



6B St. Paul Blvd.
West St. Paul, MB R2P 2W5

REINFORCING STEEL SPECIALISTS

To whom it may concern,

The following company Gateway Projects & 6332189 Manitoba LTD have no outstanding invoices with Mid Canada Reinforcing Inc. The account has been paid in full as of December 2021. Please call or email if more information is needed.

Regards,

Mid Canada Reinforcing Inc

A/P A/R

sonny@midcanadarebar.com

Sonny Mignacca

T e l : 3 3 8 - 6 0 7 0

F a x : 3 3 8 - 6 0 7 1

This is Exhibit "E" referred to in the
affidavit of Scott W. Cannon
Sworn before me this 8th day of
August, 2023.



A Barrister-at-Law and for the
Province of Manitoba.

File Summary

Registry No : 6945148
Entity Name : BOKHARI DEVELOPMENT INC.

As of : 16-Jun-2023

Entity Name : BOKHARI DEVELOPMENT INC.
Registry No : 6945148
Business No : 806491775MC0001
Current Status : Active (Revived)

Entity Type : BUSINESS CORPORATION
Entity Sub Type : MB SHARE CORPORATION

Incorp/Amalg Date : 18-Jun-2014
Home Jurisdiction : MANITOBA
Annual Return/Renewal Date : 31-Jul-2023
Year of Last A/R - Renewal : 2022
Nature of Business : CONSTRUCTION
NAICS Code : 23

Registered Office Address :
Effective date, if changing address : 01-Feb-2021
Address : KNIGHT LAW OFFICE, 202 - 900 HARROW ST. E.
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3M 3Y7

Mailing Address :
Name :
Address : KNIGHT LAW OFFICE, 202 - 900 HARROW ST. E.
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3M 3Y7
Attention : DONALD R. KNIGHT

Director Information :
Name : BOKHARI, MOHAMMED
Address : PO BOX 238, 60121 BRIARCLIFF ROAD
City/Province : DUGALD, MB
Country/Postal Code : CANADA, R0E 0K0
Name : BOKHARI, SYED
Address : PO BOX 238, 60121 BRIARCLIFF ROAD
City/Province : DUGALD, MB
Country/Postal Code : CANADA, R0E 0K0
Date Became : 24-Dec-2020
Name : SHAVER, DARCY
Address : 87 LAKESHORE ROAD
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3T 4A6

Officer Information :

Name : BOKHARI, MOHAMMED
Address : PO BOX 238, 60121 BRIARCLIFF ROAD
City/Province : DUGALD, MB
Country/Postal Code : CANADA, R0E 0K0
Position Held as Officer : VICE-PRESIDENT

Name : BOKHARI, SYED
Address : PO BOX 238, 60121 BRIARCLIFF ROAD
City/Province : DUGALD, MB
Country/Postal Code : CANADA, R0E 0K0
Position Held as Officer : PRESIDENT

Name : SHAVER, DARCY
Address : 87 LAKESHORE ROAD
City/Province : WINNIPEG, MB
Country/Postal Code : CANADA, R3T 4A6
Position Held as Officer : SECRETARY

Shareholders Information (holders of 10% or more of Issued Voting Shares) :

Name : SHAVER, DARCY
Class Name : COMMON
Shares Held : 200.00

Share Structure :

Class	Authorized Number
COMMON	UNLIMITED

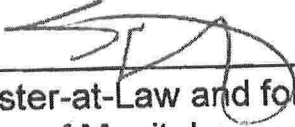
Shares are distributed to the public : No

Event History :

<u>Event</u>	<u>Date :</u>	<u>Filing Year :</u>
DIS BY BRANCH	21-Oct-2016	
FILINGS RECORDED IN THE PREVIOUS SYSTEM ARE NOT INCLUDED		
REVIVAL	18-May-2018	
ANNUAL RETURN	18-May-2018	2015
ANNUAL RETURN	18-May-2018	2016
ANNUAL RETURN	18-May-2018	2017
CHANGE OF REGISTERED OFFICE	18-May-2018	
ANNUAL RETURN (Filed on the Web)	28-May-2019	2018
ANNUAL RETURN (Filed on the Web)	10-Jul-2019	2019
COMPLIANCE STATUS - DEFAULT	24-Aug-2020	
CHANGE OF SHAREHOLDERS (Filed on the Web)	06-Jan-2021	
CHANGE OF DIRECTORS/OFFICERS (Filed on the Web)	08-Jan-2021	
ANNUAL RETURN (Filed on the Web)	15-Jan-2021	2020
CHANGE OF SHAREHOLDERS (Filed on the Web)	15-Jan-2021	
CHANGE OF DIRECTORS/OFFICERS (Filed on the Web)	15-Jan-2021	
CHANGE OF SHAREHOLDERS (Filed on the Web)	09-Feb-2021	
CHANGE OF SHAREHOLDERS (Filed on the Web)	25-Feb-2021	
CHANGE OF REGISTERED OFFICE (Filed on the Web)	25-Feb-2021	
CHANGE OF MAILING ADDRESS (Filed on the Web)	25-Feb-2021	
COMPLIANCE STATUS - DEFAULT	23-Aug-2021	
ANNUAL RETURN (Filed on the Web)	23-Sep-2021	2021
ANNUAL RETURN (Filed on the Web)	19-Jul-2022	2022

The accuracy of this information is not guaranteed. In particular, it is possible that certain filings have been received which have not yet been updated onto the system. You should consult original documents or obtain appropriate certificates when you need to be certain of information.

This is Exhibit "F" referred to in the
affidavit of Scott W. Cannon
Sworn before me this 8th day of
August, 2023.



A Barrister-at-Law and for the
Province of Manitoba.

Tuesday, August 8, 2023 at 08:28:41 Central Daylight Time

Subject: FW: Darcy Shaver
Date: Friday, August 4, 2023 at 2:52:06 PM Central Daylight Saving Time
From: Scott Cannon
To: Stephan Thliveris
Attachments: image001.png
Found it.

Regards,

Scott W. Cannon



Construction and Commercial Lawyers

1430 - 363 Broadway, Winnipeg, Manitoba, R3C 3N9

Direct: 204-289-1524 | Office: 204-289-1523 | Fax: 204-289-1520

www.htlaw.ca

*providing services on behalf of S.W.Cannon Law Corporation

From: Janice Finnson <jfinnson@hillcounsel.com> **On Behalf Of** Dave Hill
Sent: Friday, July 14, 2023 10:58 AM
To: Scott Cannon <swc@htlaw.ca>
Cc: rbokhari@bswlaw.ca; sgbokhari@icloud.com
Subject: Darcy Shaver

Further to our telephone conversation a few minutes ago, let me re-state what I indicated to you over the phone.

By the end of the day, your client must provide an authorization to Don Knight, given that your client has now agreed to release Draw 21.

My understanding is that Mr. Knight's requirements for the payment to Syed Bokhari are as follows:

1. \$40,000.00 is to be payable to Gateway Construction;
2. The balance of the funds for Draw 21 is for Syed Bokhari to pay off the mortgage payment owing. In fact, I understand he will have to put up \$15,000-\$20,000 of his own money to make up the shortfall.

It is imperative that I receive the authorization from your client as I said, by the end of the day today, but the earlier the better.

Dave Hill*

Hill Sokalski Walsh LLP
Phone: 204-954-0750
Fax: 204-943-3934

* services provided by Dave Hill Law Corporation

This e-mail is confidential and subject to solicitor/client privilege. If the reader is not the intended recipient or the agent thereof, you are hereby notified that any dissemination, distribution or copying of this e-mail is strictly prohibited. If you have received this e-mail in error, please notify us immediately. Thank you.

This is Exhibit "G" referred to in the
affidavit of Scott W. Cannon
Sworn before me this 8th day of
August, 2023.



A Barrister-at-Law and for the
Province of Manitoba.

Tuesday, August 8, 2023 at 10:09:41 Central Daylight Time

Subject: RE: Darcy Shaver
Date: Monday, July 17, 2023 at 10:37:52 AM Central Daylight Saving Time
From: Scott Cannon
To: Dave Hill
CC: rbokhari@bswlaw.ca, sgbokhari@icloud.com, Darcy Shaver, Stephan Thliveris, don.knight@knightlaw.ca
Priority: High
Attachments: image001.png, Bldr Lien_1229156_3.pdf, Fwd: Peoples Trust Company - 1801 - 1825 Park Drive, Portage la Prairie [LAW-TDS.FID2069.eml]

All,

Mr. Shaver is prepared to authorize the release of Draw 21 on the following conditions:

1. Draw 21 be released directly to Peoples Trust to make payment on the interest owed for this month. Any shortfall, if present, be paid by Mr. Bokhari to Mr. Knight who will then remit same to Peoples Trust;
2. That the \$40,000.00 be remitted to Gateway upon provision of outstanding invoices owed to subcontractors, and that specific trust conditions and direction be given to Gateway to make payment to those same subcontractors, and to provide an accounting upon payment back to Mr. Knight, to be shared with counsel for Mr. Shaver and Mr. Bokhari.

Mr. Shaver has been contacted by many subcontractors as to their non-payment by Gateway, for this payment as well as past payments. This has caused concern as to whether the money already advanced to Gateway has been properly used to pay for the labour and materials provided on the Project. As such, it is Mr. Shaver's position that there be some inspection as to the funds previously paid to Gateway for the purposes of this Project hereafter seeing as there is a discrepancy between what has been completed, what has been paid, and the claims of non-payment to subcontractors that should have been dealt with.

As Mr. Bokhari is also a shareholder and interested party in the construction and completion of this Project, it would be logical that he would be interested in making sure that the Project is on budget, that Gateway is utilizing the construction draws in accordance with the Builders Liens Act, and that the statutory declarations that are being given by Gateway are in fact, true.

We can advise that a builders lien has been filed by Gateway in the amount of \$2,573,550.00, which is outrageous and inaccurate seeing as the last email from you Dave would indicate that Gateway is only seeking around 159k payment for services. As such, this is another example of Gateway being untrustworthy and needing to be reviewed as the GC on this project. It is proposed that a thirty day notice be issued to Gateway to prove their lien claim.

As such, I believe that a conference call should be scheduled between the parties, Don Knight and Counsel for Peoples Art Stacey in order to discuss the current state of affairs for this

Project. To continue at status quo is unacceptable and negligent. I would hope that it is understandable that time is of the essence on this and that a response to the aforementioned and availability for a call is provided. Documents are needed to be reviewed, an accounting performed and a resolution to how this Project is being handled needs to be reached. Moving on any level of litigation only causes the parties and Project delay and money, no matter how you spin it.

Scott W. Cannon



Construction and Commercial Lawyers

1430 - 363 Broadway, Winnipeg, Manitoba, R3C 3N9

Direct: 204-289-1524 | Office: 204-289-1523 | Fax: 204-289-1520

www.htlaw.ca

From: Janice Finnson <jfinnson@hillcounsel.com> **On Behalf Of** Dave Hill
Sent: Friday, July 14, 2023 10:58 AM
To: Scott Cannon <swc@htlaw.ca>
Cc: rbokhari@bswlaw.ca; sgbokhari@icloud.com
Subject: Darcy Shaver

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1. \$40,000.00 is to be payable to Gateway Construction;
2. The balance of the funds for Draw 21 is for Syed Bokhari to pay off the mortgage payment owing. In fact, I understand he will have to put up \$15,000-\$20,000 of his own money to make up the shortfall.

It is imperative that I receive the authorization from your client as I said, by the end of the day today, but the earlier the better.

Dave Hill*
Hill Sokalski Walsh LLP
Phone: 204-954-0750
Fax: 204-943-3934

* services provided by Dave Hill Law Corporation

This e-mail is confidential and subject to solicitor/client privilege. If the reader is not the

intended recipient or the agent thereof, you are hereby notified that any dissemination, distribution or copying of this e-mail is strictly prohibited. If you have received this e-mail in error, please notify us immediately. Thank you.

This is Exhibit "H" referred to in the
affidavit of Scott W. Cannon
Sworn before me this 8th day of
August, 2023.



A Barrister-at-Law and for the
Province of Manitoba.

T D S

THOMPSON
DORFMAN
SWEATMAN

Writer's Name Melanie M. LaBossiere
Direct Telephone 204-934-2508
E-mail Address mml@tdslaw.com
Direct Fax 204-934-0538

August 3, 2023

VIA REGISTERED MAIL

Bokhari Development Inc.
202-900 Harrow Street East
Winnipeg MB R3M 3Y7

Darcy Shaver
87 Lakeshore Road
Winnipeg MB R3T 4A7

Attention: Darcy Shaver

Re: Peoples Trust Company
Construction Loan and Mortgage No. 52686
Our Matter No. 0202363 RAM

We are the lawyers for Peoples Trust Company ("Peoples") with respect to the above-noted matter.

As you are aware, Peoples previously entered into a loan agreement for the principal sum of \$32,815,800.00 with Bokhari Development Inc. ("Bokhari") pursuant to a Commitment Letter dated June 29, 2021 and Mortgage No. 1217450/3 (the "Mortgage") in connection with the property commonly known as 1801-1825 Park Drive, Portage la Prairie, Manitoba (the "Property").

In connection with this Mortgage, Bokhari also provided Peoples with, among other things a General Security Agreement dated August 30, 2021 (the "GSA"), covering all of Bokhari's present and after-acquired property, both real and personal.

Pursuant to the guarantee dated August 30, 2023 (the "Guarantee"), Mr. Darcy Shaver also jointly and severally, absolutely, irrevocably and unconditionally guaranteed the full satisfaction and payment by Bokhari of the indebtedness owing to Peoples under the Mortgage. Given the Guarantee, we are also writing to demand payment from Mr. Shaver in his capacity as guarantor in accordance with their obligations under the Guarantee.

We are advised by Peoples that Bokhari is in default of its obligations to Peoples, including but not limited to, failing to make interest payments due and owing to Peoples pursuant to the loan agreement and Mortgage in the amount of \$120,928.90, ceasing work on the construction project (the "Project") at the Property, failing to obtain sufficient bonding, and holding up draws in connection with the Project.

Peoples has serious concerns regarding the management of the Project. Peoples expects that all necessary steps will be taken to resume work on the Project, obtain acceptable

bonding, address construction liens and sign off on required draws in order to allow the Project to continue. The continued failure of Bokhari and/or Mr. Shaver to fulfill these obligations under the loan agreement and Mortgage have put People's security at risk. This is unacceptable to Peoples and requires Bokhari take immediate action to remedy these defaults.

As a result of the aforesaid defaults, Peoples is hereby demanding payment in full of all amounts owing to Peoples by Bokhari pursuant to the aforesaid loan agreement. In addition, by way of this correspondence, Peoples is also demanding payment from Mr. Shaver in his capacity as guarantor of all of the indebtedness of Bokhari to Peoples under the Mortgage.

As at August 3, 2023, the amount due and owing to Peoples with respect to the Mortgage was \$21,357,445.26. Interest, costs and other fees also continue to accrue on this amount from August 3, 2023 in accordance with the terms of the aforementioned loan agreement.

Payment in full of all the indebtedness owing to Peoples is required to be made within ten (10) business days of this letter. To the extent you intend to voluntarily make payment of the amount due and owing, we would ask that you contact our office so that we can obtain an exact payout figure as at the time of the proposed payment.

If payment is not made as demanded, Peoples reserves the right to proceed with any and all remedies available to it at law including, *inter alia*, the commencement of legal proceedings in the Manitoba Court of King's Bench against the individual guarantor, and the enforcement of the security held against the assets of Bokhari. In furtherance of the potential enforcement of that security, we enclose a Notice of Intention to Enforce Security pursuant to s. 244 of the *Bankruptcy and Insolvency Act* addressed to Bokhari.

Yours truly,

THOMPSON DORFMAN SWEATMAN LLP

Per:


Melanie M. LaBessiere

MML
Encls.

cc. Brian Jahoor, Peoples Trust Company, *via email*
Don Knight, lawyer for Bokhari, *via email*
Scott Cannon, lawyer for Mr. Shaver, *via email*

NOTICE OF INTENTION TO ENFORCE SECURITY
(BANKRUPTCY AND INSOLVENCY ACT, R.S.C, 1985, c. B-3, as amended)

TO: BOKHARI DEVELOPMENT INC.
 202-900 Harrow Street East
 Winnipeg MB R3M 3Y7

being an insolvent person.

TAKE NOTICE THAT:

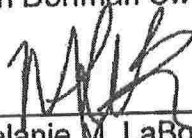
1. PEOPLES TRUST COMPANY, Suite 1310-95 Wellington St. W, Toronto, Ontario M5J 2N7 ("Peoples"), intends to enforce its security on the insolvent person's property, as described below:
 - (a) All of the insolvent person's present and after-acquired undertaking and property, both real and personal, as set out in the security agreements and documentation referred to below, including as against the real property owned by the insolvent person BOKHARI DEVELOPMENT INC. as represented by Title No. 3015541/3.
2. The security that is to be enforced is the following:
 - (a) General Security Agreement dated August 30, 2021 in favour of Peoples, providing Peoples with a security interest over all property now held or in the future held by the insolvent person, as registered in the Manitoba Personal Property Registry as Financing Statement No. 202116517401 on September 14, 2021; and
 - (b) Mortgage No. 1217450/3 in favour of Peoples in the stated principal amount of \$32,815,800.00 as registered against the real property currently represented by the following title number: Title No. 3015541/3
 - (c)

3. The total amount of indebtedness secured by the security as at August 3, 2023 is \$21,357,445.26 plus all further interest, costs, fees and other amounts due to Peoples pursuant to the terms and conditions of the applicable credit and security agreements between Peoples and the insolvent person.
4. Peoples 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 insolvent person(s) consent to an earlier enforcement.

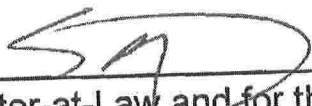
DATED at the City of Winnipeg, in the Province of Manitoba, this 3rd day of August, 2023.

PEOPLES TRUST COMPANY,
by its solicitors and agents
Thompson Dorfman Sweatman LLP

Per: _____


Melanie M. LaBosliere

This is Exhibit "I" referred to in the
affidavit of Scott W. Cannon
Sworn before me this 8th day of
August, 2023.



A Barrister-at-Law and for the
Province of Manitoba.

Scott Cannon

From: Darcy Shaver <darcy_shaver@hotmail.com>
Sent: July 21, 2023 9:43 PM
To: Scott Cannon;
Subject: Fwd: Signed Portage la Prairie commitment
Attachments: signed commitment on Portage La Prairie.pdf

From: jeff approvedfinancing.ca <jeff@approvedfinancing.ca>
Sent: Friday, July 2, 2021, 4:15 PM
To: Don Knight <don.knight@knightlaw.ca>
Cc: Syed Bokhari <sgbokhari@icloud.com>; Syed Bokhari <sgbokhari@hotmail.com>; moebok1980@gmail.com <moebok1980@gmail.com>; 'Darcy Shaver' <darcy_shaver@hotmail.com>
Subject: FW: Signed Portage la Prairie commitment

Good afternoon Don

As you can see , the lender asked point blank if there is a beneficial owner. Darcy and Syed have an agreement in place that they both own this project. If we state this to the lender then we will lose the commitment.

We need some other legal document that doesn't state a beneficial owner to Syed for now. Perhaps an agreement to share the equity with Syed as a management company offering . Basically giving Syed 50% of the project equity due to his involvement in project management to completion. This means that the shares would have be released back to Darcy under no beneficial owner situation but a concrete deal and binding, that allows Syed to receive the same benefit as a beneficial owner (as best as we can).

This is going to be extremely important as part of this deal for Syed so he feels secure and to darcy so he can complete the transaction with the lender without misrepresentation to the lender.

Please advise

Thanks

Jeff

Jeff Silverstein, AMP

President
Approved Financing Centre
222 Osborne St North
Winnipeg, MB R3C 1V4
Cell: 204.793.9013
Office: 204.772-5960/1-866.595.5557
Fax: 204.772.6762/866.595.4440

From: jeff approvedfinancing.ca
Sent: Friday, July 2, 2021 4:04 PM
To: 'Darcy Shaver' <darcy_shaver@hotmail.com>; Alexander Durand <adurand@mcommercial.ca>; Don Knight <don.knight@knightlaw.ca>
Subject: Signed Portage la Prairie commitment

Good afternoon Alex

Please see signed commitment

Darcy is on this email and he will confirm that the attached has been signed off by himself

Alex , please confirm receipt of this signed commitment.

Darcy is at the lake now and will not be back until late Tuesday.

Could he wire the funds on Wednesday. This is one day later than the commitment states

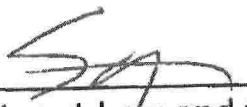
Please advise

Thanks

Jeff

Jeff Silverstein, AMP
President
Approved Financing Centre
222 Osborne St North
Winnipeg, MB R3C 1V4
Cell: 204.793.9013
Office: 204.772-5960/1-866.595.5557
Fax: 204.772.6762/866.595.4440

This is Exhibit "J" referred to in the
affidavit of Scott W. Cannon
Sworn before me this 8th day of
August, 2023.



A Barrister-at-Law and for the
Province of Manitoba.



Name:	Bokhari Development Inc (Bare Trustee/Agent) <i>DS</i>
Address:	
Business Tel. No.:	
Mobile No.:	
Email:	
Fax. No.:	
Loan No.	52686
Agent / Broker:	Name: Alex Durand Business Tel. No.: 514-240-2716 Email: adurand@mcommercial.ca

Eastern Office
Fax: (416) 368-3328
Email: darrylm@peoplestrust.com

**COMMITMENT LETTER
MULTI-FAMILY CONSTRUCTION
(CMHC Insured)**

Date of Commitment: June 29, 2021

Peoples Trust is pleased to confirm that a FIRST mortgage loan has been approved on the terms set out in this Commitment Letter and on any attached schedules or forms.

Borrower(s)		Bokhari Development Inc (Bare Trustee/Agent)					
Covenantor(s) / Guarantor(s)		Darcy Shaver					
Loan Amount	\$31,600,000.00	Annual Interest Rate	See Part "A" Definitions	Monthly Payment	See Part "B" General Conditions	First Payment Date	Sep-1-2021
CMHC Premium	\$1,185,000.00	Term	Construction 20 months (no later than March 30, 2023)	Estimated Annual Taxes	TBD	Balance Due Date Maturity	Mar-30-2023
CMHC Application Fee	\$30,800.00						
Gross Loan Amount	\$32,815,800.00	Interest Adjustment Date	August 1, 2021				
COI No.	23270175	COI Expiry	December 16, 2021				
Lands to be Mortgaged (the Lands)		Civic Address			Legal Description		
		1801 - 1825 Park Drive, Portage la Prairie, Manitoba			Lots 1&2, Block 1, Plan 1810		
Loan Purpose		To assist with the construction of an apartment complex.		Funding Date (Estimate)		July 30, 2021	
				Expiry Date of Commitment Letter		December 16, 2021	

peoplesgroup.com

HEAD OFFICE
Suite 1400 - 888 Dunsmuir St.
Vancouver, BC V6C 3K4
Tel: 604-683-2881

PRAIRIE OFFICE
Suite 955 - 808-4th Ave. SW
Calgary, AB T2P 3E8
Tel: 403-237-8975

EASTERN OFFICE
Suite 1310 - 95 Wellington St. W
Toronto, ON M5J 2N7
Tel: 416-368-3266

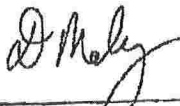
ACCEPTANCE AND COMMITMENT:

This Commitment, at the option of the Lender shall be null and void unless:

- a) The Borrower and each Covenantor(s) accept the terms of this Commitment and pay all required fees to the Lender's office by July 6, 2021; and
- b) The Borrower has complied with all conditions of this Commitment, to the satisfaction of the Lender and its appointed legal counsel, all Security Documents have been executed and where necessary, registered, and the first advance made by the Expiry Date; and
- c) **Benefit of Loan Funds:**
The Borrower represents, warrants and covenants that all advances (or re-advances if applicable) under this Loan will be for the sole account, benefit and use of the Borrower for the purposes stipulated in this Commitment Letter, unless the Lender provides its approval in writing that advances (or re-advances if applicable) may be for the account, benefit and use of a party other than the Borrower, which approval may be unreasonably withheld at the Lender's sole discretion.

Yours truly,

PEOPLES TRUST COMPANY



Darryl Morley
Account Manager, Commercial Banking - Eastern Canada

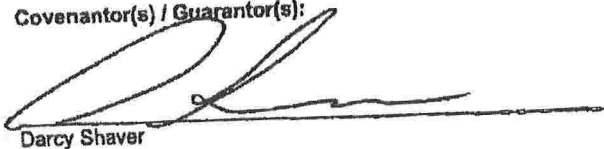
The Borrower(s) and Covenantor(s) / Guarantor(s) accept the terms of this Commitment this 2nd day of July, 2021 and pay the Commitment Fee in the sum of \$82,040 to the Lender.

We also authorize Peoples Trust Company to obtain credit information on the borrower and guarantors from sources they deem necessary and covenant to promptly provide such further information requested by Peoples Trust Company to process this loan.

Borrower(s):


Bokhari Development Inc (Bare Trustee/Agent) DS.

Covenantor(s) / Guarantor(s):


Darcy Shaver

Borrower's Initials DS.
Borrower's Initials _____

PART "A" – DEFINITIONS

For the purposes of this Commitment Letter the following terms, when capitalized, have the meanings assigned thereto:

Commitment Fee means the sum of \$82,040 paid to the Lender pursuant to Part D of this Commitment Letter.

Commitment Letter means this letter and includes any amendments and attachments.

Business Day means every day of the week except Saturdays, Sundays and statutory holidays.

CMHC means Canada Mortgage and Housing Corporation.

CMHC Certificate of Insurance means the certificate and special conditions issued by CMHC setting out the terms and conditions under which the Loan is insured.

Credit Bureau means a report prepared by a credit reporting agency. The borrower(s), guarantor(s) and covenantor(s) hereby consent that the Lender may verify or reverify any information contained in the loan application at any time during the term of this loan or any subsequent renewals, and if applicable, both before and after default, and after judgement, request and receive a Credit Bureau from a reporting agency.

Discharge Fee means the Lender will charge a discharge fee of \$250.00 for each unit being paid out of sale proceeds.

Inspection Fee means \$0.00.

Letter of Credit Setup Fee means the Lender will charge the Borrower an annual fee equal to 1% of the dollar value of the Letter of Credit. Any subsequent amendment to the Letter of Credit will be subject to \$250.00 amendment fee.

Interest Rate During Construction means an annual interest rate equal to the prime rate of the Bank of Montreal in effect from time to time during the term of the Loan plus 0.00% per annum. The minimum Annual Interest Rate is 2.45%.

Long Term (Takeout) Interest Rate means a competitive spread over the CMB TBD, based on prevailing market rates at time of takeout.

Amortization means 40 years from the Interest Adjustment Date for Long Term (Takeout) financing

Lands means all of the lands described in the box entitled "Lands To Be Mortgaged" on page 1 of this Commitment Letter and all improvements thereon.

Loan means the loan to the Borrower as described in this Commitment Letter.

Lender means Peoples Trust Company.

Payment Deferral Program means where the borrower and lender agreed to a deferral of Principal and Interest payments for a specified period of time.

Permitted Prior Mortgage: NIL.

Prime Rate means the rate of interest per annum designated from time to time during the currency of the Loan by the Bank of Montreal ("the bank") as being the prime commercial lending rate charged by the Bank for demand loans in Canadian funds. If the Prime rate changes and so often as the same occurs at any time until the amounts

Borrower's Initials
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owing under this Loan have been paid in full, the Interest Rate under this Loan shall also change by the same amount, on the same day.

Security Documents means the security documents referred to in Part C of this Commitment Letter.

Survey means, in Manitoba a Surveyor's Building Location Certificate.

Lender's Solicitors means: Thompson Dorfman Sweatman LLP
Mailing Address: 242 Hargrave Street, Suite 1700
Winnipeg, MB, R3C 0V1
Attention: Michael Choiselat / Jennifer McKinnon
Telephone: 204-934-2557 / 204-934-2491
Fax: 204-934-0557
Email: mec@tdslaw.com / jmm@tdslaw.com
Website: www.tdslaw.com

Borrower's Solicitor means:

Law Firm Name: Knight Law Office
Contact Name - Attention: DONALD R KNIGHT Q.C.
Mailing Address: 202-900 NARROW ST. EAST
WPG MAN R3M3Y7
Telephone: 204 9481-0404
Fax:
Email: DON. KNIGHT @ KNIGHTLAW.CA

Borrower's Insurance Broker/Agent means:

Insurance Broker
Company Name: MATTHEW KREITZ CAIB
Contact Name - Attention: AS ABOVE
Mailing Address: 2533 VICTORIA AVE
BRANDON MAN R7B0M6
Telephone: 204-505-6890
Fax:
Email: MATTHEW KREITZ @ ANDREW
AGENT 185.COM

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Quantity Surveyor means:

Firm Name:

Contact Name - Attention:

Mailing Address:

Telephone:

Fax:

Email:

BTY
BEN WEISHAUP - SENIOR
PROJECT CONSULTANT
410 - 135 21ST E, SASKATOON SK
S7K0B4
306 242 9210
BEN WEISHAUP@BTY.COM

Draw Processing Fee means the Lender will charge a draw processing fee of \$500.00 per construction progress draw. If the number of advances exceeds two, a CMHC progress advance fee of \$350.00 per advance will apply and deducted from each advance.

Pre-Funding Conditions means the Lender shall not be obliged to make any advance under the Loan unless the following conditions have been complied with and the Lender has received and approved the following documents and matters in form and substance satisfactory to the Lender and its solicitors:

1. Security documentation duly executed, delivered and, where applicable, registered.
2. Compliance with CMHC's Certificate of Insurance # 23270175 and all Special Conditions attached thereto.
3. Satisfactory credit reports and financial statements of the Borrower and each Covenantor and each Guarantor.
4. Confirmation of major net worth items as represented in the covenantors net worth statements.
5. Compliance with the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) and Regulations.
6. This commitment to finance is based on the building and property being legal uses under the existing zoning and other municipal by-laws with all development and building permits having been issued for a 208 unit rental apartment. It is the applicant's responsibility to provide written confirmation that the property conforms. If the property does not meet all required municipal regulations this commitment may be declined, or loan amount reduced.
7. Fourteen days prior to funding, the borrower will provide a current signed rent roll that shows unit #, tenant name, lease commencement and expiry date, rent amount, and any rents that are in arrears. The rent roll must be fully satisfactory to the Lender.
8. Satisfactory Phase 1 Environmental Site Assessment Report, for the subject property, prepared by an environmental firm having a minimum liability coverage of \$2,000,000 with a maximum deductible of \$25,000. The report(s) are to conform to CSA standards. A Letter of Transmittal stating that Peoples Trust and CMHC can rely on the report for mortgage lending purposes will be required.
9. Confirmation that the sum of \$1,668,900 borrower equity is in place.
10. Return of completed Profile Forms.

Borrower's Initials PS
Borrower's Initials _____

Replacement Reserve Fund:

11. The Approved Lender, as part of its monthly payment collection process shall collect an amount equal to 2.0% of the estimated monthly effective gross income for applicable fiscal year (to be adjusted at the end of each fiscal year to reflect actual effective gross income) Funding of the reserve is required during the full amortization period of the Housing Loan.
12. Prior to each advance, the Approved Lender must obtain from the project architect certification that the work to-date is in compliance with plans and specifications, as approved by the regulatory authority having jurisdiction.
13. Prior to the start of construction, CMHC may request that the Approved Lender provide a complete set of working drawings to CMHC including: a site plan; architectural specifications; site services plan; landscape plan and structural, mechanical and electrical plans (including ventilation details).
14. Prior to the start of construction, the Approved Lender is to ensure that the project budget cost is reviewed and approved by a third-party project monitor. The project monitor is to confirm that the project budget, at an amount no greater than the anticipated \$33,268,900.00 is sufficient to complete the project, given the development schedule and the final project specifications. The project monitor will recommend the amount of each progress advance and holdback requirements in accordance with applicable construction lien legislation, with verification of cost of work-in-place and cost to complete on every advance. In addition, the project monitor shall provide suitable certification that all monies advanced have been used for the Property in accordance with the approved budget and that invoice and contractors have been paid.
15. Project Monitor confirmation.
16. Proof of equity injection prior to funding.
17. Current Tax Certificate/or search indicating that all property taxes have been paid in full.
18. Confirmation that the Lands are compliant under existing zoning bylaws and covenants in favour of public authorities and that there are no outstanding work order.
19. All municipal and regulatory permits and approvals required for the construction of the project, including but not limited to the Development Permit and Building Permit having been issued for the 208 unit rental apartment development.
20. Survey Certificate with compliance from the City of Portage la Prairie, Manitoba.
21. Confirmation of Borrower ownership structure (as per CMHC COI # 23270175)

Quantity Surveyor to Provide:

22. A budget review by the Lender's Cost Consultant and final budget approval by the Lender.
23. A fully executed copy of the Fixed Price Contract for construction of the subject property.
24. Construction advances will be on a work-in-place and cost to complete basis, with receipt of an inspection report by a cost consultant approved by the Lender for each advance.

Draw Reports to confirm:

25. Confirmation that required equity is in place.
26. The project architect certification that the work to date is in compliance with plans and specifications, as

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approved by the regulatory authority having jurisdiction.

27. Any cost overruns or increases are to be funded by the Borrower.
28. The Borrower complies with all applicable Federal, Provincial and Municipal Laws, regulation and codes in the construction of this project.
29. All advances based on work in place/cost to complete certifications from the Lenders cost consultant.
30. The cost consultant's report is to confirm compliance with plans and specifications, indicated acceptable construction standards and progress to date, the percentage work completed and costs to complete. All costs associated with the cost consultant shall be paid by the Borrower.
31. Enclosures on initial draw report to also include: architectural drawings, civil drawings, structural drawings, mechanical drawings, electrical drawings, fullying executed copies of all third party reports (ie. Geotechnical, Environmental and Appraisal) and fully executed copy of the Fixed Price Contract or the Construction Management Contract for construction of the subject property, if applicable. QS to include commentary on these reports.
32. The Project must be built under a construction management/general contractor agreement within a budget no great than \$33,268,900, where no less than two thirds (2/3) of hard costs (all major contracts including structural, mechanical, electrical, forming and concrete) are at fixed price contracts. Bonding requirements include 50% labor/material and 50% performance on all major contracts, with the Lender designated as beneficiary of the bond.
33. QS report to confirm that all applicable development permits, building permits and approvals are in place.
34. All advances under this loan shall be advanced by the Lender on a cost to complete basis as certified by a quantity surveyor or architect retained by the Lender (at the Borrower's expense) and all construction draws shall be approved by Canada Mortgage and Housing Corporation, prior to funding. The Lender reserves the right to advance funds under the loan at its discretion and apply all or any part of the funds against payment of any accrued interest.
35. Insurance review by an Insurance Consultant is required as condition of this loan commitment. The cost of review is for the account of the borrower.
36. Should at any time the estimated cost of completion exceed the un-disbursed balance of the loan, at the Lender's option, all further advances shall be postponed until financial arrangements satisfactory to the Lender have been made to meet such excess costs.
37. Prior to the initial advance of funds, the Borrower shall provide the Lender with confirmation that the Project is registered under an ~~Approved Home Warranty Program~~. 
38. Other documents satisfactory to the Lender and CMHC.
39. All borrower(s) and covenantor(s) are required to sign a statutory declaration confirming that all applicable holding payments and remittances required to be made under provincial and federal legislation, including all remittances of GST/HST and Payroll Source deductions, have been made to date and will be made on time going forward.
40. Return of Profile Form(s) to this Commitment letter.

Prior to disbursing funds, the Borrower shall deliver and/or fulfil the following conditions, satisfactory to the Lender:

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The Borrower acknowledges and agrees that the mortgage is subject to a satisfactory site inspection of the subject property by CMHC and Peoples Trust Company or its representative. All costs associated with this inspection are the responsibility of the Borrower and will be either deducted from the advance of funds or added to your mortgage.

PART "B" GENERAL CONDITIONS

Interest Rate During Construction

The Annual Interest Rate will be calculated daily, compounded monthly, not in advance, both before and after maturity, until paid on the Principal Amount owing from time to time.

Long Term Interest Rate

For the purposes of this Mortgage Loan Commitment, "Long Term Rate" means the Annual Interest Rate, compounded semi-annually, not in advance, both before and after maturity, charged by the Lender on the Principal Amount from the Interest Adjustment Date until such time as the Principal Amount is paid in full.

The Interest Adjustment Date is defined as the first day on the month following the date on which the final advance has been made.

The Borrower shall pay interest on the portion of the Principal Amount advanced from time to time, calculated from the date of advance to the day preceding the Interest Adjustment Date.

Interest Rate

The Annual Interest Rate will be calculated on a semi-annual basis, not in advance, both before and after maturity until paid.

Payment Deferral Program

Be advised that this loan will not qualify under the Payment Deferral Program, as administered by the Lender, for the term of the loan

Property Taxes and Other Charges

The Borrower will pay all taxes, assessment, utilities, condominium fees and all other amounts charged or levied against the lands when the same are due and payable. The Lender reserves the right to deduct monies from the mortgage advance proceeds to pay all property taxes (including penalties, interest, unpaid utilities and any other charges) and all Property Purchase Tax, Land Transfer Tax, where applicable. By accepting this Commitment Letter, the Borrower also consents to the release by the city of all personal information including name and address of property owner and amount of monthly payment if property taxes are paid through the tax installment plan. This authorization is granted in accordance with the applicable provincial privacy act.

For the province of Quebec, the payment of school taxes is the borrower's responsibility. The borrower shall provide the lender confirmation of paid school taxes annually.

Mutation Duties - Province of Quebec

By accepting this Commitment Letter, the Borrower(s) consents to The Lender's legal representative or the presiding notary withholding from the net mortgage proceeds an amount sufficient to pay the estimated mutation duties when they become due. The Borrower shall be responsible for and shall pay any shortfall immediately. Proof of payment of mutation duties shall be forwarded to the Lender by the Lender's legal counsel or by the presiding notary, as the case may be. In the event the taxing authority has not levied the mutation duties, the Lender's legal representative will withhold an estimated amount of monies from the net mortgage proceeds, which will be held in trust, and the mutation duties paid when due. The borrower will be responsible for any shortfall in payment of the mutation duties.

Survey

When footings and/or foundations are in place, the Borrower shall provide the Lender with an up-to-date building location survey, satisfactory to the Lender and prepared by a qualified provincial land surveyor, confirming that "the Lands" are free from unacceptable encroachments and conform to all municipal and provincial requirements.

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Insurance Requirements

The Borrower shall provide the Lender with evidence of insurance in compliance with the Lender's requirements. The Borrower's terms of coverage and their insuring companies must be entirely acceptable to the Lender and its insurance consultants. The Borrowers and any Beneficial Owners shall be Named Insureds on all policies and the Borrower's policies shall provide:

- a) **All-Risk Course of Construction Insurance** (including earthquake, flood, sewer back-up and such insurance shall be in an amount equal to 100% of the hard and soft costs for the project. The policy shall be extended to include permission for partial or complete occupancy.
- b) **Boiler and Machinery Insurance:**
To be written on a "Comprehensive" Machinery Breakdown Form, also incorporating the perils, extensions and stipulations of the property insurance conditions as stated in the foregoing. Coverage shall be extended to include testing and commissioning.
- c) **Delayed Opening or Delayed Income Insurance:**
To be written on a Gross Rentals Broad Form as part of the foregoing property and boiler policies, also incorporating the perils, extensions and stipulations of those policies as they are described above. The rental insurance coverage shall contain a waiting period deemed acceptable to the Lender, and the period of indemnity shall be for a term of no less than twelve (12) months. Such Delayed Income coverage is to be based upon the amount of gross rentals assuming 100% occupancy for the intended date of opening.
- d) **Commercial General Liability Insurance:**
To be written in the amount of at least Two Million dollars (\$2,000,000) with respect to each occurrence. The commercial general liability policy and any excess or umbrella policies shall include Peoples Trust Company as an Additional Insured, but only with regard to the operations of the Borrower. For loans of \$10 million or greater, the borrower will maintain liability insurance in an amount of Five Million dollars (\$5,000,000) or greater.
- e) **IBC Standard Mortgage Clause and Boiler & Machinery Mortgage Clause:**
All fire, boiler, and rental insurance policies shall contain the Insurance Bureau of Canada Standard Mortgage Clause, and shall name Peoples Trust Company as First Mortgagee and as Loss Payee. The boiler policy may also include a provision for suspension of coverage in accordance with the Canadian Boiler and Machinery Underwriters' Association Mortgage Clause.
- f) **Cancellation or Amendment to any Policy:**
Each policy shall provide for thirty (30) days prior written notice to the Lender of termination of the policy, or of alteration of the policy to the prejudice of the Lender. If the Borrower suspends, cancels or lets lapse any part of the insurance, the Lender has the right to obtain equivalent insurance on its own behalf and the insurance premium shall be paid by the Borrower within ten days after having received the Lender's notice of obtaining such insurance, with interest at the current mortgage interest rate. This right is in addition to any other right the Lender may have.

The Lender will engage an insurance consultant to review the Borrower's insurance policies to determine their compliance with the Lender's insurance requirements. The Lender's insurance consultant will be paid through the loan proceeds at the time of disbursement.

By accepting this Commitment Letter, the Borrower also authorizes and consents to the release, by its insurance provider, of all personal information related in any way to the property described within their insurance coverage to the lender or any of its agents or employees, or to the Lender's insurance consultant. The Borrower will be responsible for all costs incurred for the insurance coverage and its review as described herein.

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The insurance conditions established by the Lender and / or the Lender's insurance consultant do not constitute complete coverage for the Borrower, and the Borrower and their insurance provider must independently determine what insurance coverage is appropriate for the Borrower's purposes.

Independent Engineering Reports (where required)

The Borrower acknowledges and agrees that the Lender, where required, shall enlist the services of a Consultant/Engineer to provide a current site inspection of the subject property. All costs incurred for the inspections will be for the account of the Borrower, and said fees shall be deducted from the advance of funds.

Solicitors' Approval

The loan disbursement shall take place only when the title to and all security in connection with the property secured and all other documents and matters with respect to the loan being necessary or advisable to our solicitors are complete, satisfactory and acceptable to our solicitors.

Costs

The Borrower and each Covenantor and each Guarantor shall pay whether or not all or any part of the Principal Amount is advanced all legal costs incurred by the Lender in connection with the Loan billed to it by the Lender's Solicitors, all registration fees, appraisal fees, consulting fees (if any) and all out-of-pocket expenses usually incurred by the Lender relating to the Loan in the preparation for and completion of the transaction contemplated by the Commitment Letter which fees may be deducted out of the funds to be disbursed, and this Commitment Letter shall constitute an irrevocable direction by the Borrower and each Covenantor in that regard. All fees paid by the Lender which are the responsibility of the Borrower, shall bear interest at the mortgage rate until the lender is reimbursed.

Environmental Audit and Borrower's Liability

The Lender shall require an environmental audit of "the Lands" and improvements, satisfactory to the Lender and Canada Mortgage and Housing Corporation as a condition to advancing funds. In addition to any liability imposed on the Borrower and Covenantor(s) under the Security Documents, the Borrower and Covenantor(s) shall be liable for all expenses, damages or liabilities of the Lender, its directors and officers (including, without limitation, all reasonable legal fees, disbursements and applicable taxes) directly or indirectly arising out of or attributable to the use, generation, storage, release, threatened release, discharge, disposal or presence on, under or about "the Lands" and all improvements of any hazardous or noxious substances and such liability shall survive foreclosure of the mortgage and any other existing obligations of the Borrower and Covenantor(s) to the Lender in respect of the loan and any other exercise by the Lender of any remedies available to it for any default under the loan.

The environmental audit firm engaged by the Borrower must carry at least \$2,000,000 in professional liability insurance, with a maximum deductible of \$25,000. The report must confirm that the subject property conforms to CSA Standards.

Time

Time shall be of the essence in this transaction.

Disclosure

This Commitment is conditional upon and subject to full disclosure of all material facts relating to the assets and liabilities of the Borrower and, if applicable, each Covenantor(s) and the accuracy of all information provided and representations made in connection with the application for the Loan, including, without limitation, all information relating to the protection of the environmental and public health and safety concerns. This commitment shall assume the accuracy of the information previously supplied by the Borrower and will presuppose no material adverse change in the Borrower, prior to any disbursement. Any approval or consent required to be made or given by the Lender hereunder must be expressly given by the Lender and is not to be construed by the mere delivery or receipt of documents. Should the Lender discover any facts that, prior to funding, would adversely affect the Lender's security as set forth in this Commitment or discover any misrepresentation made by the Borrower or Covenantor(s) in relation to obtaining this Commitment, then, the Lender, at its discretion, may cancel this commitment. The Borrower represents and warrants that all loans of the Borrower which are insured by Canada Mortgage and Housing Corporation have not been in arrears in the last 12 months and neither the Borrower, the Covenantor(s) nor any

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property manager or agent on behalf of the Borrower are negotiating any special financial arrangement with Canada Mortgage and Housing Corporation.

Representations of the Borrower and Covenantor

The Borrower and each Covenantor jointly and severally covenant that:

- (1) ***The Borrower must initial next to the option that applies:***



The Borrower is the legal and beneficial owner of all the right, title and interest to the Lands and holds no portion of the legal or beneficial interest in the Lands in trust for any parties; or
_____ is the legal owner of the Lands and holds the Lands in trust for
_____ who is the beneficial owner of the Lands pursuant to a trust
declaration dated _____

- (2) All other mortgage loans of the Borrower with any lender have not been in arrears in the last 12 months and neither the Borrower, any Covenantor nor any property manager or agent on behalf of the Borrower are negotiating any special financial arrangement with Canada Mortgage and Housing Corporation.
- (3) All financial statements and other documents and information delivered by the Borrower or each Covenantor in connection with the Borrower's application for the Loan are true and correct and representative of the financial condition of the Borrower and each Covenantor.
- (4) Neither the Borrower nor any Covenantor is in default under any agreement or instruments to which any of them is a party that materially affects any of their businesses, property, assets or financial condition.
- (5) At the time of the disbursement of any part of the Loan Amount, no default shall have occurred and be continuing, nor any state of affairs or event shall be existing which, with the passage of time or the giving of notice or both, would constitute a default under any of the Security Documents, and neither the Borrower nor any Covenantor (if any) shall be insolvent or be subject to any bankruptcy, arrangement with creditors, proposal, amalgamation, reorganization, liquidation, winding up, dissolution, receivership or material litigation or continuation under laws of any other jurisdiction. Any default herein shall be deemed to be a default under the Mortgage. Any default under the Mortgage shall be deemed to be a default hereunder.
- (6) The Borrower will only use the Loan Proceeds for the Loan Purpose set out on page 1 of this Commitment Letter.

Annual Review

The Borrower shall provide annual operating statements and current rent roll for the subject mortgage property and such other documentation or information as the Lender may require, both in a form satisfactory to the Lender within 90 days of the Borrower's fiscal year-end.

At the option of the Lender, the Borrower(s) shall also provide current net worth statement of the Borrower(s), Covenantor(s) and Guarantor(s).

Repayment

The Lender reserves the right to deduct accrued interest from each mortgage draw. From the Interest Adjustment Date to the Balance Due Date, the Borrower, at the Lender's option shall pay all monthly payments by either post-dated cheque or by pre-authorized chequing arrangement.

Assignment

The Borrower and the Covenantor may only assign the obligations in this Commitment with the express written consent of the Lender and Canada Mortgage and Housing Corporation and such consent is discretionary. The Lender may assign, sell or transfer all or part of its interest in the Commitment Letter or the loan without notice to or consent from the Borrower.

Other Agreements

This commitment letter and all attached schedules, when accepted by the Borrower shall constitute the entire agreement between the Borrower and the Lender with respect to the Loan and shall supercede all other agreements, understandings or commitments, whether oral or written.

Borrower's Initials _____
Borrower's Initials _____

Waiver

Except as otherwise expressly provided, this commitment letter cannot be waived, changed, amended, discharged or terminated, other than by an agreement in writing signed by the party against whom the enforcement of any waiver, change, amendment, discharge or termination is sought.

Survival and Discrepancy

The execution, delivery and registration (where applicable) of the Security Documents shall in no way merge or extinguish the Commitment Letter and any amendments thereto, which shall survive and continue in full force and effect, provided that in the event of a discrepancy between the Commitment Letter and the mortgage document or any other security taken by the Lender to secure the loan, then the Lender, at its discretion shall determine which document shall prevail.

Default

At the time of the disbursement of any part of the Loan Amount, no default shall have occurred and be continuing, nor any state of affairs or event shall be existing which, with the passage of time or the giving of notice or both, would constitute a default under any of the Security Documents, and neither the Borrower nor any Covenantor(s) (if any) shall be deceased, insolvent, or be subject to any bankruptcy, arrangement with creditors, proposal, amalgamation, reorganization, liquidation, winding up, dissolution, receivership or material litigation or continuation under laws of any other jurisdiction. Any default herein shall be deemed to be a default under the Mortgage. Any default under the Mortgage shall be deemed to be a default hereunder.

Photos

The Borrower agrees to allow Peoples Trust to photograph or utilize existing photographs of the subject property for possible use in internal and external marketing programs.

Signage

The Lender shall have the right to install on the Lands, at the Lender's expense, a sign indicating the source of financing, the location of which shall be mutually agreed to by the parties.

Execution by Facsimile/E-Mail

This Commitment Letter may be executed by the parties and transmitted by facsimile or by e-mail (with PDF attachment) and if so executed and transmitted this Commitment Letter shall be for all purposes as effective as if the parties had delivered an executed original copy of this Commitment Letter.

Counterpart

This Commitment Letter may be executed in counterparts and all counterparts so executed will constitute one Commitment Letter.

Severability

Each of the provisions in this Commitment Letter is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction will not affect the validity or enforceability of any other provision of this Commitment Letter. To the extent permitted by applicable law, the parties waive any provision of law that renders any provision of this Commitment Letter invalid or unenforceable in any respect.

Governing Law

This Commitment Letter and all matters arising under it will be construed in accordance with the applicable laws of Manitoba and Canada.

Material Adverse Change

IN THE EVENT that at any time while any indebtedness remains outstanding pursuant to the provisions of this mortgage loan, the Lender discovers a discrepancy or inaccuracy in any written information, statements or representations made or furnished to the Lender by or on behalf of the Borrower, any Covenantor or any Guarantor concerning the Lands or the financial condition and responsibility of the Borrower, any Covenantor or any Guarantor or in the event of any material adverse change in the value of the Lands or the financial status of the Borrower, any

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Covenantor, any Guarantor, or any lessee on which the Lender relied upon in making any advances hereunder, which material change, discrepancy or inaccuracy cannot be rectified by the Borrower, such Covenantor, or such Guarantor (if applicable) within thirty (30) days after written notification thereof by the Lender to the Borrower, such Covenantor, or such Guarantor, or in the event of material changes in the general state of economic and market conditions in the Province of Manitoba and or Canada, which in the sole unfettered opinion of the Lender create additional risks to the Lender's security and ability to obtain timely repayment of the indebtedness herein secured, and/or in the event of regulatory and/or governmental changes and/or a general deterioration in the Lender's liquidity, which adversely impact on the Lender's compliance requirements and/or ability of the Lender to obtain the intended rate of return on its investment, in all such circumstances the Lender shall be entitled to decline to advance any further funds pursuant hereto and/or to declare any and all amounts advanced pursuant hereto together with interest thereon to be forthwith due and payable.

PART "C" - SECURITY

This Borrower shall grant the Lender the following security (collectively "the Security Documents") in connection with the Loan, all of which shall be in a form and substance satisfactory to the Lender and its solicitors:

- (a) Mortgage Security: A mortgage charge against the Lands and improvements subject only to the Permitted Prior Mortgage (if any).
- (b) Covenants: The joint and several covenants of each Covenantor.
- (c) Guarantor: The joint and several guarantee of each Guarantor.
- (d) Mortgage of beneficial interest if the Borrower is comprised of a separate legal and beneficial owners.
- (e) General Assignment of rents and/or leases.
- (f) Such other security as required by Canada Mortgage and Housing Corporation as a condition to insuring this Loan.
- (g) General assignment of all insurance proceeds.
- (h) General security agreement charging all chattels and fixtures and appliances attached to or relating to the project to be constructed on "the Lands".
- (i) Assignment of all permits, municipal approvals and construction contracts.
- (j) Other Security as required by our solicitor.
- (k) Title Insurance, when applicable, is acceptable from First Canadian Title, Stewart Title, or Chicago Title.
- (l) Collateral/Deposit Agreement, as approved by CMHC.
- (m) Deposit Agreement for Letters of Credit as required.
- (n) Environmental Indemnity granted by the Borrower(s) and each Covenantor and each Guarantor.
- (o) Cost overrun and completion agreement signed by the covenantors and all other beneficial owners of the borrower.
- (p) Estoppels Agreement.
- (q) All borrower(s) and covenantor(s) are required to sign a statutory declaration confirming that all applicable holding payments and remittances required to be made under provincial and federal legislation, including all remittances of GST/HST and Payroll Source deductions, have been made to date and will be made on time going forward.

PART "D" - LENDER'S FEES

Deposit Fee

Upon acceptance of this Commitment Letter by the Borrower, the Borrower shall pay the Lender the Deposit Fee. If the Borrower complies with all conditions of this Commitment Letter then the Deposit Fee shall be returned to the Borrower. If, for any reason whatsoever:

- (a) the Borrower is unable or unwilling to comply with all conditions required for the advance of any monies under the Loan as set out in this Commitment Letter or otherwise agreed between the Lender and the Borrower by the Expiry Date;
- (b) any of the representations, warranties or covenants made or given by the Borrower or any Covenantor in connection with the Loan are incorrect or not complied with in a material way; or
- (c) in the Lender's opinion, acting reasonably, there has been a material adverse change in the security for the

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Borrower's Initials



Loan,

then the Lender may, at its sole option, terminate this Commitment Letter and refuse to advance any monies to the Borrower (such event, a "**Borrower Completion Failure**"). Upon a Borrower Completion Failure, the Deposit Fee shall be absolutely forfeited to the Lender as liquidated damages, and not as a penalty, without limiting any other rights or remedies that the Lender may have hereunder or otherwise at law or in equity. The Borrower and all Covenantors agree that the Deposit Fee represents a fair and reasonable assessment of the damages and loss, including loss of alternative investment opportunity and loss of profits, that the Lender will incur and suffer upon a Borrower Completion Failure.

In addition, if there occurs a Borrower Completion Failure and the Lender unwinds any hedge obtained by it in anticipation of the Loan, whether or not the Borrower and all Covenantors were aware of such hedge, the Borrower and all Covenantors, jointly and severally shall reimburse the Lender on a full indemnity basis on demand for all costs, fees, expenses and liabilities suffered or incurred by the Lender resulting directly or indirectly from the unwinding of the hedge.

In the event that the Borrowers and all Covenantors do not pay the full indemnity amount in accordance with the above provisions, the indemnity amount shall be automatically added to the principal amount of the Loan and the Peoples Trust Mortgage. To secure the payment of any such outstanding amounts the Borrower hereby mortgages, assigns and grants a security interest to us in and to all of its present and future estate, right, title and interest in and to the property, assets and undertakings now or hereafter mortgaged, assigned or charged by it under the Security Documents, including without limitation the Peoples Trust Mortgage, to which the Borrower is a party.

Lender's Compensation

On acceptance of this Commitment by the Borrower, the Lender shall earn and the Borrower shall pay the Commitment Fee which represents an agreed upon application and commitment fee as well as the Lender's charges for the time and effort required of its employees and agents and its expenses incurred in the review and study of documents pertaining to the transaction, legal specifications, reservation of funds and the loss of opportunity to use the funds elsewhere.

In the event that the Borrower fails to comply with all conditions of this Commitment by the Expiry Date, then the Lender shall be relieved and released from any further duties or obligations to the Borrower and the Covenantor(s) arising out of this Commitment. Notwithstanding the foregoing, the Borrower shall not be released or relieved from payment of the Lender's Commitment Fee if the same has not already been paid.

Inspection Fee

Where applicable, the Borrower will pay the Lender the Inspection Fee which will be deemed to be earned on receipt of the same.

Discharge Fee

Upon the Borrower's repayment in full of the Loan and all interest and other charges owing thereon, the Lender shall provide the Borrower with a discharge of the Mortgage Security registered against the Lands (to be prepared and delivered to the Lender by the Borrower or its solicitors) upon payment to the Lender of the Discharge Fee.

Letter of Credit

Letter of Credit Setup Fee means the Lender will charge the Borrower an annual fee equal to 1% of the dollar value of the Letter of Credit. Any subsequent amendment to the Letter of Credit will be subject to \$250.00 amendment fee.

PART "E" - SPECIAL CONDITIONS

Certificate of Insurance

The obligation of the Lender to fund this loan is conditional on CMHC providing a Certificate of Insurance for this loan. All terms and conditions of the Certificate of Insurance are incorporated into and form part of this Commitment. Where there is a conflict between the terms of the Certificate of Insurance and this Commitment, then the terms of the Certificate of Insurance shall prevail.

Borrower's Initials JS
Borrower's Initials _____

Prepayment Privileges

The Borrower shall have no right to prepay all or any part of this mortgage loan prior to the Balance Due Date.

Due on Sale

In the event of the Borrower selling, conveying, transferring or entering into an agreement for sale or transfer of its legal or beneficial interest in the Lands (including, but not limited to, a sale of shares or other interest or an amalgamation resulting in a transfer of majority ownership or voting control in the Borrower corporation) to a purchaser or transferee not approved in writing by the Lender and CMHC, which approval shall not be unreasonably withheld, then all monies secured, together with accrued interest thereon shall forthwith become due and payable at the Lender and CMHC's option and sole discretion.

Further Mortgaging

The Borrower shall not grant financing subsequent to this Loan secured by a mortgage over "the Lands" and improvements without the express written consent of the Lender.

Extension of Expiry Date - Amendment of Interest Rate

If the Borrower is unable to fulfil all of the pre-funding conditions of this Loan and, as a result, the Loan has not been funded by the Expiry Date, then the Lender, at its option, may extend the Expiry Date for an additional sixty (60) days and the Lender reserves the right to adjust the Interest Rate on the Loan to the current rate charged by the Lender for similar kinds of loans in similar geographic locations and for similar amounts.

Loan Renewal

The Lender shall have the first and last right of renewal of the Loan upon maturity.

The Lender may, at its absolute discretion, choose to offer to renew the Loan by delivering a renewal offer (the "Renewal Offer") to the Borrower no less than 3 days prior to the Balance Due Date and may have varying terms and prepayment privileges. If on the Balance Due Date, the Borrower has not either:

- repaid the Loan in full; or
- accepted the Renewal Offer by delivering a signed copy to the Lender, confirming the Borrower's choice of term, then:

it shall be deemed that the Borrower has, but for the interest rate, accepted the terms and conditions of the Renewal Offer and the Mortgage shall be renewed for a six-month term (the "Auto-Renewal"). The Borrower shall pay all applicable fees under the Renewal Offer or Auto-Renewal, as applicable, within three Business Days of the Balance Due Date. The interest rate for the Auto-Renewal term will be fixed and as disclosed in the Auto Renewal Offer. During the six-month term under the Auto-Renewal, the Loan may be prepaid at any time without penalty.

Notice for Funding Purposes

The Lender requires two (2) days notice from the Lender's Solicitors in order to advance funds under this loan.

Mortgage Advances

The Lender reserves the right to advance funds under the Loan at its discretion and apply all or any part of the funds against payment of any accrued interest. Neither the execution nor registration of the Security Documents will obligate the Lender to advance all or any part of the Loan.

Pre-Conditions to Funding

Prior to disbursing funds, the Borrower shall deliver and/or fulfill the Pre-Funding Conditions, satisfactory to the Lender.

Consent to Disclosure and Privacy Policy

The Borrower and each Covenantor consent to and acknowledge that credit, financial and personal inquiries ("Personal Information") regarding the Borrower and each Covenantor, their respective officers, directors and principal shareholder(s), may be made at any time in connection with the Loan and in connection with any assignment, sale, syndication or securitization of the Loan by the Lender, and the Borrower and each Covenantor consent to the making

Borrower's Initials
Borrower's Initials

DS

of such inquiries by or on behalf of the Lender and consent to disclosure, without restriction and without notice to or the consent of the Borrower and each Covenantor of the Personal Information to any credit reporting service, financial institution, rating agency, participant, investor, assignee or purchaser of all or any part of the Loan or interest therein and any organization maintaining databases on the underwriting and performance of commercial mortgage loans. All Personal Information provided by the Borrower and each Covenantor in relation to this Loan, will be dealt with by the Lender in accordance with the terms of the Peoples Trust Privacy Policy, a copy of which is available at any of our branches, or on our website: <http://www.peoplestrust.com>. The Borrower and each Covenantor acknowledge and agree that the aforementioned collection, use and disclosure of the Personal Information is appropriate in these circumstances.

Peoples Trust and its service providers may use and store your information at facilities in various countries (including Canada and the United States of America). The personal information protection laws of those countries might be different from the laws of the jurisdiction in which you are located, and might permit courts, government, law enforcement and regulatory agencies and security authorities to access your information without notice.

Peoples Trust Privacy Policy

This will confirm that you have consented to provide certain confidential information with respect to the above described loan. This information will be governed by the terms of the Peoples Trust Privacy Policy, a copy of which is available at any of our branches, or on our website: <http://www.peoplestrust.com>.

Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) and Regulations

This will confirm that you have consented and agree to provide the Lender with such documentation and information, including identification, as the Lender may require to ensure compliance with the above legislation, and that the provision of such documentation and information shall be a Pre-Funding Condition to this loan.

Profile Form(s) attached to and forming part of this commitment letter must be fully completed, signed by all borrowers, covenantors/guarantors and returned with the commitment letter. Failure to complete and return, or any delay in returning Profile Form(s) will prohibit Peoples Trust Company from processing your loan.

Borrower's Initials
Borrower's Initials

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This is Exhibit "K" referred to in the
affidavit of Scott W. Cannon
Sworn before me this 8th day of
August, 2023.



A Barrister-at-Law and for the
Province of Manitoba.

Scott Cannon

From: Darcy Shaver <darcy_shaver@hotmail.com>
Sent: July 21, 2023 11:19 PM
To: Scott Cannon; Stephan Thliveris;
Subject: Fwd: removing Syed as beneficial owner on Bokhari Development Inc.

From: jeff approvedfinancing.ca <jeff@approvedfinancing.ca>
Sent: Saturday, July 10, 2021, 7:56 AM
To: 'Darcy Shaver' <darcy_shaver@hotmail.com>
Subject: FW: removing Syed as beneficial owner on Bokhari Development Inc.

Good morning Darcy

I have come up with a plan of action as follows: (we need to remove Syed from the beneficial ownership of the project but still need to keep him safe .

