

COURT FILE NUMBER 25-2251814
 25-2251817

COURT COURT OF QUEEN'S BENCH OF ALBERTA
 IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE CALGARY

APPLICANT IN THE MATTER OF THE DIVISION I
 PROPOSAL PROCEEDINGS OF
 COMFORTABLE IMAGE INC. and WATCH IT!
 INCORPORATED

DOCUMENT **AFFIDAVIT #1 OF DARREN BONDAR**

ADDRESS FOR SERVICE McCARTHY TÉTRAULT LLP
AND CONTACT Barristers & Solicitors
INFORMATION OF PARTY Sean Collins / Walker MacLeod
FILING THIS DOCUMENT Suite 4000, 421 - 7 Avenue S.W.
 Calgary, AB T2P 4K9
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AFFIDAVIT #1 OF DARREN BONDAR
Sworn May 16, 2017

I, DARREN BONDAR, of the City of Calgary, in the Province of Alberta, MAKE OATH AND SAY THAT:

1. I am the President, sole director, and holder of all the issued and outstanding common shares of Comfortable Image Inc. ("CII") and Watch It! Incorporated ("WII") (collectively, the "**Debtors**") and, as such, I have a personal knowledge of the facts and matters sworn to in this Affidavit save where stated to be based on information and belief and, where so stated, I believe such information to be true.

2. This Affidavit is made in support of an order:

- (a) to administratively consolidate CII and WII for the purpose of the within proceedings; and

- (b) declaring that A. Farber & Partners Inc. (the “**Proposal Trustee**”), counsel to the Proposal Trustee and counsel to the Debtors shall be paid their reasonable fees and disbursements (including any pre-filing fees and disbursements) in each case at their standard rates and charges, by the Debtors as part of the costs of the Proposal Proceedings, together with a charge over all of the Debtors’ property, assets and undertaking in priority to all other security interests (other than certain security in the nature of purchase money security interests and security held by a landlord in the nature of the leasehold improvements) in an amount not to exceed \$225,000 in connection with the property of CII and \$75,000 in connection with the property of WII.

3. WII and CII are corporations incorporated under and pursuant to the provisions of the *Alberta Business Corporations Act* with both having their registered and head offices located in the City of Calgary.

4. Formed in 1999, the business of the Debtors is a retail network comprised of corporate retail stores and franchise retail locations involved in the retail business of selling watches, sunglasses and other related accessories. The retail business is comprised of 13 corporate locations and 17 franchise locations in various provinces across Canada. At present, the Debtors have 87 employees. The chart below provides an overview of the locations of the corporate and franchise retail locations:

BRITISH COLUMBIA

Burnaby - Metropolis at Metrotown
Kitsilano - West 4th
Victoria - Mayfair Shopping Centre

Coquitlam - Coquitlam Centre
Richmond - Richmond Centre

Kelowna - Orchard Park Mall
Vancouver - Pacific Centre

ALBERTA

Calgary - Bankers Hall
Calgary - Market Mall
Edmonton - West Edmonton Mall

Calgary - Chinook Centre
Calgary - Southcentre Mall
Red Deer - Bower Place

Calgary - Cross Iron Mills
Edmonton - Kingsway Mall

SASKATCHEWAN

Saskatoon - Midtown Plaza

MANITOBA

Winnipeg - Polo Park

ONTARIO

London - Masonville Place
Mississauga - Square One Shopping Centre
Ottawa - Place D'Orleans
Scarborough - Scarborough Town Centre
Vaughan - Vaughan Mills Shopping Centre

London - White Oaks Mall
Niagara Falls - Fallsview Casino
Ottawa - Rideau Centre
Toronto - 10 Dundas East

Markham - Markville Shopping Centre
Ottawa - Bayshore Shopping Centre
Ottawa - St. Laurent Centre
Toronto - Sherway Gardens

5. The Debtors' business has suffered from the overall decline in the North American retail marketplace as compounded by the severe economic downturn in Alberta. Put simply, declining revenues (for example, top line revenue declined approximately 40% between 2015 and 2016), the inability to secure working capital, and a leveraged balance sheet, has made the Debtors' current business model unsustainable. In recent weeks, the Debtors have defaulted on rental payments to many of their landlords, received a formal demand for payment in the amount of \$3.26 million from the holder of a royalty purchase agreement, and have been in discussions with their primary secured term lender with respect to attempting to restructure the approximate \$1.6 million owing to the term lender.

6. As a consequence of the foregoing, the Debtors lodged Notices of Intention to Make a Proposal on May 15, 2017 (the "**NOI Proceedings**"). A. Farber & Partners Inc. (the "**Proposal Trustee**") was named as Proposal Trustee in the Notices of Intention.

7. The Proposal Trustee has been working with the Debtors to assist the Debtors in preparing their cash flows and to pursue a restructuring strategy. There are a number of financial and operational issues for which the Debtors will require the expertise of the Proposal Trustee during the NOI Proceedings. In my dealings and interaction to date with the Proposal Trustee, I have determined that the Proposal Trustee possesses expertise, not only in corporate restructuring matters generally, but also brings to bear insight and experience in connection with retail operations in the nature of the business that the Debtors carry on and, in particular, operations and logistics as it pertains to the interprovincial nature of the Debtors' business.

8. The Debtors have been working with their counsel and the Proposal Trustee in formulating a restructuring plan. While the definitive plan has not yet been formulated, the present intention is for the Debtors to conduct an orderly liquidation of their inventory, disclaim many of their corporate retail leases, restructure certain of the franchise agreements and disclaim others, and attempt to restructure the term debt and royalty agreement.

9. The Proposal Trustee, its counsel, and Debtors' counsel are essential to the success of the NOI Proceedings.

10. The Debtors' liquidity position is severely constrained. The Debtors have been unable to make payments with respect to a significant portion of the pre-filing restructuring work done by its counsel, the Proposal Trustee and the Debtors' counsel. The Proposal Trustee, its counsel, and Debtors' counsel have agreed to delay receiving payment on account of pre-filing fees. Such agreement, however, is premised on the understanding that the Debtors will promptly apply for the relief sought in the within application.

11. Now shown to me and marked as Exhibit "A" and Exhibit "B" to this my affidavit are true copies of 13 week cash flows for both CII and WII, respectively. The anticipated professional fees over the reporting period for CII are \$218,495 and for WII are \$60,000. The Debtors seek an Order providing security in favour of the Proposal Trustee, its counsel, and Debtors' counsel (the "**Administrative Charge**") in the aggregate amount of \$300,000 with \$225,000 to be allocated to CII and \$75,000 to be allocated to WII. To put the proposed allocation in context, CII is the primary operating vehicle that owns the inventory and is tenant under many of the commercial leases. WII is the holder of the trademark and intellectual property, franchisor, and also a tenant under certain of the corporate and franchise locations. Given that the bulk of the

restructuring activities will be related to CII, I believe that the proposed allocation as between CII and WII is reasonable in the circumstances.

