

THE QUEEN'S BENCH
Winnipeg Centre

IN THE MATTER OF: THE APPOINTMENT OF AN INTERIM RECEIVER AND
MANAGER PURSUANT TO SECTION 55 OF *THE*
QUEEN'S BENCH ACT, C.C.S.M. C. C280 AND *QUEEN'S*
BENCH RULE 41

BETWEEN:

CORNELIUS HOFER, TANYA KATHLEEN HOFER,
GERALD HOFER, TWYLA DAWN HOFER, THOMAS
HOFER and REBECCA HOFER,

plaintiffs,

and

RODNEY HOFER, AMANDA HOFER, LYDIA HOFER, WAKE
HOFER, REBECCA HOFER, MARY HOFER, SUSIE
WALDNER, TYRON WALDNER, RAINBOW COLONY OF
HUTTERIAN BRETHREN, RAINBOW COLONY FARMS
LTD., ILE DES CHENES HOLDING CO. LTD., LIFE PARTNERSHIP
FARMS LTD. and 6201041 MANITOBA INC.,

TRUE COPY

defendants.

ORDER
(Appointing Interim Receiver and Manager)

Donald G. Douglas Law Corporation
Barrister and Solicitor
162 Eagleview Road
Winnipeg MB R3Y 0M8

Donald G. Douglas
T: (204) 295-0919
E: don@dondouglaslaw.com

THE QUEEN'S BENCH
Winnipeg Centre

IN THE MATTER OF: THE APPOINTMENT OF AN INTERIM RECEIVER AND
MANAGER PURSUANT TO SECTION 55 OF *THE*
QUEEN'S BENCH ACT, C.C.S.M. C. C280 AND *QUEEN'S*
BENCH RULE 41

THE HONOURABLE) FRIDAY, THE 24th

JUSTICE GREENBERG) DAY OF JUNE, 2022

BETWEEN:

CORNELIUS HOFER, TANYA KATHLEEN HOFER,
GERALD HOFER, TWYLA DAWN HOFER, THOMAS
HOFER and REBECCA HOFER,

plaintiffs,

and

RODNEY HOFER, AMANDA HOFER, LYDIA HOFER, JAKE
HOFER, REBECCA HOFER, MARY HOFER, SUSIE
WALDNER TYRON WALDNER, RAINBOW COLONY OF
HUTTERIAN BRETHREN, RAINBOW COLONY FARMS
LTD., ILE DES CHENES HOLDING CO. LTD., LIBERTY
FARMS LTD. and 6201041 MANITOBA INC.,

defendants.

TRUE COPY

ORDER

(Appointing Interim Receiver and Manager)

THIS MOTION made by the plaintiffs for an Order pursuant to section 55 of *The Queen's Bench Act*, C.C.S.M. c. C280 and *Queen's Bench Rule 41* appointing LAZER GRANT INC. as interim receiver and manager (in such capacity, the "Receiver") without security, of all of the assets, undertakings and properties of RAINBOW COLONY OF HUTTERIAN BRETHREN, RAINBOW COLONY FARMS LTD., ILE DES CHENES HOLDING CO. LTD., LIBERTY FARMS LTD. and 6201041 MANITOBA INC. (collectively

the "**Colony**") acquired for, or used in relation to a business carried on by the Colony, was heard this day at the Law Courts Building, 408 York Avenue, Winnipeg, Manitoba.

ON READING the affidavit of the plaintiffs GERALD HOFER and CORNELIUS HOFER affirmed May 17, 2022; the Affidavit of the defendant RODNEY HOFER affirmed May 19, 2022; the Supplemental Affidavit of plaintiffs GERALD HOFER and CORNELIUS HOFER affirmed May 20, 2022; the Second Supplemental Affidavit of the plaintiffs GERALD HOFER and CORNELIUS HOFER affirmed June 23, 2022; the Affidavit of the defendant RODNEY HOFER affirmed June 23, 2022; the First Report of DELOITTE RESTRUCTURING INC., in its capacity as Court appointed Interim Receiver of the Colony ("Deloitte") and on hearing the submissions of counsel for the plaintiffs, the defendant RODNEY HOFER, the defendants LYDIA HOFER, REBECCA HOFER, MARY HOFER and SUSIE WALDNER, Deloitte and THE TORONTO-DOMINION BANK (the "Bank") and on reading the consent of LAZER GRANT INC. to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion is, for the purposes of this Order, hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 55 of *The Queen's Bench Act, and Queen's Bench Rule 41*, LAZER GRANT INC. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Colony acquired for, or used in relation to a business carried on by the Colony, including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and

authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Colony, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Colony;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Colony or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Colony and to exercise all remedies of the Colony in collecting such monies, including, without limitation, to enforce any security held by the Colony;

- (g) to settle, extend or compromise any indebtedness owing to the Colony;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Colony, for any purpose pursuant to this Order;
- (i) to undertake environmental or workplace safety and health assessments of the Property and operations of the Colony;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Colony, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (k) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (l) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (m) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Colony;

- (n) to exercise any shareholder, partnership, joint venture or other rights which the Colony may have; and
- (o) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Colony, (ii) all of its current and former members, directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

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

due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.