1. Don can Write up a promissory note of \$8.5 million , and a second mortgage document (not to be registered but signed) through Bokhari Development Inc. in favour of Syed Bokhari
2. We would remove Syed as a beneficial owner. This would mean that you Darcy would show full 100% ownership of the shares, without giving Syed a beneficial ownership of the company. We would be in line with what the lender wants of you only showing ownership
3. This agreement will stand against the project at Portage La Prairie at all times even though nothing will go against the property (unregistered but signed)
4. Darcy , you will have the option at the end of the project to pay out this \$8.5 million to Syed , unregistered on title loan, or give up a 50% equity position once completed to Syed Bokhari. We then give back the ownership position of 50% back to Syed as originally agreed.
5. An account will be set up at a financial institution for Bokhari Development with the signing people being Syed Bokhari and Darcy Shaver at all times (both to sign), during construction

How I derived \$8.5 million value

Revenue

- 208 units – renting out at an average of \$1400 per month= \$3.49 million per year + parking of \$124,800 per year
- Less 3% vacancy= \$3.506 million per year

Expenses-

- Insurance= \$97,500 per year
- Property taxes= \$187,000 per year
- Repairs and maintenance= \$41,600 per year
- Property management= \$140,000 per year
- Hydro for parking spots= \$10,000 per year
- Outdoor maintenance/ grass cutting and snow shoveling= \$50,000
- On site caretaker- \$35,000

Total= \$561,000

Net before income tax and mortgage payments= \$2.95 million

Cap rate= 6%= \$49 million

Mortgage is \$33 million with CMHC insurance

Equity = \$16 million plus you still are able to utilize extra space on land for another apartment block afterwards if desired.

-
-
- Please confirm that you are ok with this so Don can write up the agreements this week. I am expecting that you will be signing the mortgage docs from Peoples trust this week and we need to have this in place before you sign

Just so you know , the mortgage payments will be approximately \$1.1 million per year against the net amount above of 2.95 million

Your net income after all expenses and mortgage payments will be approximately \$1.85 million per year split with Syed. Not bad

Cheers

Jeff

Jeff Silverstein, AMP

President

Approved Financing Centre

222 Osborne St North

Winnipeg, MB R3C 1V4

Cell: 204.793.9013

Office: 204.772-5960/1-866.595.5557

Fax: 204.772.6762/866.595.4440

From: Jeff approvedfinancing.ca <jeff@approvedfinancing.ca>

Sent: Saturday, July 10, 2021 7:56:44 AM

To: 'Darcy Shaver' <darcy_shaver@hotmail.com>

Subject: FW: removing Syed as beneficial owner on Bokhari Development Inc.

Good morning Darcy

I have come up with a plan of action as follows: (we need to remove Syed from the beneficial ownership of the project but still need to keep him safe .

1. Don can Write up a promissory note of \$8.5 million , and a second mortgage document (not to be registered but signed) through Bokhari Development Inc. in favour of Syed Bokhari
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Cheers

Jeff

Jeff Silverstein, AMP

President

Approved Financing Centre

222 Osborne St North

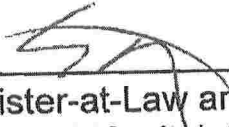
Winnipeg, MB R3C 1V4

Cell: 204.793.9013

Office: 204.772-5960/1-866.595.5557

Fax: 204.772.6762/866.595.4440

This is Exhibit "L" referred to in the
affidavit of Scott W. Cannon
Sworn before me this 8th day of
August, 2023.



A Barrister-at-Law and for the
Province of Manitoba.

DECLARATION OF BARE TRUST AND AGENCY AGREEMENT

THIS AGREEMENT dated as of the 1st day of February, 2021.

BETWEEN:

DARCY SHAVER,
of 87 Lakeshore Road, Winnipeg, MB R3T 4A6

(the "Nominee")

AND

SYED BOKHARI
of 23 Goodfellow Way, Winnipeg, MB R3W 0K1

(herein called the "Owner")

WHEREAS:

A. The Owner has 100 Class A Common Shares (the "Shares") of Bokhari Development Inc. a corporation registered pursuant to the Laws of Manitoba; and

B. Legal title to the Shares has been or will be registered in the name of the Nominee in the appropriate Manitoba Companies Office, and the Nominee will, effective from the date hereof, hold legal title to the Shares, as nominee, agent and bare trustee for the sole benefit and account of the Owner as principal and beneficial owner, in accordance with this Agreement; and

NOW THEREFORE in consideration of the premises and the amount of \$1.00 now paid by the Owner to the Nominee, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Appointment. The Owner hereby appoints the Nominee as its nominee, agent and bare trustee to hold legal title to the Shares, and any other Shares in respect of which the Nominee has acquired or may in the future acquire, in trust for and on behalf of the Owner in accordance with this Agreement, with full power to manage and deal with the Shares and execute any instrument, document or encumbrance in respect of the Shares for the sole benefit and account of the Owner, all at the written direction of the Owner as principal and beneficial owner and strictly in accordance with this

Agreement, and the Nominee hereby accepts such appointment. For greater certainty, "written direction" includes letter, note and email forms.

2. Nominee's Agreements. The Nominee hereby acknowledges and agrees that:

- (a) the Nominee has acquired or will acquire and will hold the legal title to the Shares as nominee, agent and bare trustee for the sole benefit and account of the Owner as principal and beneficial owner and the Nominee will have no equitable or beneficial interest therein, and the equitable and beneficial interest in the Shares will be vested solely and exclusively in the Owner;
- (b) the Nominee will hold legal title to the Shares as nominee, agent and bare trustee for the sole benefit and account of the Owner as principal and beneficial owner subject to and in accordance with this Agreement and subject to the terms and conditions of any transfer, deed, mortgage, debenture, security agreement, license, restrictive covenant or other instrument, document or encumbrance pertaining to the Shares;
- (c) any benefit, interest, profit or advantage arising out of or accruing from the Shares is and will continue to be a benefit, interest, profit or advantage of the Owner and if received by the Nominee will be received and held by the Nominee for the sole use, benefit and advantage of the Owner and the Nominee will account to the Owner for any money or other consideration paid to or to the order of the Nominee in connection with the Shares as directed in writing by the Owner, and the Nominee will, at any time during the term of this Agreement and within the six month period following the termination of this Agreement upon the request of the Owner, deliver to the Owner a reasonably detailed written accounting of all amounts received and disbursed by the Nominee in respect of the Shares, certified by an officer of the Nominee to be true, complete and correct;
- (d) the Nominee will, upon the written direction of the Owner, deal with the Shares and do all acts and things in respect of the Shares at the expense of and as directed by the Owner from time to time and will assign, transfer, convey, mortgage, pledge, charge, or otherwise deal with the Shares or any portion thereof at any time and from time to time in such manner as the Owner may determine, to the extent permitted under all relevant laws; without limiting the generality of the foregoing, the Nominee will transfer legal title to the Shares to or as directed by the Owner forthwith upon the written demand of the Owner;
- (e) the Nominee will, upon and in accordance with the written direction of the Owner, act as the agent of the Owner, as undisclosed principal, in respect of any matter relating to the Shares or the performance or observance of any contract or agreement relating to the Shares;

- (f) acting under this Agreement at the written direction of the Owner, the Nominee will have the full right and power to execute and deliver, under seal and otherwise, any transfer, deed, statement of adjustments, license, restrictive covenant, release or other instrument or document pertaining to the Shares without delivering proof to any person (including, without limitation, any other party to any such instrument or document or the Registrar of any Corporations Office or of any Personal Shares Registry) of its authority to do so and any person may act in reliance on any such instrument or document and for all purposes any such instrument or document will be binding on the Owner;
- (g) acting under this Agreement at the written direction of the Owner, the Nominee will have the full right and power to borrow money from time to time and to covenant to repay money borrowed by the Owner either alone or with others from time to time and to secure the repayment of any and all indebtedness and liabilities with respect to any amounts so borrowed by the grant of any charge or encumbrance (both fixed and floating) on, or security interest in, the Shares or any part thereof, by way of debenture, mortgage, assignment of sale proceeds, security agreement or other instrument or document without delivering proof to any person (including, without limitation, any other party to any such instrument or document or the Registrar of any Corporations Office or Personal Shares Registry) of its authority to do so and any person may act in reliance on any such instrument or document and for all purposes any such instrument or document will be binding on the Owner;
- (h) the Nominee will not deal with the Shares in any way or execute any instrument, document or encumbrance in respect of the Shares without the prior consent or written direction of the Owner; and
- (i) the Nominee will notify the Owner forthwith upon receipt by the Nominee of notice of any matter or thing in respect of the Shares or any portion thereof, including, without limitation, in respect of any tax, lien, charge or encumbrance in respect of the Shares.

3. Reimbursement of Expenses. Any payments or disbursements made by the Nominee in respect of the Shares in accordance with this Agreement will be made as the agent of and for the account of the Owner, as principal, and the Owner will reimburse the Nominee for any amount reasonably and properly expended by the Nominee in connection with the Shares with the consent or written direction of the Owner. The Nominee will not be entitled to any remuneration or any revenue or profit in respect of the Shares for acting as nominee; agent and bare trustee under this Agreement.

4. Nominee's Representations. The Nominee represents and warrants to the Owner that the Nominee is an individual person and neither carries on nor intends to carry on a business that is a trust business.
5. Time Limitation. The powers herein conferred on the Nominee will not extend beyond the expiration of 5 years from the date of execution and delivery of this Agreement, unless renewed.
6. Waiver of Indemnity. The Nominee, in consideration of ONE (\$1.00) DOLLAR and other good and valuable consideration now paid by the Owner (the receipt and sufficiency of which is hereby acknowledged), hereby waives and releases any right of indemnification to which the Nominee may now or at any time in the future have or be entitled to from the Owner.
7. Notices. Any notice given pursuant to or in connection with this Agreement will be in writing and delivered personally to the party for whom it is intended to be addressed at the address of such party last known to the other party.
8. Further Assurances. The Nominee will perform all such other acts and things and execute all such other documents as are necessary or desirable in the reasonable opinion of the Owner to evidence or carry out the terms or intent of this Agreement.
9. Gender and Number. Words importing the masculine gender include the feminine and neuter genders and words in the singular include the plural, and vice versa.
10. Governing Law. This Agreement and all matters arising under it will be governed by and construed in accordance with the laws of Manitoba and all disputes and claims arising out of this Agreement will be referred to the courts of the Province of Manitoba.
11. No Waiver. No failure or delay on the part of either party in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. Except as may be limited herein, either party may, in its sole discretion, exercise any and all rights, powers, remedies and recourses available to it under this Agreement or any other remedy available to it and such rights, powers, remedies and recourses may be exercised concurrently or individually without the necessity of making any election.
12. Amendment. This Agreement may be altered or amended only by an agreement in writing signed by the parties hereto.

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13. Enurement. This Agreement will enure to the benefit of and be binding upon the respective successors, legal representatives and assigns of the parties.

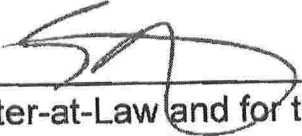
IN WITNESS WHEREOF the parties have executed this Agreement on the date first above written.


Percy Shawer

Syed Ghazanfar Bokhari
Syed Ghazanfar Bokhari

By 
Mohammed Ali Bokhari
Power of Attorney

This is Exhibit "M" referred to in the
affidavit of Scott W. Cannon
Sworn before me this 8th day of
August, 2023.



A Barrister-at-Law and for the
Province of Manitoba.

UNANIMOUS SHAREHOLDERS' AGREEMENT

THIS AGREEMENT made effective the ____ day of _____, 2020.

AMONG:

SYED BOKHARI,

("Bokhari"),

and

DARCY SHAVER

("Darcy"),

- and -

BOKHARI DEVELOPMENT INC.,

(the "Corporation").

WITNESSES THAT WHEREAS:

1. The Corporation is duly incorporated under the laws of the Province of Manitoba;
2. The Corporation has issued 100 Common Shares to each of Bokhari and Darcy for total shares of the Corporation outstanding being 200 Common shares ("the Shares").
3. The Corporation is the owner of the property in Portage La Prairie, which is legally described as:

LOTS 1 AND 1, BLOCK 1, PLAN 1810, PLTO EXC ALL MINES AND
MINERALS VESTED IN THE CROWN (MANITOBA) BY THE REAL
PROPERTY ACT IN RL 56 AND 57 PARISH OF PORTAGE LA PRAIRIE

("the Portage Lands")

4. The Corporation is indebted to Jack Kovnats in the sum of \$ 921,450.00 as at December 14, 2020, plus a per diem charge of \$ 1,033.23 each day thereafter until paid ("the Kovnats Debt") for which he holds as security, among other things, a pledge of Bokhari's shares in the Corporation and a first real property mortgage on the Portage Lands; and
5. The Parties wish to enter into this Agreement for the purposes of (i) setting forth the manner in which the affairs of the Corporation shall be conducted; (ii) agreeing upon the allocation and division of financial responsibilities for the debts of the Corporation and of the financial receipts and profits; (iii) providing for their respective rights and obligations arising out of or in connection with the operations and affairs of the Corporation; and (iv) governing the transfer of Shares in the Corporation;

NOW THEREFORE in consideration of the foregoing recitals, the following respective covenants and agreements, and the mutual benefits to be derived from this Agreement, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the Parties covenant and agree as follows:

ARTICLE 1 **OWNERSHIP**

1.1 Shareholders' Warranties

(a) The parties hereto agree with each other that, at the time of execution of the Shareholders Agreement each is the registered owner of or is entitled to be the registered owner of that number and class of the issued and outstanding Shares set out opposite his name below:

<u>Name</u>	<u>No. and Type of Shares Held</u>
Bokhari	100 Common Shares
Darcy	100 Common Shares

(b) Bokhari and Darcy represent and warrant to each other and covenant with each other that the Shares associated with them as set out in subsection (a) preceding, are and will be free and clear of all mortgages, charges, pledges, claims, liens and other encumbrances whatsoever, except only in Bokhari's case they are held as security for repayment of the Kovnats Debt and no other person has any agreement or option or right capable of becoming an agreement for the purchase of any such Shares, subject to the disclosures and undertakings set out in Article 4 herein;

1.2 Corporation's Warranties

The Corporation represents and warrants to and covenants with each of the other Parties that at the time of execution of this Shareholders Agreement:

- (a) the Shares set out in subsection 1.1(a) above are the only issued and outstanding Shares of the Corporation; and
- (b) no person has any agreement or option or right capable of becoming an agreement for the purchase, subscription or issuance of any of the unissued shares of the Corporation, subject to the disclosures and undertakings set out in Articles 3 and 4 herein.

1.3 Endorsement on Share Certificates

- (a) All share certificates issued by the Corporation to the Shareholders shall have the following legend imprinted thereon:

THESE SHARES ARE SUBJECT TO RESTRICTIONS ON THEIR TRANSFER AS CONTAINED IN A UNANIMOUS SHAREHOLDERS' AGREEMENT DATED the _____ day of _____, AND IN APPLICABLE LAW. A FULL COPY OF THE TEXT THEREOF IS OBTAINABLE ON DEMAND AND WITHOUT FEE FROM THE CORPORATION."

ARTICLE 2 PROVISIONS FOR CORPORATE MATTERS

2.1 Agreement on Corporate Matters

The Shareholders shall cause such meetings of the Corporation to be held, votes cast, resolutions passed, bylaws enacted, documents executed and all things and acts done to ensure the following continuing arrangements with respect to the operation and control of the Corporation:

(a) Board of Directors

The affairs of the Corporation shall be managed by a Board which shall at all times consist of two directors appointed by the shareholders, and in the event the shareholders cannot agree then the Directors of the Corporation from the date hereof until changed by the Shareholders shall be Syed Bokhari ("Bokhari") and Darcy Shaver ("Shaver");

(b) Officers

The officers of the Corporation shall be those appointed from time to time by the Board. An officer need not be a Director. Until resolved otherwise by the Director(s), the officers of the Corporation shall be as follows:

Syed Bokhari
Darcy Shaver

- President
- Secretary/Treasurer

(c) Voting

The shareholders will vote at all meetings of the Shareholders, and act in all other respects in connection with the proceedings of the Corporation in such manner as to insure that the individuals who are agreed to be directors are elected and appointed and maintained in place from time to time as directors. In the event that a vacancy shall occur on the Board the Shareholders shall exercise their voting rights to fill such vacancy with the nominee of the shareholder that no longer has representation on the Board. The Shareholders of the Corporation shall at all times cast their votes as a Shareholder in a manner compliant and consistent with the terms and provisions of this agreement, and to cause the

Corporation to conduct itself in compliance with the terms of the within agreement.

- (d) The Shareholders and any nominee of each of the Shareholders shall not be disqualified from voting on any matter involving the Portage Lands, and any commercial arrangement or contracts between the Corporation and Tahir Construction Inc. any replacement contractor or with Darcy and each shareholder may vote on such matters in such manner as such shareholder or director in their unfettered discretions may choose, subject to the rights, requirements and restrictions set out in this agreement.

(e) **Written Confirmation**

Any matter recorded in the minutes of a meeting of the Directors or of the Shareholders as having been approved or agreed upon by resolution or otherwise shall be deemed, for the purposes hereof, to have been consented to by a Director or a Shareholder as the case may be, only if the consent of such Director or Shareholder shall have been indicated in writing whether by endorsement of such minutes or otherwise;

(f) **Signing Authority**

All contracts, documents, banking documents, cheques, wire transfers, automatic payments, other means of transferring or moving funds, promises to pay, security documents and pledges binding the Corporation shall require the signature of the two directors of the Corporation or by at least one director together with an individual appointed in writing by the other director to execute any such instruments or agreements on behalf of the absent director.

ARTICLE 3
CONSENT

3.1 Without the prior consent of all of the Shareholders, none of the following shall be effected by the Directors or the Shareholders:

- i) The issuance, sale or transfer by the Corporation of any Shares or any obligations, charges, debts or other instruments convertible into Shares or involving rights to vote;
- ii) the taking or instituting of proceedings for the winding up, reorganization or dissolution of the Corporation;

- iii) the sale, lease, exchange or other disposition of all or substantially all of the assets and undertaking of the Corporation;
- iv) The repayment of any Shareholder Advances owing by the Corporation to any of the Shareholders;
- v) the hypothecation, mortgage, pledge, charge or other encumbrance or any of the assets of the Corporation;
- vi) the fixing, paying or changing of any salary, bonus, fee or other compensation of any Director or Cormorant or payable to any employee who is also a Director except as provided for in this agreement;
- vii) the filing of Articles of Amendment amending the Articles;
- vii) the enactment, revocation or amendment of any by laws of the Corporation;
- ix) any material change in the undertaking of the business or operation of the Corporation; and
- x) except as provided otherwise in this Agreement, the making of any contract between the Corporation and any person not dealing at arm's length with any of the Shareholders or directors, or the making of any payment or the provision of financial assistance, whether by guarantee or otherwise, to any person not dealing at arm's length with any of the Shareholders.

3.2 Consent by Darcy

For so long as the any security pledged by Darcy or any guarantees of him to any lender of the Corporation remain outstanding or any part thereof are outstanding by the Corporation, then, without the prior consent of Darcy none of the following shall be effected by the directors or the shareholders:

- i) the issuance, sale or transfer by the Corporation of any shares or any obligations, charges, debts or other instruments convertible into shares or involving rights to vote;
- ii) the sale, lease, exchange or other disposition of all or substantially all of the assets and undertaking of the Corporation;
- iii) the changing of any salary, bonus, fee or other compensation of any director, officer or related consultant or payable to any employee who is also a director;

- iv) any material change in the undertaking of any business or operation of the Corporation, or any transaction out of the ordinary course of business of the Corporation any changes in the designs, specifications of the buildings to be constructed by Tahir Construction Inc.; and
- v) except as otherwise provided in this agreement, the making of any contract between the Corporation and any person not dealing at arm's length with any of the Shareholder's, or the making of any payment or the provision of financial assistance, whether by guarantee or otherwise, to any person not dealing at arm's length with any of the Shareholders.

ARTICLE 4 **PORTAGE PROPERTY**

4.1 The Portage Lands are subject to the Debt owing to Jack Kovnats which as of December 14, 2020 is the sum of \$ 921,450.00 plus \$ 1,033.23 per diem thereafter until paid ("Kovnats Debt"). The parties agree that the Kovnats Debt shall be satisfied and retired as set out in Section 4.3 hereof.

4.2 Unless otherwise agreed, the Portage Lands shall be developed as 13 individual buildings of approximately 16,000 square feet each, each comprised of 1-2 bedroom suite and 15-3 bedroom suites each with 2 washrooms. The Company shall retain ownership of the Portage Lands as residential rental buildings.

4.3 Darcy shall use its personal credit worthiness to assist the Corporation to borrow:

- a) sufficient fund to pay the Kovnats Debt and have all of the securities and guarantees provided to Kovnats as security for the Kovnats Debt discharged and released, including sufficient funds to cover costs incurred related to obtaining such loan, plus 6 months of interest on such loan and the legal fees of the parties hereto for the transaction of Darcy acquiring shares in the Corporation, this agreement and the Interim Loans; and
- b) shall be followed by financing for such funds from a bank or credit union or other Class A lender which are sufficient for the Corporation to construct at least 2 of such buildings referred to in Section 4.2 at a time. Upon such buildings being completed and rented out to residential tenants, then shall be followed by;
- c) additional funds to complete construction of more such buildings until all are completed with up to 250 residential units in total. This strategy of construction and then obtaining funds obtaining to complete construction until all potential buildings have been completed.

ARTICLE 5
TAHIR CONSTRUCTION INC.

5.1 The Corporation shall contract with Tahir Construction Inc. as general contractor to construct the buildings referred to in Article 4, at a fixed contract price of \$ 2,000,000.00 per building, fully completed and with appliances and window coverings installed. The Corporation shall remain responsible for development of common areas and development requirements under the Development Agreement with the City of Portage La Prairie. The form and content of the contract with Tahir Construction Inc. shall be standard form of such construction contracts regularly utilized in Manitoba, subject to such changes and additions as seen appropriate and agreed upon between the Corporation and Tahir, each acting reasonably, but within the provisions already contained in this agreement.

5.2 The \$ 2,000,000.00 for each building shall be advanced to Tahir limited only as required by the institution lending the money.

5.3 Tahir Construction Inc. shall be responsible for paying any and all development fees, building permits or charges levied by the City of Portage La Prairie for construction of the apartments. The development fees, permits or charges shall be paid prior to occupancy permits being issued by the City.

5.4 Special Exceptions

The provision of this agreement shall be abridged in the following circumstances:

- (a) Should the costs of construction of each building exceed \$ 2,000,000.00 then the costs in excess of \$ 2,000,000.00 are the responsibilities of Tahir Construction Inc. and in the event the Corporation is called upon to pay any such additional costs in order to complete the construction of any building then those additional expenses together with interest at the rate the Corporation may be paying upon any Mortgage the Corporation has upon the Portage Lands, shall be charged against the shareholders account of Bokhari, and Darcy shall receive an equal amount from the Corporations profits before further distribution to Bokhari;
- (b) In the event (a) shall repeat for a second consecutive building construction then Darcy on behalf of the Corporation may terminate the contract with Tahir Construction Inc. and the directors shall then agree on a new construction company to complete the construction project; and
- (c) In the event the construction of the buildings is unreasonably delayed as a result of inadequate performance directly related to the lack of knowledge or management skills of Tahir Construction Inc. then Darcy may terminate the contract with Tahir Construction Inc. and the directors shall then agree upon a

new construction company or companies to complete the construction of the remaining buildings.

ARTICLE 6

OFFICE

6.1 Office

The business offices of the Corporation shall be maintained at 23 Goodfellow Way, Winnipeg, Manitoba, R3W 0K1, unless agreed otherwise by Bokhari and Shaver as directors of the Corporation.

6.2 Day to Day Operations

Except with respect to such matters as have been provided otherwise in this Agreement, the day to day decisions and management of the affairs of the Corporation shall be as agreed from time to time by the directors and shall be executed by Bokhari or Darcy Shaver, as they agree from time to time or in the event either resigns from the position as a director of the Corporation or he is unable or unwilling to perform these duties, then such other person or persons to whom the Shareholders may delegate the authority.

6.3 Access Information

Each director shall have unimpeded access to all information of the Corporation banking information, expense records, rents, leases and other business records of the Corporation.

6.4 Year End

The year end of the Corporation for income tax purposes and for the purposes of preparing the annual financial statements of the Corporation and for all other annual financial and accounting purposes with respect to the affairs of the Corporation or any provision herein shall be the 31st day of July of each year unless agree otherwise.

ARTICLE 7

OPERATION AND FINANCING

7.1 Proper Books and Records

Proper books of account shall be kept by the Corporation and entries shall be made therein of all matters, terms, transactions and things as are usually written and entered into books of account in accordance with generally accepted accounting principles. Each of the Shareholders or its nominee Director as the case may be, shall have free access at all times to examine and copy them. All such books, accounts and records of every kind of the Corporation

shall always be maintained at the offices of the Corporation, except at such times as they may be in the possession of the Corporation's accountants.

7.2 Bank Accounts

The Corporation shall maintain a bank account or bank accounts at the institution in Winnipeg, Manitoba, which approves the desired financing for the buildings proposed to be constructed or at such other credit union, bank, trust company as Bokhari and Darcy agree from time to time ("Bank Accounts"). All Bank Accounts shall be kept in the name of the Corporation and all cheques, bills, notes, drafts or other instruments shall require the signatures of both directors of the Corporation, or one director and such other individual the other director may appoint to sign on his behalf in his absence unless the shareholders agree otherwise. All monies received from time to time for the account of the Corporation shall be paid immediately into the Bank Account for the time being in operation, in the same drafts, cheques, bills or cash in which they are received and all disbursements on account of the Corporation shall be made by cheque on such Bank Accounts.

ARTICLE 8 **EXPENSES AND ALLOCATION OF INCOME**

8.1 Hired by Corporation

The Corporation agrees that Bokhari shall manage and operate the day to day business of the Corporation as may be required without fees or additional compensation except reimbursement of reasonable costs. Separate and apart from these services, the Board may hire one or more of them or a third party to provide management or other services on behalf of the Corporation on separate compensation or remuneration terms from those for the services which Bokhari is to perform, as may be agreed between the directors (hereinafter referred to as "Manager's Fees").

8.2 Corporate Expenses

For the purposes of this Article 8, the following costs and expenses of the Corporation shall be referred to as the "Corporate Expenses";

- (a) All expenses to keep and maintain the Portage Lands, including insurance, cleaning, landscaping and repairs;
- (b) All rents for any offices or storage utilized by the Corporation and any office furniture, computers, photocopiers, facsimile machines, answering service, websites, telephones and other equipment;
- (c) All wages, salaries, management fees and benefits of all employees, contractors or consultants of the Corporation including part time or shared services employees;

- (d) All expenses to keep and maintain the business premises, (including regular monthly telephone hook-up service charges, internet services and computer, and web and domain maintenance expenses) utilities including cleaning, maintenance and repairs;
- (e) All Manager's Fees;
- (f) Accounting fees and legal fees incurred by and on behalf of the Corporation;
- (g) All property taxes;
- (h) All business taxes, if any, and PST or GST or any other Corporate taxes, including Income Tax;
- (i) All bank charges;
- (j) Construction Costs at \$ 2,000,000.00 per building;
- (k) Interest expenses on any liabilities of the Corporation, but not including interest expenses which are the responsibility of Tahir Construction Inc.; and
- (l) Any other expenses the Shareholders agree from time to time to treat as a Corporate expense.

8.3 Distribution of Income

All income received by the Corporation shall be applied or used in the following priorities:

- (a) To pay all Corporate Expenses then outstanding or due;
- (b) To pay or allow for all income taxes and other taxes due by the Corporation to Canada Revenue Agency or any other governmental agency;
- (c) To pay all current debts of the Corporation;
- (d) To pay down all term debts of the Corporation;
- (e) To repay shareholders loans, if any;
- (f) Subject to subsection 5.4, to pay or credit the balance to shareholders in equal shares.

ARTICLE 9

WITHDRAWAL

9.1 Withdrawing Party

In the event a Shareholder is deemed a "Withdrawing Party" as a result of any of the events described in Section 9.1, the Withdrawing Party shall sell his or its Common Shares to the other Shareholders, all (but not less than all) the Common Shares owned by the Withdrawing Party, upon the Withdrawing Terms and Conditions hereinafter set forth.

9.2 Sale Price of Shares

The sale price for the Shares to be sold and purchased under this Article 9 (hereinafter in this Article called the "Sale Price"), shall be determined in accordance with the provisions of Section 9.5 hereof.

9.3 Closing

The closing of the transaction of purchase and sale contemplated by this Article shall take place at the date (called the Date of Closing) which shall be the latest of:

- (a) the date which is sixty (60) days after the date of the relevant event described in Section 9.1; and
- (b) the date which is sixty (60) days after the date the Purchase Price is finally determined in accordance with the provisions of Section 9.5 hereof.

9.4 Prices

The price payable to Withdrawing Party on closing of the sale and purchase of his or its Common Shares shall be an amount equal to:

- (a) the balance of that Shareholder's share of accumulated but undistributed income accounts; plus or minus;
- (a) one-half of the profits of the Corporation for the current fiscal year of the event described in Section 9.1 to the effective date of the sale, which have not yet been allocated to the Shareholder's income accounts; and plus
- (b) one-half times the net income of the Corporation for the previous fiscal year .

9.5 The Purchase Price for the purchase and sale of shares pursuant to this Article 9, shall be payable in full upon the closing of the transaction.

ARTICLE 10

RESTRICTION ON TRANSFER OF SHARES

10.1 General Restriction on Transfer of Shares

The Shareholders covenant that they will not sell, assign, transfer, pledge, mortgage, charge, create a security interest in, hypothecate, enter into any agreement or option to or otherwise dispose of, encumber or deal with any of the Common shares or any other shares that may be issued to either of them or which are controlled by either one of them owned or controlled by them, except in accordance with the terms of this Agreement, or with the prior written consent of the other Shareholder. The parties do consent to a Shareholder transferring his shares to a personal holding company, his wife, adult children, to a family trust, providing any of them shall first become a party to this agreement or in the event of death, to a personal representative of the estate to be dealt with after according to the instructions of the deceased providing however this agreement shall remain binding upon the personal representative of the deceased.

ARTICLE 11

CONSENTS

11.1 Notice by the Corporation of Shareholders' Agreement

The Corporation by its execution of this Agreement acknowledges that it has actual notice of the terms of this Agreement, consents to it and covenants with each of the Shareholders that it will at all times during the continuance of the Agreement be governed by it in carrying out its business and affairs and accordingly, shall give or cause to be given such notices, execute or cause to be executed such deeds, transfers and documents and do or cause to be done all such acts, matters and things as may from time to time be necessary or conducive to the carrying out of the provisions and intent of the Agreement.

ARTICLE 12

GENERAL AND INTERPRETATION

12.1 Duration of Agreement

This Agreement shall continue in full force and effect until terminated by agreement amongst the Shareholders.

12.2 Arbitration

If any disagreement arises between the Parties with reference to this Agreement or any matter arising under it and upon which the Parties cannot agree (other than a matter governed by the provisions of Article Nine hereof), then any such dispute shall be referred to arbitration in accordance with the provision of *The Arbitration Act* of the Province of Manitoba, as amended from time to time, and every statute that may be substituted therefore.

12.3 Time of Essence

Time shall be of the essence of this Agreement.

12.4 Non-Waiver

No provision of this Agreement shall be deemed to be waived unless such waiver is in writing. Any waiver of any default committed by any of the Parties in the observance of the performance of any part of this Agreement shall not extend to or be taken in any manner to affect any other default.

12.5 Notices

Any notice or other communication required or permitted to be given by any Party to any other Party shall be in writing and shall be delivered personally, by prepaid registered mail, or by facsimile addressed to the Party to which it is to be given at the last known addresses provided by the recipient

12.6 Enurement

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective heirs, executors, administrators, successors and assigns.

12.7 Execution in Counterpart

This Agreement may be executed in counterpart and all executed counterparts taken together shall constitute one agreement.

12.8 The effective date of this agreement is _____, 2020.

14
IN WITNESS WHEREOF SYED BOKHARI has hereunto set his hand this ____ day of
_____, 2020.

Signed and Delivered
in the presence of:

Witness

)
)
)
)
)

Syed Bokhari

IN WITNESS WHEREOF DARCY has hereunto set his hand this ____ day of
_____, 2020.

Signed and Delivered
in the presence of:

Witness

)
)
)
)



Darcy Shaver

IN WITNESS WHEREOF BOKHARI DEVELOPMENT INC. has executed these
presents as attested to by the signature of its proper officer in that behalf on the ____ day of
_____, 2020.

Signed and Delivered
in the presence of:

Witness

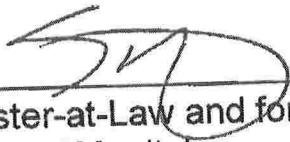
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BOKHARI DEVELOPMENT INC.

Per: _____

Syed Bokhari - President

This is Exhibit "N" referred to in the
affidavit of Scott W. Cannon
Sworn before me this 8th day of
August, 2023.



A Barrister-at-Law and for the
Province of Manitoba.

The Arbitration Act, C.C.S.M. c. A120

Stay

7(1) Subject to subsection (2), if a party to an arbitration agreement commences a proceeding in a court in respect of a matter in dispute to be submitted to arbitration under the agreement, the court shall, on the motion of another party to the arbitration agreement, stay the proceeding.

Refusal to stay

7(2) The court may refuse to stay the proceeding in only the following cases:

- (a) a party entered into the arbitration agreement while under a legal incapacity;
- (b) the arbitration agreement is invalid;
- (c) the subject-matter of the dispute is not capable of being the subject of arbitration under Manitoba law;
- (d) the motion was brought with undue delay;
- (e) the matter in dispute is a proper one for default or summary judgment.

**This is Exhibit “Q” referred to in the
Affidavit of BRIAN JAHOOOR
annexed hereto sworn before me by videoconference
on the ____ day of _____, 2023, at which time I watched
the deponent swear this document and sign it.**

**On this ____ day of _____, 2023, having received
this original executed document, I signed it.**

**A Barrister-At-Law in and for
the Province of Manitoba**

Melanie LaBossiere

From: Trista Feniuk on behalf of Sharyne Hamm
Sent: Tuesday, August 15, 2023 2:25 PM
To: sjt@htlaw.ca; swc@htlaw.ca; dhill@hillcounsel.com; Ryan Nerbas
Cc: Melanie LaBossiere
Subject: Peoples Trust Company - Loan to Bokhari Development Inc.
Attachments: LT Counsel re Security of Premises.pdf

Good afternoon,

Please refer to the attached correspondence.

Regards,

Sharyne Hamm
Associate (she/her)

P 204-934-2572

TF 855-483-7529

F 204-934-1212

E smh@tdslaw.com

W tdslaw.com

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THOMPSON
DORFMAN
SWEATMAN

Writer's Name	Sharyne M. Hamm
Direct Telephone	204-934-2572
E-mail Address	smh@tdslaw.com
Direct Fax	204-934-1212

August 15, 2023

VIA EMAIL

Holloway Thliveris LLP
1430 – 363 Broadway
Winnipeg, Manitoba R3C 3N9

Hill Sokalski Walsh LLP
2670 – 360 Main Street
Winnipeg, Manitoba R3C 3Z3

Attention: Stephan Thliveris / Scott Cannon

Attention: Dave Hill / Ryan Nerbas

Dear Sirs:

Re: Peoples Trust Company
Loan to Bokhari Development Inc.
Our Matter No. 0203716 MAC

As you are aware, our office acts for Peoples Trust Company ("**Peoples**") in connection with funding of the development at 1801-1825 Park Drive in Portage la Prairie, Manitoba (the "**Premises**").

Peoples is becoming increasingly concerned about the security of the Premises, as we have not been able to receive assurance from you that the Premises have not been abandoned and it is clear that the Premises are at risk of fire damage. Peoples intends to secure the Premises, without taking possession or control thereof. We anticipate that security will be in place this week.

Any costs incurred by Peoples in connection with steps required to secure the Premises will be added to the indebtedness of Bokhari Development Inc. pursuant to Mortgage No. 1217450/3 and commitment letter dated June 29, 2021.

We look forward to your prompt attention to this matter.

Yours truly,

THOMPSON DORFMAN SWEATMAN LLP

Per:



Sharyne M. Hamm

SMH/tf

**This is Exhibit "R" referred to in the
Affidavit of BRIAN JAHOOOR
annexed hereto sworn before me by videoconference
on the ____ day of _____, 2023, at which time I watched
the deponent swear this document and sign it.**

**On this ____ day of _____, 2023, having received
this original executed document, I signed it.**

**A Barrister-At-Law in and for
the Province of Manitoba**

Melanie LaBossiere

From: Melanie LaBossiere
Sent: Friday, August 18, 2023 11:12 AM
To: Stephan Thliveris; dhill@hillcounsel.com; Ryan Nerbas; Don Knight; Scott Cannon
Cc: Sharyne Hamm; Ross McFadyen
Subject: RE: Security and Communication with Contractor

Thank you for this, Mr. Thliveris.

I will again request that our office is copied on all communications concerning the property.

It is unclear to us why Mr. Bohkari would not want security at the Property. We repeatedly communicated to the counsel that security is required at the property.

I can advise that I have been in regular contact with Mr. Sawatzky, the general contractor, and he has indicated that he is not taking issue with security being present.

Peoples requires that Mr. Bokhari immediately cease any attempt to interfere with security at the Property. If there are concerns regarding security, please advise who Mr. Bokhari proposes as a replacement security company and confirm he will be paying the costs of that security company.

Regards,
Mel M. LaBossiere
Lawyer
Pronouns: She/Her

Thompson Dorfman Sweatman LLP
P: 204-934-2508

From: Stephan Thliveris <sjt@htlaw.ca>
Sent: Friday, August 18, 2023 11:03 AM
To: dhill@hillcounsel.com; Ryan Nerbas <rnerbas@hillcounsel.com>; Don Knight <don.knight@knightlaw.ca>; Melanie LaBossiere <mml@tdslaw.com>; Sharyne Hamm <SMH@tdslaw.com>; Ross McFadyen <RAM@tdslaw.com>; Scott Cannon <swc@htlaw.ca>
Subject: FW: Security and Communication with Contractor
Importance: High

Messrs. Nerbas and Hill,

I am in receipt of your letter to Mr. Colin Durward a copy of which is attached hereto for your ease of reference.

Please see the email communication to you directly from Ms. Labossiere of Thompson Dorfman Sweatman (counsel for Peoples Trust) below my signature.

Security is on site at the direction of Peoples trust. You were previously advised that Peoples had directed security be in place and Mr. Shaver accommodated.

We have video and photographic evidence of Gateway representatives removing materials from the Portage project site. Security is now in place to ensure this does not occur any further.

My client is currently mapping out a plan to complete this project and will be discussing same with Peoples in short order.

Stephan J. Thliveris



Construction and Commercial Lawyers

1430 - 363 Broadway, Winnipeg, Manitoba, R3C 3N9

Direct: 204-289-1522 | Office: 204-289-1523 | Fax: 204-289-1520

www.htlaw.ca

*Services provided by Thliveris Law Corporation

From: Melanie LaBossiere <MML@tdslaw.com>

Date: Thursday, August 17, 2023 at 12:39 PM

To: Gateway Projects <gatewayprojectsmb@gmail.com>, Scott Cannon <swc@htlaw.ca>

Cc: Stephan Thliveris <slt@htlaw.ca>, Dave Hill (<dhill@hillcounsel.com> <dhill@hillcounsel.com>), Don Knight <don.knight@knightlaw.ca>, Ross McFadyen <RAM@tdslaw.com>, Sharyne Hamm <SMH@tdslaw.com>

Subject: RE: Security and Communication with Contractor

As a note – security is in place at the direction of Peoples. We demanded that security be put in place and Mr. Shaver responded to that demand.

Mel M. LaBossiere

Lawyer

Pronouns: She/Her

Thompson Dorfman Sweatman LLP

P: 204-934-2508

From: Gateway Projects <gatewayprojectsmb@gmail.com>

Sent: Thursday, August 17, 2023 12:37 PM

To: Scott Cannon <swc@htlaw.ca>

Cc: Melanie LaBossiere <MML@tdslaw.com>; Stephan Thliveris <slt@htlaw.ca>; Dave Hill (<dhill@hillcounsel.com> <dhill@hillcounsel.com>); Don Knight <Don.Knight@knightlaw.ca>; Ross McFadyen <RAM@tdslaw.com>; Sharyne Hamm <SMH@tdslaw.com>

Subject: Re: Security and Communication with Contractor

Thank you for the info Scott. However it would be appreciated if the man on site told the truth and did t say he is with Peoples.

To avoid conflict, who should I advise when I come to the site to remove my equipment.

Russ

Gateway

On Aug 17, 2023, at 12:29 PM, Scott Cannon <swc@htlaw.ca> wrote:

All,

Just for notification and so that all can be apprised of the current status of the property, Bulldog Security Services is currently monitoring the site and has been put in place by Mr. Shaver in order to ensure that the status of the site is secured. Please relay same to your clients, agents, etc. who may be attending the site while this ordeal is sorted out.

Regards,

<image003.png>

Direct: 204-289-1524 | Office: 204-289-1523 | Fax: 204-289-1520

www.htlaw.ca

*providing services on behalf of S.W.Cannon Law Corporation

From: Melanie LaBossierie <MML@tdslaw.com>

Sent: Wednesday, August 16, 2023 2:17 PM

To: Stephan Thliveris <stt@htlaw.ca>; Scott Cannon <swc@htlaw.ca>; Dave Hill (dhill@hillcounsel.com) <dhill@hillcounsel.com>; Don Knight <don.knight@knightlaw.ca>

Cc: Ross McFadyen <RAM@tdslaw.com>; Sharyne Hamm <SMH@tdslaw.com>; gatewayprojectsmb@gmail.com

Subject: Security and Communication with Contractor

Stephan / Scott / Dave / Don,

I just received a call from Mr. Russel Sawatzky of Gateway Projects. I have copied him on this e-mail so that you have his contact information.

I am advised that RCMP were called as Mr. Sawatzky was not made aware that security was going to be at the project site and as a general contractor, his understanding is that he has a legal obligation to know the identities and be aware of any individuals on the project site. I have advised Mr. Sawatzky that Mr. Shaver sent security to the project site today after Peoples indicated that they would send security unless one of the parties coordinated security at the site.

He has also advised me that the project has not been "abandoned" and that he has had employees at the site regularly.

As our understanding, based on the materials filed in Court by your clients, was that there was no one at the Project, work had ceased, and the property had been abandoned, we were not aware that Mr. Sawatzky and his employees are still at the site and require notice of what is going on. As we act for the Lender, we have no relationship with the general contractor and would have expected that your clients as the corporation and shareholders, directors and officers of the corporation, would be in contact with the general contractor.

I expect that it will be a serious concern for Peoples that the general contractor has an entirely different understanding regarding the state of the project than the owners. Moreover, while both Mr. Bokhari nor Mr. Shaver have given assurances that a plan to resume the project and/or refinance will be provided, we have received no such plan from either party and it now appears that your clients have not even been in contact with Mr. Sawatzky over the past few days.

As noted, please ensure you (or your clients) are keeping Mr. Sawatzky advised as to the situation to ensure that he can comply with Workplace Health and Safety Regulations. His e-mail address is gatewayprojectsmb@gmail.com

It would be helpful at this point if we were able to provide Peoples with some information as to what your clients are doing with respect to the project, how they are addressing or planning to address the defaults under the loan, and why their understanding of the Project differs from Mr. Sawatzky.

Regards,

Mel M. LaBossiere
Lawyer

Pronouns: she/her

P 204-934-2508

TF 855-483-7529

F 204-934-0570

E mm1@tdslaw.com

W tdslaw.com/mm1

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1700 – 242 Hargrave Street • Winnipeg, Manitoba • R3C 0V1

<image005.jpg>

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August 17, 2023

BY PROCESS SERVER

Colin Durward
% 1595 Erin St
Winnipeg, Manitoba R3E 2T2

Dear Sir:

Re: 1801-1825 Park Drive, Portage La Prairie, Manitoba
Our File: 23184

We are litigation counsel to Syed Bokhari, who is an officer, director and shareholder of Bokhari Development Inc. ("BDI"). BDI is the owner of a residential property development located at 1801-1825 Park Drive in Portage La Prairie, Manitoba (the "Project").

We are advised that an individual was in attendance purportedly as a "security guard" at the Project site on Wednesday, August 16, 2023, that this person was sitting in a vehicle that was identified as being from London Limos' fleet, and that London Limos is owned by Dave Sidhu, who is an associate of yours.

The "security guard" in question refused to allow Russell Sawatzky of Gateway Construction, the General Contractor on the Project, on the premises, and subsequently advised RCMP that he was there on behalf of Peoples Trust Company, the lender on the Project, a statement which is demonstrably false, as Peoples Trust Company has confirmed that they did not dispatch security to the site. Further, the "security guard" later suggested that he was there at your behest.

We are further advised that both you and Mr. Sidhu have a prior contentious business relationship with Mr. Bokhari.

Please be advised that any further trespass on the Project site will not be tolerated. We require you to immediately confirm whether you are responsible for the presence of the "security guard" at the Project site, and if so, to advise the purpose of doing so and whether you acted alone or in concert with others.

We require your response by 5:00 p.m. on Friday, August 18, 2023.

Sincerely,

HILL SOKALSKI WALSH LLP

Per:


Ryan Nerbas

RN/km

23184/Doc#0052157

SUITE 2670, 360 MAIN ST. WINNIPEG, MB R3C 3Z3
(204) 943-6740 TEL (204) 943-3934 FAX

HILLCOUNSEL.COM

Melanie LaBossiere

From: Gateway Projects <gatewayprojectsmb@gmail.com>
Sent: Monday, August 21, 2023 2:16 PM
To: Melanie LaBossiere
Cc: Dave Hill (dhill@hillcounsel.com); Don Knight; Ross McFadyen; Scott Cannon; Sharyne Hamm; Stephan Thliveris
Subject: Re: Security and Communication with Contractor

Good afternoon,

Just wanted to notify all that Darcy Shaver is on site with our trades (specifically the roadworks contractor) and yet his security won't allow us on site. We've also been blocked from removing our machine and tools such as generator and manlift. This is outrageous. We are afraid of him removing our materials without our consent which lender hasn't paid for: roadways fabric and grid, fire alarm systems etc etc. This will amount to theft.

Let this be noted.

This is outrageous.

Russ

On Thu, Aug 17, 2023 at 12:39 PM Melanie LaBossiere <MML@tdslaw.com> wrote:

As a note – security is in place at the direction of Peoples. We demanded that security be put in place and Mr. Shaver responded to that demand.