12. Personal Property Registry searches ("**PPR Searches**") for CII and WII dated May 16, 2017 are attached hereto collectively as the following:

- (a) Exhibit "**C**" to this my affidavit is a true copy of the Alberta PPR Search for CII;
- (b) Exhibit "**D**" to this my affidavit is a true copy of the Alberta PPR Search for WII;
- (c) Exhibit "**E**" to this my affidavit is a true copy of the British Columbia PPR Search for CII;
- (d) Exhibit "**F**" to this my affidavit is a true copy of the British Columbia PPR Search for WII;
- (e) Exhibit "**G**" to this my affidavit is a true copy of the Manitoba PPR Search for CII;
- (f) Exhibit "**H**" to this my affidavit is a true copy of the Manitoba PPR Search for WII;
- (g) Exhibit "**I**" to this my affidavit is a true copy of the Ontario PPR Search for CII;
- (h) Exhibit "**J**" to this my affidavit is a true copy of the Ontario PPR Search for WII;
- (i) Exhibit "**K**" to this my affidavit is a true copy of the Saskatchewan PPR Search for CII; and
- (j) Exhibit "**L**" to this my affidavit is a true copy of the Saskatchewan PPR Search for WII.

13. The Debtors do not seek to have the Administrative Charge attached to property that is subject of security interests granted to the Debtors' inventory suppliers, including Bulova Watch Company Ltd., Citizen Watch Company of Canada, Ltd., Xerox Canada Ltd., and Nixon Inc.

14. Bankers Hall LP, bcIMC Realty Corporation, Bankers Hall GP Trust, and Bankers Hall GP Inc. (collectively, "**Bankers Hall**") is the landlord of CII's location within Bankers Hall, Calgary, Alberta, and holds security from CII with respect to CII's obligations under the lease agreement. A priority agreement (the "**Priority Agreement**") dated and made effective November 19, 2014 has been entered into between Bankers Hall and Proficio Capital (as

hereinafter defined) wherein Proficio Capital has agreed with Bankers Hall that the Bankers Hall will be senior in respect of any interest of CII in tenant improvements and tenant fixtures (described and defined in the Priority Agreement as the "Priority Collateral"). Bankers Hall has agreed that Proficio Capital will be senior to it on all of the other property assets and undertaking of CII. CII is not seeking to have the Administrative Charge attach to the Priority Collateral. Attached as Exhibit "**M**" is a true copy of the Priority Agreement.

15. There is a registration against WII in the Alberta Personal Property Registry on behalf of Alberta Treasury Branches. The registration relates to a postponement and assignment of claims granted to Alberta Treasury Branches by a related company that I own, Joclo Properties Inc. (the owner of WII's corporate premises). There are no monies owing by Joclo Properties Inc. to WII.

16. The Ontario Personal Property Registry searches in respect of WII disclose registrations in favour of The Toronto-Dominion Bank and the Bank of Nova Scotia. These registrations have been registered against WII in its capacity as franchisor. The other debtors disclosed in the registration are franchisees. Neither CII nor WII is indebted to the the Toronto-Dominion Bank. CII is indebted to the Bank of Nova Scotia but such indebtedness is unsecured.

17. The Ontario Personal Property Registry searches in respect of WII disclose registrations in favour of Falls Management Company, the landlord of a franchise location that is current in rent and anticipated to be assigned to the franchisee as part of the restructuring.

18. The Ontario Personal Property Registry searches in respect of CII disclose registrations in favour of 1895936 Ontario Limited who holds security pursuant to a vendor take back agreement of which approximately \$79,000 remains outstanding.

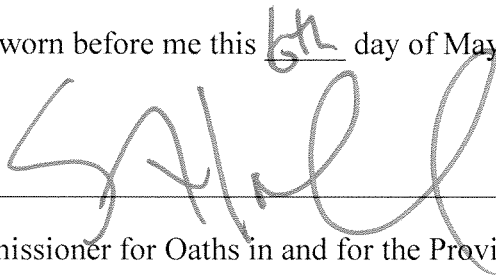
19. Thinking Capital Financial Corporation provided receivable financing. Approximately \$198,335 is outstanding.

20. CII's primary secured creditors are Raanan Katz, Matthew Wosk, and Bob Haber (collectively, "**Proficio Capital**"). Proficio Capital is presently owed approximately \$1.6 million and holds first charge security over all of the property assets and undertaking of CII. In discussions I had with Mr. Wosk of Proficio Capital on May 12, 2017, Mr. Wosk had advised that Proficio would consent to the Administrative Charge subject to Mr. Wosk's final review of the

This is Exhibit "A" referred to in the Affidavit #1 of

Darren Bondar

sworn before me this 6th day of May, 2017.

A handwritten signature in dark ink, appearing to read 'S. Collins', written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

SEAN F. COLLINS
BARRISTER & SOLICITOR

WATCH IT!
WHERE THE MATTERS MORE

Wtdy CII

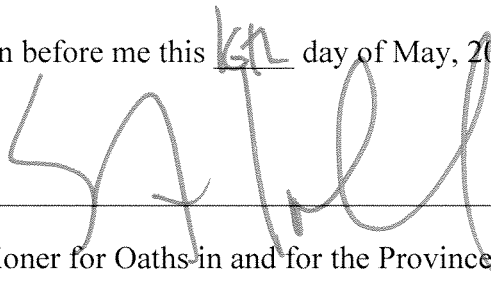
CASH FLOW FORECAST

	Week 1 19-May-17	Week 2 26-May-17	Week 3 2-Jun-17	Week 4 9-Jun-17	Week 5 16-Jun-17	Week 6 23-Jun-17	Week 7 30-Jun-17	Week 8 7-Jul-17	Week 9 14-Jul-17	Week 10 21-Jul-17	Week 11 28-Jul-17	Week 12 4-Aug-17	Week 13 11-Aug-17	Total 13 Weeks
Receipts:														
Inventory Sales (excluding sales taxes)	378,606	378,606	268,872	204,872	204,872	209,683	209,683	69,611	69,917	69,917	69,917	66,184	60,796	2,261,537
Overhead recovery receipts	8,710	8,710	6,357	5,315	5,315	5,315	5,315	5,143	5,143	5,143	5,143	5,143	5,143	75,894
Total Receipts	387,316	387,316	275,229	210,187	210,187	214,997	214,997	74,754	75,060	75,060	75,060	71,327	65,940	2,337,431
Disbursements:														
Inventory payments	96,239	96,239	68,188	51,528	51,528	51,528	51,528	15,676	15,676	15,676	15,676	29,817	73,007	632,308
Credit card charge payments	5,254	5,254	3,707	2,758	2,758	2,758	2,758	832	832	832	832	728	589	29,891
GST and PST Payments	44,000	-	-	-	-	24,000	-	-	-	-	-	-	-	68,000
Occupation Costs	16,472	17,186	18,379	21,283	21,087	21,087	21,087	8,461	8,109	8,109	8,109	7,127	5,819	182,315
Salaries, Wages, Benefits	45,781	45,781	42,836	35,473	35,473	35,473	35,473	22,133	22,133	22,133	22,133	20,996	19,481	405,301
Overhead Costs	4,176	4,176	4,215	4,315	4,315	4,532	4,532	4,404	4,434	4,434	4,434	4,434	4,277	56,678
Royalty payments	14,494	14,494	10,226	7,609	7,609	7,609	7,609	2,294	2,294	2,294	2,294	2,008	1,626	82,459
Advertising payments	3,624	3,624	2,557	1,902	1,902	1,902	1,902	574	574	574	574	502	406	20,615
Total Disbursements	230,040	186,754	150,109	124,868	124,672	148,889	124,889	54,374	54,052	54,052	54,052	65,612	105,205	1,477,567
Net Cash Flow Before Professional Payments and Secured Creditor Payments	157,276	200,562	125,120	85,319	85,514	66,108	90,108	20,381	21,009	21,009	21,009	5,715	(39,265)	859,864
Professional fee payments	31,888	31,888	28,404	28,243	28,243	24,208	24,208	4,751	4,751	4,751	4,751	2,171	235	218,495
Profficio principal repayments	12,000	12,000	12,000	36,400	36,400	36,400	36,400	36,400	36,400	36,400	36,400	36,400	36,400	400,000
Thinking capital - royalty of Metrowest	-	-	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	3,372	3,372	51,744
Shareholder Advances (including cash operating balances)	113,387	74,960	-	-	-	-	-	-	-	-	-	-	-	188,347
Total Above Payments	157,276	118,848	45,404	69,643	69,643	65,608	65,608	46,151	46,151	46,151	46,151	41,943	40,007	858,586
Net Cash Flow After Professional Payments and Secured Creditor Payments	-	81,713	79,716	15,676	15,871	500	24,500	(25,771)	(25,143)	(25,143)	(25,143)	(36,228)	(79,272)	1,278
Opening Cash Balance	-	-	81,713	161,430	177,105	192,977	193,476	217,976	192,206	167,063	141,921	116,778	80,550	-
Ending Cash Balance	-	81,713	161,430	177,105	192,977	193,476	217,976	192,206	167,063	141,921	116,778	80,550	1,278	-

This is Exhibit "B" referred to in the Affidavit #1 of

Darren Bondar

sworn before me this 15th day of May, 2017.

A handwritten signature in dark ink, appearing to read 'SFC', is written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

SEAN F. COLLINS
BARRISTER & SOLICITOR

WATCH IT!

WHERE THE MATTERS MORE

Wdy W11

DRAFT FOR DISCUSSION PURPOSES ONLY
Prepared May 16, 2017

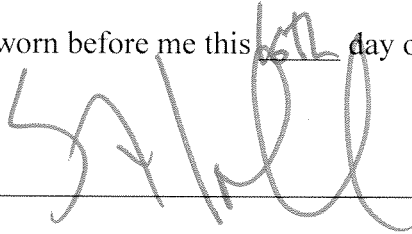
CASH FLOW FORECAST

	Week 1 19-May-17	Week 2 26-May-17	Week 3 2-Jun-17	Week 4 9-Jun-17	Week 5 16-Jun-17	Week 6 23-Jun-17	Week 7 30-Jun-17	Week 8 7-Jul-17	Week 9 14-Jul-17	Week 10 21-Jul-17	Week 11 28-Jul-17	Week 12 4-Aug-17	Week 13 11-Aug-17	Total 13 Weeks
Receipts:														
Royalty Receipts			83,726					69,521				34,193		187,441
Advertising Receipts			21,146					17,704				8,811		47,661
Overhead recovery receipts			(5,839)					(3,387)				(3,387)		(53,710)
Total Receipts	(6,774)	(6,774)	99,034	(3,500)	(3,500)	(3,500)	(3,500)	83,838	(3,387)	(3,387)	(3,387)	39,617	(3,387)	181,392
Disbursements:														
Occupation costs	1,400	1,400	1,486	1,700	1,700	1,700	1,700	1,519	1,519	1,519	1,519	1,468	1,400	20,031
Overhead Costs	2,627	2,627	2,531	2,294	2,294	2,294	2,294	1,917	1,917	1,917	1,917	2,253	2,701	29,580
Total Disbursements	4,027	4,027	4,017	3,994	3,994	3,994	3,994	3,436	3,436	3,436	3,436	3,721	4,101	49,611
Net Cash Flow Before Professional Payments and Secured Creditor Payments	(10,801)	(10,801)	95,017	(7,494)	(7,494)	(7,494)	(7,494)	80,402	(6,823)	(6,823)	(6,823)	35,896	(7,488)	131,781
Professional fee payments	10,000	-	25,000	-	-	-	-	25,000	-	-	-	-	-	65,000
Net Cash Flow After Professional Payments and Secured Creditor Payments	(20,801)	(10,801)	70,017	(7,494)	(7,494)	(7,494)	(7,494)	55,402	(6,823)	(6,823)	(6,823)	35,896	(7,488)	71,781
Opening Cash Balance	35,730	14,929	4,128	74,145	66,651	59,157	51,663	44,169	99,571	92,748	85,925	79,102	114,998	5,730
Ending Cash Balance	14,929	4,128	74,145	66,651	59,157	51,663	44,169	99,571	92,748	85,925	79,102	114,998	107,510	77,510

This is Exhibit "C" referred to in the Affidavit #1 of

Darren Bondar

sworn before me this 16th day of May, 2017.

A handwritten signature in dark ink, appearing to read 'SFC', is written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

SEAN F. COLLINS
BARRISTER & SOLICITOR

Search ID#: Z09115385

Transmitting Party

MCCARTHY TETRAULT LLP

4000, 421 - 7th AVENUE SW
CALGARY, AB T2P 4K9

Party Code: 50087121

Phone #: 403 260 3500

Reference #: 218845-491783

Search ID #: Z09115385

Date of Search: 2017-May-16

Time of Search: 11:28:36

Business Debtor Search For:

COMFORTABLE IMAGE INC.

Both Exact and Inexact Result(s) Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.

Be sure to read the reports carefully.



Search ID#: Z09115385

Business Debtor Search For:

COMFORTABLE IMAGE INC.

Search ID #: Z09115385

Date of Search: 2017-May-16

Time of Search: 11:28:36

Registration Number: 99110821529

Registration Type: SECURITY AGREEMENT

Registration Date: 1999-Nov-08

Registration Status: Current

Expiry Date: 2036-Nov-08 23:59:59

Exact Match on: Debtor

No: 4

Amendments to Registration

02091027942	Amendment	2002-Sep-10
04030327482	Amendment	2004-Mar-03
05052415220	Amendment	2005-May-24
07050211270	Amendment	2007-May-02
09081414892	Amendment	2009-Aug-14
11092311769	Renewal	2011-Sep-23
12071500154	Amendment	2012-Jul-15
13101122242	Amendment	2013-Oct-11
13101621657	Amendment	2013-Oct-16
14111926978	Amendment	2014-Nov-19

Debtor(s)**Block**

1 COMFORTABLE IMAGE INC.
#801, 10883 SASKATCHEWAN DRIVE
EDMONTON, AB T6E 4S6

Status

Deleted by
05052415220

Block

2 COMFORTABLE IMAGE INC.
10544B - 82 AVENUE
EDMONTON, AB T6E 2A4

Status

Deleted by
13101122242

Block**Status**

Search ID#: Z09115385

3	COMFORTABLE IMAGE INC. #102, 5740-2 STREET SW CALGARY, AB T6E 2A4	Deleted by 13101621657
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Block

Status

4	COMFORTABLE IMAGE INC. #102, 5740-2 STREET SW CALGARY, AB T2H 1Y6	Current by 13101621657
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Secured Party / Parties

Block

Status

1	BONDAR, DARREN #801, 10883 SASKATCHEWAN DRIVE EDMONTON, AB T6E 4S6	Deleted by 05052415220
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Block

Status

2	BONDAR, DARREN 9607 - 101 STREET EDMONTON, AB T5K 0W7	Deleted by 13101122242
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Block

Status

3	BONDAR, DARREN 9976 PATTON ROAD SW CALGARY, AB T2V 5E8	Current by 13101122242
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Collateral: General

Block

Description

Status

1	SECURITY OVER ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY	Current
2	OF THE DEBTOR INCLUDING ALL DEBTS AND ACCOUNTS RECEIVABLE.	Current

Particulars

Block

Other Changes

Status

1	REGISTRATION NUMBER 99110821529 IS POSTPONED IN FAVOUR OF REGISTRATION NUMBER 02090920790 AND REGISTRATION NUMBER 02090912029.	Current By 02091027942
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Block

Other Changes

Status

2		Current By 04030327482
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Search ID#: Z09115385

DARREN BONDAR, THE SECURED PARTY UNDER REGISTRATION NUMBER 99110821529 HEREBY IRREVOCABLY AND UNCONDITIONALLY POSTPONES ITS RIGHTS TO HSBC BANK CANADA IN FAVOUR OF THAT CERTAIN SECURITY AGREEMENT REGISTERED AT THE ALBERTA PERSONAL PROPERTY REGISTRY ON THE 26TH DAY OF FEBRUARY, 2004 AS REGISTRATION NUMBER 04022624029 (THE "SECURITY AGREEMENT").

<u>Block</u>	<u>Other Changes</u>	<u>Status</u>
3	REGISTRATION #99110821529 IS POSTPONED IN FAVOUR OF REGISTRATION NUMBER #05051626975.	Current By 05052415220
<u>Block</u>	<u>Other Changes</u>	<u>Status</u>
4	#99110821529 IS POSTPONED IN FAVOUR OF REGISTRATION NUMBER #07042528013	Current By 07050211270
<u>Block</u>	<u>Other Changes</u>	<u>Status</u>
5	REGISTRATION NUMBER 99110821529 IS POSTPONED IN FAVOUR OF REGISTRATION NUMBER 09081409739	Current By 09081414892
<u>Block</u>	<u>Additional Information</u>	<u>Status</u>
6	This registration is subordinated to registration #12061933103 of First Calgary Financial Credit Union Limited pursuant to Subordination Agreement dated July 9, 2012.	Current By 12071500154
<u>Block</u>	<u>Additional Information</u>	<u>Status</u>
7	THIS REGISTRATION 99110821529 IS POSTPONED TO REGISTRATION NUMBER 14111807444 AS SET OUT IN THE POSTPONEMENT AND ASSIGNMENT AGREEMENT DATED THE 19TH DAY OF NOVEMBER, 2014, EXECUTED BY THE SECURED PARTY IN FAVOUR OF RAANAN KATZ, MATTHEW WOSK AND BOB HABER.	Current By 14111926978

Search ID#: Z09115385

Business Debtor Search For:

COMFORTABLE IMAGE INC.

Search ID #: Z09115385

Date of Search: 2017-May-16

Time of Search: 11:28:36

Registration Number: 09091109562

Registration Type: SECURITY AGREEMENT

Registration Date: 2009-Sep-11

Registration Status: Current

Expiry Date: 2020-Sep-11 23:59:59

Exact Match on: Debtor

No: 1

Amendments to Registration

10092738923	Amendment	2010-Sep-27
14040436934	Amendment	2014-Apr-04
14112108092	Amendment	2014-Nov-21

Debtor(s)

Block

Status

1	COMFORTABLE IMAGE INC. #212, BANKERS HALL, 315 - 8 AVENUE SW CALGARY, AB T2P 4K1	Current
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Block

Status

2	WATCH IT #212, BANKERS HALL, 315, 8 AVENUE SW CALGARY, AB T2P 4K1	Current
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Secured Party / Parties

Block

Status

1	4087844 CANADA INC. SUITE 1700, 355 - 8TH AVENUE SW CALGARY, AB T2P 1C9	Deleted by 10092738923
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Block

Status

2	4087844 CANADA INC. 1700, 335 - 8TH AVENUE SW CALGARY, AB T2P 1C9	Deleted by 14040436934
---	---	---------------------------

Search ID#: Z09115385

Block

3 BANKERS HALL LP
1700, 335 - 8TH AVENUE SW
CALGARY, AB T2P 1C9

Status

Current by
14040436934

Block

4 BCIMC REALTY CORPORATION
1700, 335 - 8TH AVENUE SW
CALGARY, AB T2P 1C9

Status

Current by
14040436934

Block

5 BANKERS HALL GP INC.
1700, 335 - 8TH AVENUE SW
CALGARY, AB T2P 1C9

Status

Current by
14040436934

Block

6 BANKERS HALL GP TRUST
1700, 335 - 8TH AVENUE SW
CALGARY, AB T2P 1C9

Status

Current by
14040436934

Collateral: General

Block

Description

1 ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR.
PROCEEDS OF ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF
THE DEBTOR.

Status

Current

Particulars

Block

Additional Information

1 THE FULL ADDRESS OF THE SECURED PARTY IS:
C/O BROOKFIELD PROPERTIES MANAGEMENT CORPORATION
SUITE 1700, 335 - 8 AVENUE SW,
CALGARY, AB
T2P 1C9
ATTENTION: LAW DEPARTMENT

Status

Current

Block

Additional Information

2 THE COMPLETE ADDRESS OF ALL THE SECURED PARTIES ARE : C/O
BROOKFIELD OFFICE PROPERTIES MANAGEMENT LP, 1700, 335 - 8TH AVENUE
SW, CALGARY, AB T2P 1C9. ATTENTION: LAW DEPARTMENT, FACSIMILE:
(403)770-7210.

Status

Current By
14040436934

Block

Additional Information

Status

Search ID#: Z09115385

- 3 This Registration 09091109562 is subordinated to registration number 14111807444 pursuant to a Priority Agreement entered into by the Secured parties in favour of RAANAN KATZ, MATTHEW WOSK AND BOB HABER dated November 19, 2014, except for Priority Collateral as defined in the Priority Agreement which shall remain in priority to registration number 14111807444.