~~NO PROCEEDINGS AGAINST THE RECEIVER~~

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




~~**NO PROCEEDINGS AGAINST THE COLONY OR THE PROPERTY**~~

9. ~~THIS COURT ORDERS that no Proceeding against or in respect of the Colony or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Colony or the Property, with the exception of the appeal that the defendant Rodney Hofer caused to be filed in The Court of Appeal File No. A122-01-09767, are hereby stayed and suspended pending further Order of this Court provided; however, that nothing in this Order shall prevent the Bank from commencing or continuing any Proceeding seeking to enforce its rights as a secured creditor as against any of the defendants or affect a Regulatory Body's investigation in respect of the Colony or an action, suit or proceeding that is taken in respect of the Colony by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body of the Court. "Regulatory Body" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a province.~~

~~**NO EXERCISE OF RIGHTS OR REMEDIES**~~

10. ~~THIS COURT ORDERS that, subject to the qualification in favour of the Bank as set out in paragraph 9 above, all rights and remedies against the Colony, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the *Bankruptcy and Insolvency Act*, RSC 1985, c. B3 (the "BIA"), and further provided that nothing in this paragraph shall (i) empower the Receiver or the Colony to carry on any business which the Colony is not lawfully entitled to carry on, (ii) exempt the Receiver or the Colony from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.~~



NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Colony or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Colony are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Colony's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Colony or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into existing accounts maintained by the Colony with the Bank and such other financial institutions with which the Colony presently deals, all of which accounts shall continue to operate under the existing banking arrangements with the Receiver, or its designated signing officers, becoming signing officers on such accounts and the monies standing to

the credit of such accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Colony shall remain the employees of the Colony until such time as the Receiver, on the Colony's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities, other than such amounts as the Receiver may specifically agree in writing to pay.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, *The Environment Act* (Manitoba), *The Water Resources Conservation Act* (Manitoba), *The Contaminated Sites Remediation Act* (Manitoba), *The Dangerous Goods Handling and Transportation Act* (Manitoba), *The Public Health Act* (Manitoba) or *The Workplace Safety and Health Act* (Manitoba), and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

16. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Receiver by any applicable legislation.

RECEIVER'S ACCOUNTS

17. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, in an amount of up to \$250,000.00 as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to the Interim Receiver's Charge granted in paragraph 15 of the Order (Appointing Interim Receiver) granted in this proceeding on May 20, 2022, the Order (Discharging Interim Receiver) granted in this proceeding on June 24, 2022, section 14.06(7) of the BIA and to all security interests, trusts, liens, charges and encumbrances in favour of the Bank.

18. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of this Court, but nothing herein shall fetter this Court's discretion to refer such matters to a Master of this Honourable Court.

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

FUNDING OF THE RECEIVERSHIP

20. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Interim Receiver's Charge granted in paragraph 15 of the Order (Appointing Interim Receiver) granted in this proceeding on May 20, 2022, the Order (Discharging Interim Receiver) granted in this proceeding on June 24, 2022, the Receiver's Charge, the charges as set out in section 14.06(7) of the BIA and to all security interests, trusts, liens, charges and encumbrances in favour of the Bank.

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

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

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

SERVICE AND NOTICE

24. THIS COURT ORDERS that the plaintiffs, the defendants, the Receiver and the Bank shall be at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile or electronic transmission to the Colony's creditors or other interested parties at their respective addresses as last shown on the records of the Colony and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

25. THIS COURT ORDERS that counsel for the Receiver shall prepare and keep current a service list ("**Service List**") containing the name and contact information (which may include the address, telephone number and facsimile number or email address) for service to: the plaintiffs; the Receiver; and each creditor or other interested Person who has sent a request, in writing, to counsel for the Receiver to be added to the Service List. The Service List shall indicate whether each Person on the Service List has elected to be served by email or facsimile, and failing such election the Service List shall indicate service by email. The Service List shall be posted on the website of the Receiver at the address indicated in paragraph 26 herein. **For greater certainty, creditors and other interested Persons who have received notice of this Order and who do not send a request, in writing, to counsel for the Receiver to be added to the Service List, shall not be required to be further served in these proceedings.**

26. THIS COURT ORDERS that the plaintiffs, the Receiver, and any party on the Service List may serve any court materials in these proceedings by facsimile or by e-mailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Receiver may post a copy of any or all such materials on its website at www.insolvency.lazergrant.ca. Service shall be deemed valid and sufficient if sent in this manner.

GENERAL

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

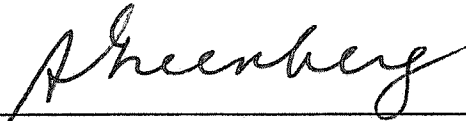
28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Colony.

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

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

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

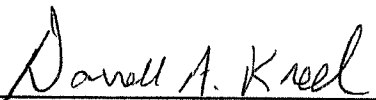
July 5, 2022



GREENBERG, J.

CONSENTED AS TO FORM:

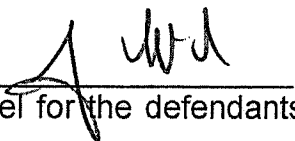
TAYLOR McCAFFREY LLP

Per: 

Darrell A. Kreeel

Counsel for the defendants Rodney Hofer and Amanda Hofer

WOOD ORLE LITIGATION LAWYERS

Per: 

Counsel for the defendants Lydia Hofer, Rebecca Hofer, Mary Hofer and Susie Waldner

THOMPSON DORFMAN SWEATMAN LLP

Per: 


Counsel for The Toronto-Dominion Bank

MLT AIKINS LLP

Per: 

Counsel for Deloitte Restructuring Inc.

PITBLADO LLP

Per: 

Counsel for Lazer Grant Inc.

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that LAZER GRANT INC., the receiver (the "**Receiver**") of the assets, undertakings and properties of RAINBOW COLONY OF HUTTERIAN BRETHREN, RAINBOW COLONY FARMS LTD., ILE DES CHENES HOLDING CO. LTD., LIBERTY FARMS LTD. and 6201041 MANITOBA INC. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of The Queen's Bench, Winnipeg Centre (the "**Court**") dated the 24th day of June, 2022 (the "**Order**") made in an action having Court file number CI22-01-35463, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$250,000.00 which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

DATED the _____ day of _____, 20__.

LAZER GRANT INC., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title: