respecting the discharge, emission, spill or disposal of any Hazardous Substances;

(c) no order, direction, enforcement action or other governmental or regulatory action or notice, nor any action, suit or proceeding relating to any Hazardous Substances or the environment has been issued or is otherwise threatened or pending with respect to the Lands;
(d) each of the representations and warranties set out herein shall remain true and accurate in all respects up to and including the date of the first advance of funds hereunder and thereafter until all amounts secured hereunder are paid in full; and

(e) the Chargee may delay or refuse to make any advance to the Charger if the Chargee believes that any of the representations and warranties set out herein were not true and accurate when made or at any time thereafter.

The Charger shall permit the Chargee to conduct, at the Charger’s reasonable expense, any and all tests, inspections, appraisals and environmental audits of the Lands so as to determine and ensure compliance with the provisions of this paragraph including, without limitation, the right to conduct soil tests and to review and copy any records relating to the Lands or the business and other activities conducted thereon at any time and from time to time.

The Charger and the Guarantor jointly and severally agree to indemnify and save harmless the Chargee and its officers, directors, employees, agents and shareholders from and against any and all losses, damages, costs and expenses of any and every nature and kind whatsoever which at any time or from time to time may be paid or incurred by or asserted against any of them as a direct or indirect result of:

(a) a breach of any of the representations, warranties or covenants hereinbefore set out;
(b) the presence of any Hazardous Substances in or under the Lands; or
(c) the discharge, emission, spill or disposal of any Hazardous Substances from the Lands into or upon the lands, atmosphere, any watercourse, body of water or wetland;

and the provisions of all representations, warranties, covenants and indemnifications set out herein shall survive the release and discharge of this Mortgage and any other security held by the Chargee and repayment and satisfaction of the loan secured by this Mortgage.

**Acceleration on Default Under Prior and/or Subsequent Mortgage**

If default be made by the Charger in the payment of an installment of principal or interest payable under a prior or subsequent mortgage, or in the observance or performance of any of the agreements, terms or provisions of such mortgage, the principal hereby secured shall, at the option of the Chargee, become due and payable immediately.

**Acceleration on Default Under Realty Taxes**

If default be made by the Charger in the payment of realty taxes, the principal hereby secured shall, at the option of the Chargee, become due and payable immediately.
Receivership

In the event due to a default of the Chargor on the Property, then the Chargee in addition to any other rights which it may have, shall be entitled to appoint a receiver manager or receiver, either privately or court appointed to manage the building and to do all things necessary as an owner would be entitled to do to sell the Property.

Without limitation, the purpose of such appointment shall be the orderly management, administration and/or sale of the Lands or any part thereof and the Chargor hereby consents to a court order for the appointment of such receiver or trustee. If the Chargee, in its discretion, chooses to obtain such an order, it may be obtained on the terms and for such purposes as the Chargee, in its sole discretion, may require, including, without limitation, the power to manage, mortgage, pledge, lease and/or sell the Lands and/or complete or partially complete any construction thereon and to receive advances of mortgage and other moneys pursuant to any mortgages, pledges and/or loans entered into by the receiver or trustee or the Chargor.

Upon the appointment of any such receiver or trustee from time to time, the Chargor covenants and agrees that the following provisions shall apply:

(a) a statutory declaration of an officer of the Chargee as to default under the provisions of these presents shall be conclusive evidence thereof; provided, however, that the Chargor shall not be prejudiced as a result of such statutory declaration from arguing that an event of default has not, in fact, occurred;

(b) every such receiver shall be the irrevocable agent or attorney of the Chargor (whose appointment, as such, shall be revocable only by the Chargee) for the collection of all rents falling due in respect of the Lands or any part thereof, whether in respect of any tenancies created in priority to the Mortgage or subsequent thereto;

(c) every such receiver may, at the discretion of the Chargee, be vested with all or any of the powers and discretions of the Chargor;

(d) the Chargee may from time to time fix the remuneration of every such trustee or receiver who shall be entitled to deduct same out of the Lands or the proceeds thereof;

(e) every, such Receiver shall, so far as concerns responsibility and liability for his acts and omissions, be deemed to be the agent or attorney of the Chargor and in no event the agent of the Chargee;

(f) the appointment of every such receiver or trustee by the Chargee shall not incur or create any liability on the part of the Chargor to the receiver or trustee or to the Chargor or to any other person, firm or corporation in any respect and such appointment or anything which may be done by any such receiver or trustee or the removal of any such receiver or trustee or the termination of any such receivership or trusteeship shall not have the effect of constituting the Chargee a mortgagee in possession in respect of the Lands or any part thereof.
(g) the receiver or trustee shall have the power to rent any portion of the Lands for such term and subject to such provisions as he may deem advisable or expedient, subject to the restrictions on leasing contained in any existing leases or agreements to lease affecting the Lands and, in so doing, such receiver or trustee shall be acting as the attorney or agent of the Chargor and shall have the authority to execute any lease of any such premises in the name and on behalf of the Chargor and the Chargor undertakes to ratify and confirm whatever acts such receiver may do in the Lands;

(3) every such receiver may make such arrangements at such time or times as it may deem necessary without the concurrence of any other persons for the repairing, finishing, adding to or putting in order the Lands, including, without restricting the generality of the foregoing, for the completion of the construction of any building or buildings or other erections or improvements on the Lands left by any chargor in an unfinished state or award the same to others to complete, notwithstanding that the resulting cost exceeds the principal sum heretofore set forth, and, in either of such cases, shall have the right to take possession of and use or permit others to use all or any part of the Chargor's materials, supplies, plans, tools, equipment (including appliances on the Lands) and property of every kind and description;

(1) every such receiver or trustee shall have full power to manage, operate, amend, repair or alter the Lands and the buildings and improvements thereon or any part thereof in the name of the Chargor for the purpose of obtaining rental and other income from the Lands or any part thereof;

(5) no such receiver shall be liable to the Chargor to account for moneys or damages, other than moneys actually received by him in respect of the Lands, and out of such moneys so received from time to time, every such receiver shall pay in the following order:

1. his remuneration aforesaid;

2. all obligations, costs and expenses made or incurred by him, including, but not limited to, any expenditures in connection with the management, operation, amendment, repair, construction or alteration of the Lands or any part thereof;

3. interest, principal and other moneys which may from time to time be or become charged upon the Lands in priority to the Mortgage and all taxes, insurance premiums and every other proper expenditure made or incurred by him in respect of the Lands or any part thereof;

4. to the Chargee all interest due or falling due under the Mortgage and the balance to be applied upon principal and other moneys due and payable to the Chargee and, at the option of the Chargee, to prepay principal hereunder; and
subject to the above, at the discretion of the receiver, interest, principal and other moneys which may from time to time constitute a charge or encumbrance on the Lands subsequent in priority or subordinate to the interest of the Chargor under this Mortgage,

and that such receiver shall, in his discretion, retain reasonable reserves to meet accruing amounts and anticipated payments in connection with any of the foregoing and, further, that any surplus remaining in the hands of every such receiver after payments made and such reasonable reserves retained as aforesaid shall be payable to the Chargor

The Chargor may at any time and from time to time terminate any such receivership by notice in writing to the Chargor and to any such receiver and if the Chargor has ceased for a period of two (2) months to be in default under this Mortgage, the Chargor may so terminate such receivership upon the request in writing of the Chargor and

cave as to moneys payable to the Chargor as set forth above, the Chargor hereby releases and discharges the Chargor and every such receiver from every claim of every nature, whether in damages for negligence or trespass or otherwise, which may arise or be caused to the Chargor or any person claiming through or under it by reason or as a result of anything done by the Chargor or any such receiver under the provisions of this Section, unless such claim be the direct and proximate result of bad faith or gross negligence.

The Chargor hereby irrevocably appoints the Chargor as his attorney to execute such consent or consents and all such documents as may be required, in the sole discretion of the Chargor and/or its solicitors, so as to give effect to foregoing provisions and the signature of such attorney shall be valid and binding on the Chargor and all parties dealing with the Chargor, the Chargor and/or the receiver or trustee and/or with respect to the Lands in same manner as if such documentation was duly executed by the Chargor himself.

Provided that, in the event of a monetary default only under the within Mortgage, a Receiver will not be appointed until such time as the Chargor has been in default for a thirty (30) day period.

Default

In addition to the events of default contained in the Standard Charge Terms forming part of the mortgage, the following events shall also constitute default under this Charge:

(a) if the Chargor defaults under any obligation to repay borrowed money, or in the performance or observance of any agreement, covenant or condition in respect of such borrowed money (whether with respect to the property described in this Charge or any other property and whether with respect to any obligation to the Chargor or any other person) and as a result, the maturity of such obligation is or may be accelerated:
(b) if the Chargor ceases or threatens to take steps to cease to carry on the operation of its business or a substantial part thereof;

(c) if the Chargor is dissolved, liquidated or wound up or an order is made or a resolution or other action is passed or taken by the Chargor for the dissolution, liquidation, winding-up or other termination of its corporate existence;

(d) if a receiver, receiver and manager, custodian, sequestrator, trustee, liquidator, inspector or agent or any other officer or person with similar powers is appointed for or of the Chargor or the lands or any part thereof and such appointment is not discharged within a period of fifteen (15) days from the date of such appointment;

(e) if a resolution is passed authorizing the Chargor to make, or the Chargor makes an assignment in bankruptcy or a proposal, or a petition for a receiving order is issued against the Chargor and such petition remains undismissed for a period of fifteen (15) days after the date of its issue, or the Chargor commits an act of bankruptcy, is adjudged a bankrupt or insolvent or takes the benefit of any present or future legislation providing for arrangements with creditors, or the Chargor proposes to its creditors a reorganization, arrangement, composition or readjustment of its debts or obligations;

(f) if any proceedings with respect to the Chargor are commenced under the Companies' Creditors Arrangement Act (Canada);

(g) if any representation or warranty of the Chargor contained herein or in any other agreement, instrument, commitment or document to which the Chargor and the Charges are parties or which has been provided to the Charges, is or becomes inaccurate, false or misleading, in a material way, as determined by the Chargee;

(h) if a bulk sales of all or a substantial part of its assets;

(i) if the lands or any material part thereof is seized by or taken into the possession of an encumbrancer or any execution, sequestration, extent or any other process of any other court is filed or registered or becomes enforceable against the Chargor or the lands;

(j) if in the opinion of the Chargee any material adverse change has occurred in the financial condition, ownership or operation of the Chargor or the lands;

(k) if there is a default by the Chargor under or pursuant to any agreement, document, instrument or writing which has been or which may hereafter be entered into by the Chargor in connection with the lands; or
(1) any action, suit, proceeding or other form of litigation is commenced against the Chargor or any guarantor of the indebtedness secured hereby.

Condominium Provisions

PROVIDED THAT if all or any part of the Lands is or becomes a condominium unit pursuant to the provisions of the Condominium Act, 1998, as amended, the following covenants and provisions shall apply in addition to all other covenants and provisions set forth in this Charge:

(a) For the purposes of all parts of the Lands comprising one or more such condominium units, all references in this Charge to the Lands shall include the Chargor's appurtenant undivided interest in the common elements and other assets of the Condominium Corporation:

(b) The Chargor shall at all times comply with the Condominium Act, 1998, as amended, and shall forward to the Charges proof of such compliance as the Charges may request from time to time including, without limitation, estoppel certificates issued by the Condominium Corporation; and if the Chargor fails to so comply in any respect, the Charges may do so at its option and all costs and expenses incurred by the Chargee in connection therewith shall be secured by this Charge and payable by the Chargor to the Chargee forthwith upon demand, together with interest thereon as herein provided;

(c) The Chargor shall pay, when due, all monies payable by the Chargor or with respect to the Lands in accordance with the provisions of the Condominium Act, 1998, as amended, and the declaration, by-laws and rules of the Condominium Corporation, including all required contributions to common expenses and any special levies, charges and assessments, and shall provide proof of such payment to the Chargee upon request; and if the Chargor fails to make any such payment, the Charges may do so at its option and all amounts so paid by the Chargee shall be secured by this Charge and shall be payable by the Chargor to the Chargee forthwith upon demand, together with interest thereon as herein provided;

(d) The Chargor hereby irrevocably appoints, authorizes and empowers the Chargee to exercise the rights of the Chargor in the event of a default under the Charge to vote or to consent as an owner within the meaning of the Condominium Act, 1998, as amended, with respect to all matters relating to the affairs of the Condominium Corporation, or to abstain from doing so, provided that:

(e) the Chargee may at any time and from time to time give notice in writing to the Chargor and to the Condominium Corporation that the Chargee does not intend to exercise such right to vote or to consent, in which case the Chargor may exercise its right to vote or to consent for so long as such notice remains effective or until such notice is revoked by the Chargee; and any such notice may be for an indeterminate period of time, a limited period of time or for a specific meeting or matter;
The Cbargee snail not be under any obligation to vote or to consent or to protect the interests of the Chargor; and

(iii) the exercise by the Chargor of its right to vote or to consent or to abstain from doing so shall not constitute the Chargor as a mortgagee or Chargor in possession and shall not give rise to any liability on the part of the Chargor;

(e) The Chargor shall forward to the Chargor by delivery or by prepaid registered mail copies of every notice, assessment, claim, demand, by-law, rule, request for consent and other communication relating to all or any part of the Lands or the common elements or affairs of the Condominium Corporation on or before the date which is the earlier of:

(i) fourteen (14) days after receipt of the same by the Chargor;

(ii) seven (7) days prior to the date set for any meeting of the Condominium Corporation or any committee thereof;

(iii) seven (7) days prior to the due date of any claim or demand for payment; and

(iv) within twenty-four (24) hours after becoming aware of any information concerning termination of any insurance policy, insurance trust agreement or management agreement relating to the Condominium Corporation or any of its assets;

(f) The Chargor hereby authorizes and directs the Condominium Corporation to permit the Chargor to inspect the records of the Condominium Corporation at any reasonable time during business hours;

(g) In addition to and notwithstanding any other provisions of this Charge, the outstanding principal amount and all accrued interest and other charges secured by this Charge shall, at the Chargor's option, become immediately due and payable with notice or demand if any of the following events or circumstances shall occur and be continuing:

(i) the government of the Condominium Corporation or the government of the Lands by the Condominium Corporation is terminated;

(ii) a vote of the Condominium Corporation authorizes the sale of all or substantially all of its property or assets or all or any part of its common elements or all or any part of the Lands, or any part of the same is expropriated;

(iii) the Condominium Corporation fails to comply with any provision of the Condominium Act, 1998, as amended, or its declaration or any of its by-laws and rules and such failure is not remedied within time permitted to remedy same;
(iv) the Condominium Corporation fails to insure its assets, including the Lands, in accordance with the Condominium Act, 1996, as amended, and the declaration and by-laws of the Condominium Corporation, or any insurer thereof cancels or threatens cancellation of any existing obligation to insure the same; and

(b) Notwithstanding the foregoing, the Chargor acknowledges that the condominium corporation intended to be created upon the Lands is a vacant land condominium corporation and the applicable provisions of the Condominium Act shall apply thereto.

GUARANTORS' CLAUSE

Musa Suleman, Naheed Suleman and HUSH Inc., collectively the Guarantors, in consideration of such advance or advances as the Chargor may make under this Mortgage and in consideration of the sum of ONE DOLLAR ($1.00) now paid to him by the Chargor, the receipt whereof is hereby acknowledged:

1. Hereby covenant and agree jointly and severally, with the Chargor, as principal debtor and not as surety, to well and truly pay or cause to be paid to the Chargor the principal money, interest, taxes and all other moneys which the Chargor has by this Mortgage covenanted to pay to the Chargor or which are secured by this Mortgage or intended so to be secured, the said payments to be made on the days and times and in the manner provided for in this Mortgage;

2. Hereby further covenant and agree jointly and severally, to keep, observe and perform the covenants, terms, provisions, stipulations and conditions of this Mortgage which are to be kept, observed and performed by the Chargor and at all times to indemnify, protect and save harmless the Chargor from all loss, costs and damage in respect of the advances of the Mortgage money and every manner and thing contained in this Mortgage;

3. Further agree that the Chargor may from time to time without notice to him extend the time for payment of all moneys secured by this Mortgage, amend the terms and times of payment and the rate of interest with respect to the said moneys refrain from enforcing payment of the said moneys, release any portion or portions of the Lands and waive or vary any of the covenants and conditions in this Mortgage to be kept observed and performed by the Chargor and grant any indulgence to the Chargor in respect of any default by the Chargor which may arise under this Mortgage, and that notwithstanding any such act by the Chargor, the Guarantors shall jointly and severally be bound by the provisions of this Mortgage until all of the moneys secured under this said Mortgage shall have been fully paid and satisfied;
4. Further acknowledge that the Chargee may at any time grant or refuse any additional credit to the Charger, accept or release or renounce any collateral or other security, administer or otherwise deal with the land and premises described in this Mortgage, take an assignment of the rentals with respect to the said lands and premises and apply any and all monies at any time received from the Charger or from any other person or from the proceeds of any securities given in connection with this Mortgage in any manner the Chargee may deem appropriate. The Chargee may also utilize any and all insurance proceeds in reduction of the principal monies and interest secured, by this Mortgage or for the refurbishing of the lands and premises or in any other manner that the Chargee may in its absolute discretion deem advisable.

5. Agree that all of the matters mentioned herein may be performed by the Chargee without notice to the Guarantors, without releasing or in any way modifying, altering, varying or in any way affecting the liability of the Guarantors hereunder; and

6. Agree that all of the covenants and agreements of the Guarantors contained herein shall be binding upon them and their respective heirs, executors, administrators, and assigns jointly and severally and shall accrue to the benefit of the Chargee, its successors and assigns and that their liability as Guarantors hereunder and the liability of their executors, administrators and assigns shall be joint and several.

Witness:
HUSH INC.
Per:

Name: Naheed Suleman
Title: President

"I have the honor to head the Corporation."

Witness:
NAHEED SULEMAN / Guarantor

Witness:
MUSA SULEMAN / Guarantor

L:\Frai\ZAFER\AJS\1271\Additional Charge Provisions 03 17 2012.pdf
THIS IS EXHIBIT "N" REFERRED TO IN THE
TRIAL AFFIDAVIT OF RUSS GIANNOTTA
SWORN BEFORE ME THIS 12 DAY OF FEBRUARY, 2015.

A Commissioner, etc.

Ronald Birken
## Amounts Owing to Diversified Capital

### Diversified : Thorny Brae 2nd Mortgage

as at December 1, 2014

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E.& O.E.
Amounts Owing to Diversified Capital  
Diversified: Thorny Brae 3rd Mortgage  
as at December 1, 2014

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<td>Int Rate</td>
<td>Monthly Int</td>
<td>Cumulative Int &amp; Principal</td>
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<td>37,393.52</td>
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</tbody>
</table>

E. & O.E.
THIS IS EXHIBIT "O" REFERRED TO IN THE TRIAL AFFIDAVIT OF RUSS GIANNOTTA SWORN BEFORE ME THIS 10th DAY OF FEBRUARY, 2015.

A Commissioner, etc.

Ronald B. Biker
<table>
<thead>
<tr>
<th>Date</th>
<th>Event Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aug 2011</td>
<td>1st mortgage 5,550,000 to Diversified re land loan to Thorny Brae</td>
</tr>
<tr>
<td></td>
<td>Amendment 1,400,000 Loan increased by $1.4M taken as consideration Aug 2012 for partial discharges for lots 13 &amp; 1 at Silverthorn Mills. Debtor did not have net proceeds to be paid to Diversified for these discharges.</td>
</tr>
<tr>
<td></td>
<td>Increase for partial discharges for lots 13 &amp; 1 at Silverthorn Mills. Debtor did not have net proceeds to be paid to Diversified for these discharges. Appropriate postponements/standstill agreements were obtained at this time from subsequent mortgage.</td>
</tr>
<tr>
<td></td>
<td>Total Principal Amount of the Loan as at Aug 2012 and onward 6,950,000</td>
</tr>
<tr>
<td>May 7, 2013 NOS issued</td>
<td></td>
</tr>
<tr>
<td></td>
<td>6,950,000 Principal outstanding being carried forward In June 2013 Silverthorn refinances its construction loan with Marshall Zehrs and asks for a discharge amount.</td>
</tr>
<tr>
<td></td>
<td>4,500,000 Amount Receives at time of Discharge June 2013 from refinancing by Marshall Zehrs.</td>
</tr>
<tr>
<td></td>
<td>5,100,000 Total Discharge Amount per discharge statement Jan 1, 2013 $5,099,049.96 rounded to $5,100,000</td>
</tr>
<tr>
<td></td>
<td>- 1,400,000 Application of credit: $1,400,000 regarding amount of consideration received increase in Diversified 1st mortgage at Thorny Brae Aug 2012.</td>
</tr>
<tr>
<td></td>
<td>3,700,000 Net Discharge Amount 800,000 Credit owing to Debtor, &quot;Silverthorn Credit&quot;</td>
</tr>
<tr>
<td></td>
<td>450,000 1st Payment on account of Silverthorn Credit</td>
</tr>
<tr>
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<td>250,000 2nd Payment on account of Silverthorn Credit</td>
</tr>
<tr>
<td></td>
<td>100,000 Accounted for as a reduction to the Diversified 1st mortgage at Thorny Brae</td>
</tr>
<tr>
<td></td>
<td>6,850,000 Total Debt a/s at Thorny Brae from June 2013 onward upon which interest is properly calculated.</td>
</tr>
<tr>
<td></td>
<td>- 100,000 The overall debt is reduced by $100K</td>
</tr>
<tr>
<td></td>
<td>- Overpayment / Silverthorn Credit is fully accounted for.</td>
</tr>
</tbody>
</table>
IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR ARRANGEMENT OF HUSH HOMES INC., HUSH INC., 2122763 ONTARIO INC. AND 2142301 ONTARIO INC.
(collectively, the "Applicants")

ONTARIO
SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST
Proceeding commenced at TORONTO

DIVERSIFIED CAPITAL INC.
TRIAL AFFIDAVIT RECORD
(TRIAL DATE MARCH 12, 2015)

Garfinkle Biderman LLP
1 Adelaide Street East, Suite 801
Toronto, ON M5C 2V9

Ronald Birken  L.S#: 11798A
Tel: 416.869.7616
Fax: 416.869.0547

Lawyers for Diversified