Current By
14112108092

Search ID#: Z09115385

Business Debtor Search For:

COMFORTABLE IMAGE INC.

Search ID #: Z09115385

Date of Search: 2017-May-16

Time of Search: 11:28:36

Registration Number: 14111807444

Registration Type: SECURITY AGREEMENT

Registration Date: 2014-Nov-18

Registration Status: Current

Expiry Date: 2020-Nov-18 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 COMFORTABLE IMAGE INC.
#102, 5740 - 2ND STREET SW
CALGARY, AB T2H 1Y6

Current

Secured Party / Parties

Block

Status

1 KATZ, RAANAN
1 GATEWAY CENTER, SUITE 601
NEWTON, MA 02458

Current

Block

Status

2 WOSK, MATTHEW
1 GATEWAY CENTER, SUITE 601
NEWTON, MA 02458

Current

Block

Status

3 HABER, BOB
1 GATEWAY CENTER, SUITE 601
NEWTON, MA 02458

Current

Collateral: General

Block

Description

Status

1 All of the Debtor's present and after-acquired personal property.

Current

Search ID#: Z09115385

Business Debtor Search For:

COMFORTABLE IMAGE INC.

Search ID #: Z09115385

Date of Search: 2017-May-16

Time of Search: 11:28:36

Registration Number: 14121008274

Registration Type: SECURITY AGREEMENT

Registration Date: 2014-Dec-10

Registration Status: Current

Expiry Date: 2019-Dec-10 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 COMFORTABLE IMAGE INC.
SUITE 102-5740 2 ST SW
CALGARY, AB T2H1Y6

Current

Secured Party / Parties

Block

Status

1 XEROX CANADA LTD
33 BLOOR ST. E. 3RD FLOOR
TORONTO, ON M4W3H1

Current

Collateral: General

Block

Description

Status

1 EQUIPMENT, OTHER ALL PRESENT AND FUTURE OFFICE EQUIPMENT AND
SOFTWARE SUPPLIED OR FINANCED FROM TIME TO TIME BY THE SECURED
PARTY (WHETHER BY LEASE, CONDITIONAL SALE OR OTHERWISE), WHETHER
OR NOT MANUFACTURED BY THE SECURED PARTY OR ANY AFFILIATE
THEREOF.

Current

Search ID#: Z09115385

Business Debtor Search For:

COMFORTABLE IMAGE INC.

Search ID #: Z09115385

Date of Search: 2017-May-16

Time of Search: 11:28:36

Registration Number: 15112408108

Registration Type: SECURITY AGREEMENT

Registration Date: 2015-Nov-24

Registration Status: Current

Expiry Date: 2025-Nov-24 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 COMFORTABLE IMAGE INC.
SUITE 102 5740, 2ND STREET S.W.
CALGARY, AB T2H 1Y6

Current

Block

Status

2 WATCH IT
SUITE 102 5740, 2ND STREET S.W.
CALGARY, AB T2H 1Y6

Current

Secured Party / Parties

Block

Status

1 NIXON INC.
701 SOUTH COAST HWY
ENCINITAS, CA 92024

Current

Collateral: General

Block

Description

Status

1 ALL INVENTORY AND/OR PRODUCTS MADE, SOLD, DISTRIBUTED OR DELIVERED
BY NIXON INC., NOTABLY, WITHOUT LIMITING THE GENERALITY OF THE
FOREGOING, ALL PRODUCTS NOW HELD OR HEREAFTER SOLD AND/OR
DISTRIBUTED BY NIXON INC. INCLUDING, BUT NOT LIMITED TO, ALL MERCHANDISE,
PRODUCTS, "SOFT GOODS" AND ACCESSORIES BEARING THE TRADEMARK
"NIXON", AND ALL PROCEEDS THEREOF

Current

Search ID#: Z09115385

Business Debtor Search For:

COMFORTABLE IMAGE INC.

Search ID #: Z09115385

Date of Search: 2017-May-16

Time of Search: 11:28:36

Registration Number: 16030410864

Registration Type: SECURITY AGREEMENT

Registration Date: 2016-Mar-04

Registration Status: Current

Expiry Date: 2021-Mar-04 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 COMFORTABLE IMAGE INC.
102, 5740-2ND STREET SW
CALGARY, AB T2H 1Y6

Current

Secured Party / Parties

Block

Status

1 GRENVILLE STRATEGIC ROYALTY CORP.
220 BAY STREET, SUITE 550
TORONTO, ON M5J 2W4

Current

Collateral: General

Block

Description

Status

1 A SECURITY INTEREST IN ALL OF THE DEBTOR'S PRESENT AND AFTER
ACQUIRED INVENTORY, EQUIPMENT, ACCOUNTS, OTHER AND MOTOR VEHICLES.

Current

Search ID#: Z09115385

Business Debtor Search For:

COMFORTABLE IMAGE INC.

Search ID #: Z09115385

Date of Search: 2017-May-16

Time of Search: 11:28:36

Registration Number: 17021030825

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Feb-10

Registration Status: Current

Expiry Date: 2022-Feb-10 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 COMFORTABLE IMAGE INC.
SUITE 102 5740, 2ND STREET S.W.
CALGARY, AB T2H 1Y6

Current

Secured Party / Parties

Block

Status

1 CITIZEN WATCH COMPANY OF CANADA, LTD.
1120 AVENUE OF THE AMERICAS, 10TH FLOOR
NEW YORK, NY 10036

Current

Collateral: General

Block

Description

Status

1 ALL CITIZEN WATCHES AND RELATED PRODUCTS SUPPLIED BY THE SECURED
PARTY TO THE DEBTOR.

Current

Search ID#: Z09115385

Business Debtor Search For:

COMFORTABLE IMAGE INC.

Search ID #: Z09115385

Date of Search: 2017-May-16

Time of Search: 11:28:36

Registration Number: 17021030834

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Feb-10

Registration Status: Current

Expiry Date: 2022-Feb-10 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 COMFORTABLE IMAGE INC.
SUITE 102 5740, 2ND STREET S.W.
CALGARY, AB T2H 1Y6

Current

Secured Party / Parties

Block

Status

1 BULOVA WATCH COMPANY LTD.
350 FIFTH AVENUE, 29TH FLOOR
NEW YORK, NY 10118

Current

Collateral: General

Block

Description

Status

1 ALL BULOVA WATCHES AND RELATED PRODUCTS SUPPLIED BY THE SECURED
PARTY TO THE DEBTOR.

Current

Search ID#: Z09115385

Note:

The following is a list of matches closely approximating your Search Criteria,
which is included for your convenience and protection.