Mel M. LaBossiere

Lawyer

Pronouns: She/Her

Thompson Dorfman Sweatman LLP

P: 204-934-2508

From: Gateway Projects <gatewayprojectsmb@gmail.com>
Sent: Thursday, August 17, 2023 12:37 PM
To: Scott Cannon <swc@htlaw.ca>
Cc: Melanie LaBossiere <MML@tdslaw.com>; Stephan Thliveris <sjt@htlaw.ca>; Dave Hill (dhill@hillcounsel.com) <dhill@hillcounsel.com>; Don Knight <Don.Knight@knightlaw.ca>; Ross McFadyen <RAM@tdslaw.com>; Sharyne Hamm <SMH@tdslaw.com>
Subject: Re: Security and Communication with Contractor

**This is Exhibit "S" referred to in the
Affidavit of BRIAN JAHOOR
annexed hereto sworn before me by videoconference
on the _____ day of _____, 2023, at which time I watched
the deponent swear this document and sign it.**

**On this _____ day of _____, 2023, having received
this original executed document, I signed it.**

**A Barrister-At-Law in and for
the Province of Manitoba**

NOTICE OF PAST DUE TAXES

City of Portage la Prairie
97 Saskatchewan Ave East
Portage la Prairie, MB R1N 0L8
Phone: (204) 239-8308

BOKHARI DEVELOPMENT INC
202 - 900 HARROW STREET EAST

WINNIPEG, MB R3M 3Y7

Date	Roll Number
08/01/2023	0000370.000

PROPERTY DESCRIPTION

1801 PARK DR

YEAR	TAXES/OTHER	PENALTY	TOTAL
2023	\$1,274.19	\$15.93	\$1,290.12
2022	\$0.00	\$0.00	\$0.00
2021	\$0.00	\$0.00	\$0.00
AMOUNT DUE			\$1,290.12

NOTICE OF PAST DUE TAXES

City of Portage la Prairie
97 Saskatchewan Ave East
Portage la Prairie, MB R1N 0L8
Phone: (204) 239-8308

BOKHARI DEVELOPMENT INC
202 - 900 HARROW STREET EAST

WINNIPEG, MB R3M 3Y7

Date	Roll Number
08/01/2023	0000380.000

PROPERTY DESCRIPTION

1819 PARK DR

YEAR	TAXES/OTHER	PENALTY	TOTAL
2023	\$947.26	\$11.84	\$959.10
2022	\$0.00	\$0.00	\$0.00
2021	\$0.00	\$0.00	\$0.00
AMOUNT DUE			\$959.10

**This is Exhibit "T" referred to in the
Affidavit of BRIAN JAHOOOR
annexed hereto sworn before me by videoconference
on the _____ day of _____, 2023, at which time I watched
the deponent swear this document and sign it.**

**On this _____ day of _____, 2023, having received
this original executed document, I signed it.**

**A Barrister-At-Law in and for
the Province of Manitoba**



TD Canada Trust

Canadian Collections, Customer Assistance
P.O. Box 347, TD Centre,
Toronto, Ontario M5K 1K7

Received
AUG 14, 2023

August 04, 2023

1000042

BOKHARI DEVELOPMENT INC.
900 HARROW ST E UNIT 202
WINNIPEG, MB R3M 3Y7

**Important notification about your TD Canada Trust
Business Chequing Account # 6546-52***61, Branch # 6546 ("Account")**

Dear Valued Business Customer,

We value your business and want to keep you updated about the status of your Account. I am writing today to let you know that your Account is overdrawn. In order to bring your Account into good standing, please pay the overdrawn amount, \$175.48, within 10 days of the date of this letter. If you have already brought your Account up to date, please disregard this letter and accept our thanks.

For your convenience, payment may be made to your Account through EasyWeb® Internet banking at www.tdcanadatrust.com or EasyLine® telephone banking at 1-866-222-3456, 24 hours a day, seven days a week. If you use a TTY, please call 1-800-361-1180. You can also visit any TD Canada Trust branch. To locate the one nearest you, visit www.tdcanadatrust.com/locator.

If you are unable to make a payment within 10 days, please call us at the number below and quote reference number 319831659. We understand that every situation is different, and there may be other payment options available to you.

Questions? It's easy to contact us.

You are important to us. If you have additional information about your situation that you would like to talk to us about, or if you have any questions, simply call **1-866-485-5354**, Monday to Friday, between 8:00 a.m. and 9:00 p.m. (ET), and Saturday, between 9:00 a.m. and 5:00 p.m. (ET).

Sincerely,

Dave McAdams
Vice President
TD Canada Trust
Canadian Collections, Customer Assistance

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302-SBB

Member of TD Bank Group

**This is Exhibit "U" referred to in the
Affidavit of BRIAN JAHOOOR
annexed hereto sworn before me by videoconference
on the ____ day of _____, 2023, at which time I watched
the deponent swear this document and sign it.**

**On this ____ day of _____, 2023, having received
this original executed document, I signed it.**

**A Barrister-At-Law in and for
the Province of Manitoba**

Melanie LaBossiere

From: Melanie LaBossiere
Sent: Monday, August 14, 2023 6:16 PM
To: Stephan Thliveris; Scott Cannon; Dave Hill (dhill@hillcounsel.com); Ryan Nerbas; Don Knight
Cc: Sharyne Hamm; Ross McFadyen
Subject: Re: Peoples Trust Company - Construction Loan and Mortgage Letter No. 52686

Thank you for the update.

I expect that Peoples will be open to considering any plan that your respective clients put forward.

I do not have instructions, however, I expect that in order for a plan to be seriously considered, Peoples will require that the plan provide for (at a minimum) the following:

1. all arrears be paid, immediately;
2. Proof of an ability to make all payments in accordance with the loan and mortgage prior to a refinancing;
3. Strict compliance with the terms of the loan and mortgage going forward;
4. Required bonding is obtained immediately, and proof of same is provided to our office;
5. Proof of funds sufficient to address builders' liens, and a plan to pay contractors and discharge liens;
6. Draws 21 and 22 are approved and it is agreed that all draws will be approved going forward;
7. Regular status updates on litigation between the parties;
8. Status report on the project;
9. Provision of insurance policies;
10. A plan, including a timeline, to have a new lender payout to Peoples.

I expect that any plan will need to have some certainty to it in order for Peoples to be comfortable that the plan will be successful.

Again, I do not have instructions, and Peoples may require further information and/or have addition requirements. However, I expect that the above-noted items will be required before we can feel comfortable making any recommendation to Peoples.

Regards,
Mel M. LaBossiere
Associate
Thompson Dorfman Sweatman LLP
204-934-2508

From: Stephan Thliveris <sjt@htlaw.ca>
Sent: Monday, August 14, 2023 5:47:53 PM
To: Melanie LaBossiere <MML@tdslaw.com>; Scott Cannon <swc@htlaw.ca>; Dave Hill (dhill@hillcounsel.com) <dhill@hillcounsel.com>; Ryan Nerbas <rnerbas@hillcounsel.com>; Don Knight <don.knight@knightlaw.ca>
Cc: Sharyne Hamm <SMH@tdslaw.com>; Ross McFadyen <RAM@tdslaw.com>
Subject: Re: Peoples Trust Company - Construction Loan and Mortgage Letter No. 52686

Dear Mses. LaBossiere and Hamm,

I have been advised that my client is sending security to the Portage project as I type. Trades will resume immediately in the absence of Gateway (Gateway and its principles are also being named as defendants) and invoices will be submitted to BDI in the normal course.

The shareholder dispute is between our client and Mr. Hill's and subject to an Arbitration clause. I have made request twice to Mr. Hill's offices as to the intention of Mr. Syed Bokhari and have not received any reply.

My client's intention is to obtain funding to pay out Peoples first mortgage and continue with the project. Mr. Hill represented in Court that Peoples "want nothing to do" with Mr. Shaver. I would like to canvass that representation tomorrow during our conversation if your availability permits.

Thank-you.

Stephan J. Thliveris



Construction and Commercial Lawyers

1430 - 363 Broadway, Winnipeg, Manitoba, R3C 3N9

Direct: 204-289-1522 | Office: 204-289-1523 | Fax: 204-289-1520

www.htlaw.ca

From: Melanie LaBossiere <MML@tdslaw.com>

Date: Monday, August 14, 2023 at 4:34 PM

To: Stephan Thliveris <sjt@htlaw.ca>, Scott Cannon <swc@htlaw.ca>, Dave Hill (dhill@hillcounsel.com) <dhill@hillcounsel.com>, Ryan Nerbas <rnerbas@hillcounsel.com>, Don Knight <don.knight@knightlaw.ca>

Cc: Sharyne Hamm <SMH@tdslaw.com>, Ross McFadyen <RAM@tdslaw.com>

Subject: RE: Peoples Trust Company - Construction Loan and Mortgage Letter No. 52686

All,

As we have yet to receive a response to the correspondence below, Peoples Trust Company is sending a property manager to assess the property.

As noted in my correspondence dated August 3, 8, and 14, 2023, the abandonment of the Property constitutes a breach of the loan and mortgage and places Peoples security at risk.

The Affidavit materials filed in Court of King's Bench File No. CI 23-01-42219 highlight the significant risk to the Property as a result of the abandonment, as well as your respective clients' direct knowledge of those risks. It is incumbent on each of your clients to secure the Property and take any and all action required to mitigate the said risks to the Property.

We appreciate that the shareholder dispute is currently a significant concern for your clients. However, if appropriate steps are not immediately taken to secure the Property and resume the Project, Peoples will be forced to commence proceedings to appoint a receiver over the assets and undertakings of Bokhari Development Inc., including the Property and the Project, and the said assets and undertakings will no longer be in the control of any of your clients.

Please advise as soon as possible whether the Property is still vacant, and the status of the Project. Additionally, please confirm that there is adequate insurance in place to protect Peoples' interest, and provide all insurance policies to our office.

Regards,

Mel M. LaBossiere

Lawyer

Pronouns: She/Her

Thompson Dorfman Sweatman LLP

P: 204-934-2508

From: Melanie LaBossiere <MML@tdslaw.com>

Sent: Monday, August 14, 2023 1:34 PM

To: Stephan Thliveris <sjt@htlaw.ca>; Scott Cannon <swc@htlaw.ca>; Dave Hill (dhill@hillcounsel.com) <dhill@hillcounsel.com>; Ryan Nerbas <rnerbas@hillcounsel.com>; Don Knight <don.knight@knightlaw.ca>

Cc: Sharyne Hamm <SMH@tdslaw.com>; Ross McFadyen <RAM@tdslaw.com>

Subject: RE: Peoples Trust Company - Construction Loan and Mortgage Letter No. 52686

All,

Peoples Trust Company is very concerned about the state of the Property. Based on the affidavit evidence, it appears that the Property has been vacant and there is a significant fire risk.

Please confirm whether the Property is still vacant, if not, what is the status of the Project and the state of the Property.

Additionally, I expect that one of the parties will have the relevant insurance policies. If someone could provide them to us as soon as possible, that would be helpful.

Regards,

Mel M. LaBossiere

Lawyer

Pronouns: She/Her

Thompson Dorfman Sweatman LLP

P: 204-934-2508

From: Stephan Thliveris <sjt@htlaw.ca>

Sent: Monday, August 14, 2023 12:39 PM

To: Melanie LaBossiere <MML@tdslaw.com>; Scott Cannon <swc@htlaw.ca>; Dave Hill (dhill@hillcounsel.com) <dhill@hillcounsel.com>; Ryan Nerbas <rnerbas@hillcounsel.com>; Don Knight <don.knight@knightlaw.ca>

Cc: Sharyne Hamm <SMH@tdslaw.com>; Ross McFadyen <RAM@tdslaw.com>

Subject: Re: Peoples Trust Company - Construction Loan and Mortgage Letter No. 52686

That sounds accurate but with one exception.

Mr. Knight is going to be a named defendant. I am uncertain if a party can represent another party....I've never seen that before but it is a whacky world we live in. Ross? Any thoughts?

Mr. Shaver is a 50% owner of BDI and his interest in that company are represented by our offices.

Stephan J. Thliveris



Construction and Commercial Lawyers

1430 - 363 Broadway, Winnipeg, Manitoba, R3C 3N9

Direct: 204-289-1522 | Office: 204-289-1523 | Fax: 204-289-1520

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*Services provided by Thliveris Law Corporation

From: Melanie LaBossiere <MML@tdslaw.com>

Date: Monday, August 14, 2023 at 12:24 PM

To: Stephan Thliveris <sjt@htlaw.ca>, Scott Cannon <swc@htlaw.ca>, Dave Hill (dhill@hillcounsel.com) <dhill@hillcounsel.com>, Ryan Nerbas <rnerbas@hillcounsel.com>, Don Knight <don.knight@knightlaw.ca>

Cc: Sharyne Hamm <SMH@tdslaw.com>, Ross McFadyen <RAM@tdslaw.com>

Subject: Peoples Trust Company - Construction Loan and Mortgage Letter No. 52686

Hi All,

As this matter is moving at quite a brisk pace and has many moving pieces, I want to ensure that I am correct in understanding that Mr. Hill and Mr. Nerbas act for Mr. Bokhari, Mr. Knight acts for Bokhari Development Inc., and Mr. Thliveris and Mr. Cannon act for Mr. Shaver.

Sharyne, Ross and I are acting for the lender, Peoples Trust Company. Please keep us copied on relevant correspondence.

Mel M. LaBossiere

Lawyer

Pronouns: she/her

P 204-934-2508

TF 855-483-7529

F 204-934-0570

E mml@tdslaw.com

W tdslaw.com/mml

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**This is Exhibit "V" referred to in the
Affidavit of BRIAN JAHOOOR
annexed hereto sworn before me by videoconference
on the ____ day of _____, 2023, at which time I watched
the deponent swear this document and sign it.**

**On this ____ day of _____, 2023, having received
this original executed document, I signed it.**

**A Barrister-At-Law in and for
the Province of Manitoba**

Melanie LaBossiere

From: Stephan Thliveris <sjt@htlaw.ca>
Sent: Tuesday, August 15, 2023 1:00 PM
To: Melanie LaBossiere; Sharyne Hamm
Cc: Scott Cannon; Ross McFadyen
Subject: Re: jeffs response

I will get that questioned answered from our client asap.

Also, in his capacity as guarantor and 50% owner of BDI Mr. Shaver will consent to the interim receivership.

Steph

From: Melanie LaBossiere <MML@tdslaw.com>
Sent: August 15, 2023 12:23 PM
To: Stephan Thliveris <sjt@htlaw.ca>; Sharyne Hamm <SMH@tdslaw.com>
Cc: Scott Cannon <swc@htlaw.ca>; Ross McFadyen <RAM@tdslaw.com>
Subject: Re: jeffs response

Thanks for this - to clarify, did your client receive cash from the draws as alleged below?

Mel M. LaBossiere
Associate
Thompson Dorfman Sweatman LLP
204-934-2508

From: Stephan Thliveris <sjt@htlaw.ca>
Sent: Tuesday, August 15, 2023 10:32 AM
To: Melanie LaBossiere <mml@tdslaw.com>; Sharyne Hamm <SMH@tdslaw.com>
Cc: Scott Cannon <swc@htlaw.ca>
Subject: FW: jeffs response

The document being referenced in the email below my signature is Draw 21 (attached as third attachment hereto). Mr. Silberstein signed this document. He further notes "Sadie didn't know this was being done". He further forged and/or placed her signature on that advance payment. Sadie confirmed with me yesterday that she absolutely did not sign that document and had only met Mr. Shaver face to face once more than a year ago.

Please note and compare the signature on Draw 21 to the Commitment letter (attachment #1) and the CCDC Stipulated Price Contract (attachment #2). Both are Mr. Silverstein's signatures. The initials on the Commitment Letter are also written by Mr. Silverstein.

If you have the 1 through 20 advance requests on file, could you send them to us? We would like to see the signatures. Mr. Knight (as you witnessed yesterday) perpetually refuses to give information. We will force that issue through litigation but receiving them from your offices initially would expedite that disclosure.

I am going to send a second email after this one showing that Mr. Shaver (through Scott) directed Mr. Knight to pay the now missed interest payment. Mr. Knight did not respond in any way.

Thanks,

Steph

Stephan J. Thliveris



Construction and Commercial Lawyers

1430 - 363 Broadway, Winnipeg, Manitoba, R3C 3N9

Direct: 204-289-1522 | Office: 204-289-1523 | Fax: 204-289-1520

www.htlaw.ca

From: jeff [approvedfinancing.ca](mailto:jeff@approvedfinancing.ca) <jeff@approvedfinancing.ca>

Sent: Friday, August 11, 2023, 12:28 PM

To: Stephan Thliveris <sjt@htlaw.ca>

Cc: 'Darcy Shaver' <darcy_shaver@hotmail.com>; sadie.silverstein@gmail.com <sadie.silverstein@gmail.com>

Subject: FW: Incoming Scan

Good afternoon Stephen

My daughter called me regarding the attached. She said that she is to see you next week.

I will explain. Darcy was not available to sign the declaration form as per attached as he was away on vacation/up north so he asked to just amend the agreement using a past signed signature approval and change the dates and amounts.

He said to send him the copy of the signed declaration when sending to the quantifier to ensure he sees it. This was done on May 17th as per his instructions., please see below. Darcy also gets to see the full report going to Peoples trust with this declaration in hand when BTY sends this off to them.

Unfortunately Sadie did not know that this was being done. Darcy was at all times involved with each draw and also received cash from each draw. If there was an objection to this at the time, Darcy would have stated this to Ben at BTY and onwards to Peoples trust. He allowed this to proceed as requested

Thanks

Jeff Silverstein, AMP
President
Approved Financing Centre
275 Garry Street
Winnipeg, Manitoba
R3C 1H9
Cell: 204.793.9013