Debtor Name / Address

Reg. #

COMFORTABLE CLIMATE SOLUTIONS LTD.
47 VINCENT CLOSE
RED DEER, AB T4R 0H7

15092521975

SECURITY AGREEMENT

Debtor Name / Address

Reg. #

COMFORTABLE CLIMATE SOLUTIONS LTD.
47 VINCENT CLOSE
RED DEER, AB T4R 0H7

16062108534

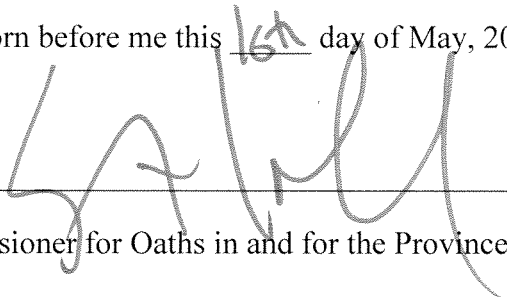
SECURITY AGREEMENT

Result Complete

This is Exhibit "D" referred to in the Affidavit #1 of

Darren Bondar

sworn before me this 16th day of May, 2017.



A Commissioner for Oaths in and for the Province of Alberta

SEAN F. COLLINS
BARRISTER & SOLICITOR

Search ID#: Z09115377

Transmitting Party

MCCARTHY TETRAULT LLP

4000, 421 - 7th AVENUE SW
CALGARY, AB T2P 4K9

Party Code: 50087121

Phone #: 403 260 3500

Reference #: 218845-491783

Search ID #: Z09115377

Date of Search: 2017-May-16

Time of Search: 11:28:05

Business Debtor Search For:

WATCH IT! INCORPORATED

Both Exact and Inexact Result(s) Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.

Be sure to read the reports carefully.



Search ID#: Z09115377

Business Debtor Search For:

WATCH IT! INCORPORATED

Search ID #: Z09115377

Date of Search: 2017-May-16

Time of Search: 11:28:05

Registration Number: 05111806104

Registration Type: SECURITY AGREEMENT

Registration Date: 2005-Nov-18

Registration Status: Current

Expiry Date: 2060-Nov-18 23:59:59

Exact Match on: Debtor

No: 1

Amendments to Registration

10110302854

Renewal

2010-Nov-03

10111624862

Renewal

2010-Nov-16

Debtor(s)**Block****Status**

1 WATCH IT! INCORPORATED
10544B - 82 AVENUE
EDMONTON, AB T6E 5A4

Current

Secured Party / Parties**Block****Status**

1 COMFORTABLE IMAGE INC.
2500 10303 JASPER AVE
EDMONTON, AB T5J3N6

Current

Collateral: General**Block****Description****Status**

1 A SECURITY INTEREST IN ALL OF THE DEBTOR'S PRESENT AND AFTER

Current

2 ACQUIRED GOODS, MOTOR VEHICLES, ACCOUNTS, MONEY, CHATTEL PAPER,

Current

3 DOCUMENTS OF TITLE, SECURITIES, INSTRUMENTS AND INTANGIBLES, AND

Current

Search ID#: Z09115377

4	ALL OTHER PROCEEDS OF EVERY DESCRIPTION AND OF ANY KIND	Current
5	WHATSOEVER DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALINGS WITH	Current
6	THE GENERAL COLLATERAL OR SERIAL NUMBER COLLATERAL (IF ANY)	Current
7	DESCRIBED ABOVE, OR PROCEEDS IF ANY SUCH PROCEEDS.	Current

Search ID#: Z09115377

Business Debtor Search For:

WATCH IT! INCORPORATED

Search ID #: Z09115377

Date of Search: 2017-May-16

Time of Search: 11:28:05

Registration Number: 05111822655

Registration Type: SECURITY AGREEMENT

Registration Date: 2005-Nov-18

Registration Status: Current

Expiry Date: 2035-Nov-18 23:59:59

Exact Match on: Debtor

No: 1

Amendments to Registration

10110302908

Renewal

2010-Nov-03

12071500121

Amendment

2012-Jul-15

Debtor(s)**Block****Status**

1 WATCH IT! INCORPORATED
10544B - 82 AVENUE
EDMONTON, AB T6E 5A4

Current

Secured Party / Parties**Block****Status**

1 BONDAR, DARREN
2500 10303 JASPER AVE
EDMONTON, AB T5J3N6

Current

Collateral: General**Block****Description****Status**

1 A SECURITY INTEREST IN ALL OF THE DEBTOR'S PRESENT AND AFTER

Current

2 ACQUIRED GOODS, MOTOR VEHICLES, ACCOUNTS, MONEY, CHATTEL PAPER,

Current

3 DOCUMENTS OF TITLE, SECURITIES, INSTRUMENTS, AND INTANGIBLES, AND

Current

Search ID#: Z09115377

4	ALL OTHER PROCEEDS OF EVERY DESCRIPTION AND OF ANY KIND	Current
5	WHATSOEVER DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALINGS WITH	Current
6	THE GENERAL COLLATERAL OR SERIAL NUMBER COLLATERAL (IF ANY)	Current
7	DESCRIBED ABOVE, OR PROCEEDS IF ANY SUCH PROCEEDS.	Current

Particulars

<u>Block</u>	<u>Additional Information</u>	<u>Status</u>
1	This registration is subordinated to registration #12061932943 of First Calgary Financial Credit Union Limited pursuant to Subordination Agreement dated July 9, 2012.	Current By 12071500121

Search ID#: Z09115377

Business Debtor Search For:

WATCH IT! INCORPORATED

Search ID #: Z09115377

Date of Search: 2017-May-16

Time of Search: 11:28:05

Registration Number: 09091109562

Registration Type: SECURITY AGREEMENT

Registration Date: 2009-Sep-11

Registration Status: Current

Expiry Date: 2020-Sep-11 23:59:59

Inexact Match on: Debtor

No: 2

Amendments to Registration

10092738923	Amendment	2010-Sep-27
14040436934	Amendment	2014-Apr-04
14112108092	Amendment	2014-Nov-21

Debtor(s)

Block

Status

1	COMFORTABLE IMAGE INC. #212, BANKERS HALL, 315 - 8 AVENUE SW CALGARY, AB T2P 4K1	Current
---	--	---------

Block

Status

2	WATCH IT #212, BANKERS HALL, 315, 8 AVENUE SW CALGARY, AB T2P 4K1	Current
---	---	---------

Secured Party / Parties

Block

Status

1	4087844 CANADA INC. SUITE 1700, 355 - 8TH AVENUE SW CALGARY, AB T2P 1C9	Deleted by 10092738923
---	---	---------------------------

Block

Status

2	4087844 CANADA INC. 1700, 335 - 8TH AVENUE SW CALGARY, AB T2P 1C9	Deleted by 14040436934
---	---	---------------------------

Search ID#: Z09115377

Block

3 BANKERS HALL LP
1700, 335 - 8TH AVENUE SW
CALGARY, AB T2P 1C9

Status

Current by
14040436934

Block

4 BCIMC REALTY CORPORATION
1700, 335 - 8TH AVENUE SW
CALGARY, AB T2P 1C9

Status

Current by
14040436934

Block

5 BANKERS HALL GP INC.
1700, 335 - 8TH AVENUE SW
CALGARY, AB T2P 1C9

Status

Current by
14040436934

Block

6 BANKERS HALL GP TRUST
1700, 335 - 8TH AVENUE SW
CALGARY, AB T2P 1C9

Status

Current by
14040436934

Collateral: General

Block

Description

1 ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR.
PROCEEDS OF ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF
THE DEBTOR.

Status

Current

Particulars

Block

Additional Information

1 THE FULL ADDRESS OF THE SECURED PARTY IS:
C/O BROOKFIELD PROPERTIES MANAGEMENT CORPORATION
SUITE 1700, 335 - 8 AVENUE SW,
CALGARY, AB
T2P 1C9
ATTENTION: LAW DEPARTMENT

Status

Current

Block

Additional Information

2 THE COMPLETE ADDRESS OF ALL THE SECURED PARTIES ARE : C/O
BROOKFIELD OFFICE PROPERTIES MANAGEMENT LP, 1700, 335 - 8TH AVENUE
SW, CALGARY, AB T2P 1C9. ATTENTION: LAW DEPARTMENT, FACSIMILE:
(403)770-7210.

Status

Current By
14040436934

Block

Additional Information

Status

Search ID#: Z09115377

- 3 This Registration 09091109562 is subordinated to registration number 14111807444 pursuant to a Priority Agreement entered into by the Secured parties in favour of RAANAN KATZ, MATTHEW WOSK AND BOB HABER dated November 19, 2014, except for Priority Collateral as defined in the Priority Agreement which shall remain in priority to registration number 14111807444.

Current By
14112108092

Search ID#: Z09115377

Business Debtor Search For:

WATCH IT! INCORPORATED

Search ID #: Z09115377

Date of Search: 2017-May-16

Time of Search: 11:28:05

Registration Number: 13031206455

Registration Type: SECURITY AGREEMENT

Registration Date: 2013-Mar-12

Registration Status: Current

Expiry Date: 2018-Mar-12 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 WATCH IT! INCORPORATED
10544B 82 AVENUE
EDMONTON, AB T6E 2A4

Current

Secured Party / Parties

Block

Status

1 ALBERTA TREASURY BRANCHES
1200, 33 HERITAGE MEADOWS WAY S.E.
CALGARY, AB T2H 3B8

Current

Collateral: General

Block

Description

Status

1 All present and future accounts, debts and money owed to the debtor by Joclo Properties Inc.

Current

2 Proceeds: all goods, documents of title, chattel paper, instruments, money, investment property and intangibles.

Current

Search ID#: Z09115377

Business Debtor Search For:

WATCH IT! INCORPORATED

Search ID #: Z09115377

Date of Search: 2017-May-16

Time of Search: 11:28:05

Registration Number: 15112408108

Registration Type: SECURITY AGREEMENT

Registration Date: 2015-Nov-24

Registration Status: Current

Expiry Date: 2025-Nov-24 23:59:59

Inexact Match on: Debtor

No: 2

Debtor(s)

Block

Status

1 COMFORTABLE IMAGE INC.
SUITE 102 5740, 2ND STREET S.W.
CALGARY, AB T2H 1Y6

Current

Block

Status

2 WATCH IT
SUITE 102 5740, 2ND STREET S.W.
CALGARY, AB T2H 1Y6

Current

Secured Party / Parties

Block

Status

1 NIXON INC.
701 SOUTH COAST HWY
ENCINITAS, CA 92024

Current

Collateral: General

Block

Description

Status

1 ALL INVENTORY AND/OR PRODUCTS MADE, SOLD, DISTRIBUTED OR DELIVERED
BY NIXON INC., NOTABLY, WITHOUT LIMITING THE GENERALITY OF THE
FOREGOING, ALL PRODUCTS NOW HELD OR HEREAFTER SOLD AND/OR
DISTRIBUTED BY NIXON INC. INCLUDING, BUT NOT LIMITED TO, ALL MERCHANDISE,
PRODUCTS, "SOFT GOODS" AND ACCESSORIES BEARING THE TRADEMARK
"NIXON", AND ALL PROCEEDS THEREOF

Current

Search ID#: Z09115377

Business Debtor Search For:

WATCH IT! INCORPORATED

Search ID #: Z09115377

Date of Search: 2017-May-16

Time of Search: 11:28:05

Registration Number: 16030410882

Registration Type: SECURITY AGREEMENT

Registration Date: 2016-Mar-04

Registration Status: Current

Expiry Date: 2021-Mar-04 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 WATCH IT! INCORPORATED
102, 5740-2ND STREET SW
CALGARY, AB T2H 1Y6

Current

Secured Party / Parties

Block

Status

1 GRENVILLE STRATEGIC ROYALTY CORP.
200 BAY STREET, SUITE 550
TORONTO, ON M5J 2W4

Current

Collateral: General

Block

Description

Status

1 A SECURITY INTEREST IN ALL OF THE DEBTOR'S PRESENT AND AFTER
ACQUIRED INVENTORY, EQUIPMENT, ACCOUNTS, OTHER AND MOTOR VEHICLES.

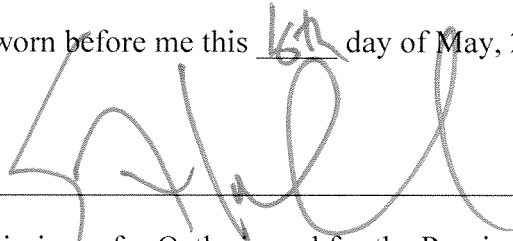
Current

Result Complete

This is Exhibit "E" referred to in the Affidavit #1 of

Darren Bondar

sworn before me this 16th day of May, 2017.

A handwritten signature in dark ink, appearing to read 'Sean F. Collins', written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

SEAN F COLLINS
BARRISTER & SOLICITOR

Page: 1

BC OnLine: PPRS SEARCH RESULT 2017/05/16
Lterm: XPSP0050 For: PB87142 MCCARTHY TETRAULT 09:37:31

Attn./Ref. No.: 218845.491783

Index: BUSINESS DEBTOR

Search Criteria: COMFORTABLE IMAGE INC

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: NOV 19, 2014 Reg. Length: 6 YEARS
Reg. Time: 10:13:06 Expiry Date: NOV 19, 2020
Base Reg. #: 295885I Control #: D2767041

Block#

S0001 Secured Party: RAANAN KATZ
1 GATEWAY CENTER, SUITE 601
NEWTON MA 02458

S0002 Secured Party: MATTHEW WOSK
1 GATEWAY CENTER, SUITE 601
NEWTON MA 02458

S0003 Secured Party: BOB HABER
1 GATEWAY CENTER, SUITE 601
NEWTON MA 02458

=D0001 Base Debtor: COMFORTABLE IMAGE INC
(Business) #102, 5740 - 2ND STREET SW
CALGARY AB T2H 1Y6

General Collateral:
ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY.

Registering

Party: BLAKE CASSELS & GRAYDON LLP
ATTN: PPSA CLERK
PO BOX 49314 2600 595 BURRARD
VANCOUVER BC V7X 1L3

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: JAN 16, 2017 Reg. Length: 3 YEARS
Reg. Time: 12:43:59 Expiry Date: JAN 16, 2020
Base Reg. #: 768926J Control #: D4273333

Block#

S0001 Secured Party: THINKING CAPITAL
4200 BOUL DORCHESTER, SUITE #3
MONTREAL QC H3Z1V4

=D0001 Base Debtor: COMFORTABLE IMAGE INC.
(Business) UNIT 885 2271 HARVEY AVENUE
KELOWNA BC V1Y6H2

D0002 Bus. Debtor: WATCH IT (KELOWNA)
UNIT 885 2271 HARVEY AVENUE
KELOWNA BC V1Y6H2

Continued on Page 2

Search Criteria: COMFORTABLE IMAGE INC

Page: 2

General Collateral:

UNIVERSALITY OVER ALL ITS PRESENT AND FUTURE MOVABLE/PERSONAL
PROPERTY, BOOKS, ASSETS AND UNDERTAKINGS, BOTH CORPOREAL AND
INCORPOREAL, NOW OWNED OR HEREINAFTER ACQUIRED BY THE MERCHANT.

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: JAN 16, 2017	Reg. Length: 3 YEARS
Reg. Time: 12:47:33	Expiry Date: JAN 16, 2020
Base Reg. #: 768938J	Control #: D4273340

Block#

S0001 Secured Party: THINKING CAPITAL
4200 BOUL DORCHESTER, SUITE #3
MONTREAL QC H3Z1V4

=D0001 Base Debtor: COMFORTABLE IMAGE INC.
(Business) UNIT 1113, 4700 KINGSWAY
BURNABY BC V5H4M1

D0002 Bus. Debtor: WATCH IT (METROTOWN)
UNIT 1113, 4700 KINGSWAY
BURNABY BC V5H4M1

General Collateral:

UNIVERSALITY OVER ALL ITS PRESENT AND FUTURE MOVABLE/PERSONAL
PROPERTY, BOOKS, ASSETS AND UNDERTAKINGS, BOTH CORPOREAL AND
INCORPOREAL, NOW OWNED OR HEREINAFTER ACQUIRED BY THE MERCHANT.

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: JAN 16, 2017	Reg. Length: 3 YEARS
Reg. Time: 12:50:33	Expiry Date: JAN 16, 2020
Base Reg. #: 768948J	Control #: D4273356

Block#

S0001 Secured Party: THINKING CAPITAL
4200 BOUL DORCHESTER, SUITE #3
MONTREAL QC H3Z1V4

=D0001 Base Debtor: COMFORTABLE IMAGE INC.
(Business) 6060 MINORU BOULEVARD
RICHMOND BC V6Y2V7

D0002 Bus. Debtor: WATCH IT (RICHMOND)
6060 MINORU BOULEVARD
RICHMOND BC V6Y2V7

General Collateral:

UNIVERSALITY OVER ALL ITS PRESENT AND FUTURE MOVABLE/PERSONAL
PROPERTY, BOOKS, ASSETS AND UNDERTAKINGS, BOTH CORPOREAL AND
INCORPOREAL, NOW OWNED OR HEREINAFTER ACQUIRED BY THE MERCHANT.

Continued on Page 3

Search Criteria: COMFORTABLE IMAGE INC

Page: 3

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: JAN 16, 2017 Reg. Length: 3 YEARS
Reg. Time: 12:51:03 Expiry Date: JAN 16, 2020
Base Reg. #: 768950J Control #: D4273361

Block#

S0001 Secured Party: THINKING CAPITAL
4200 BOUL DORCHESTER, SUITE #3
MONTREAL QC H3Z1V4

=D0001 Base Debtor: COMFORTABLE IMAGE INC.
(Business) D049B, 701 WEST GEORGIA ST.
VANCOUVER BC V7Y1K8

D0002 Bus. Debtor: WATCH IT (PACIFIC)
D049B, 701 WEST GEORGIA ST.
VANCOUVER BC V7Y1K8

General Collateral:

UNIVERSALITY OVER ALL ITS PRESENT AND FUTURE MOVABLE/PERSONAL
PROPERTY, BOOKS, ASSETS AND UNDERTAKINGS, BOTH CORPOREAL AND
INCORPOREAL, NOW OWNED OR HEREINAFTER ACQUIRED BY THE MERCHANT.

***** MISCELLANEOUS REGISTRATIONS ACT *****

Crown Charge Filed Pursuant to: PROVINCIAL SALES TAX

Reg. Date: FEB 01, 2017 Reg. Length: INFINITY
Reg. Time: 13:52:44 Expiry Date: N/A
Base Reg. #: 800957J Control #: D4306000

Block#

S0001 Secured Party: HER MAJESTY THE QUEEN IN THE RIGHT
OF THE PROVINCE OF BRITISH COLUMBIA
1802 DOUGLAS STREET
VICTORIA BC V8T 4K6

=D0001 Base Debtor: COMFORTABLE IMAGE INC.
(Business) 5740 2 ST SW BLDG 102
CALGARY AB T2H 1Y6

General Collateral:

ALL THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY,
INCLUDING BUT NOT RESTRICTED TO MACHINERY, EQUIPMENT, FURNITURE,
FIXTURES, INVENTORY AND RECEIVABLES.

Registering

Party: RECEIVABLES MANAGEMENT OFFICE - JEFF
ZYLSTRA
6TH FLOOR - 1802 DOUGLAS ST
VICTORIA BC V8T 4K6

Search Criteria: COMFORTABLE IMAGE INC

Page: 4

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: FEB 10, 2017 Reg. Length: 5 YEARS
Reg. Time: 14:10:14 Expiry Date: FEB 10, 2022
Base Reg. #: 818465J Control #: D4323913

Block#

S0001 Secured Party: CITIZEN WATCH COMPANY OF CANADA, LTD.
1120 AVENUE OF THE AMERICAS
NEW YORK NY 10036

=D0001 Base Debtor: COMFORTABLE IMAGE INC
(Business) SUITE 102 5740, 2ND ST S W
CALGARY AB T2H 1Y6

General Collateral:

ALL CITIZEN WATCHES AND RELATED PRODUCTS SUPPLIED BY THE SECURED PARTY
TO THE DEBTOR. THE FULL ADDRESS OF THE SECURED PARTY IS CITIZEN WATCH
COMPANY OF CANADA, LTD. 1120 AVENUE OF THE AMERICAS, 10TH FLOOR, NEW
YORK, NEW YORK, 10036

Registering

Party: BENNETT JONES LLP (GRANT/48272-17//OD
3400-1 FIRST CANADIAN PLACE
TORONTO ON M5X 1A4

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: FEB 10, 2017 Reg. Length: 5 YEARS
Reg. Time: 14:11:47 Expiry Date: FEB 10, 2022
Base Reg. #: 818474J Control #: D4323918

Block#

S0001 Secured Party: BULOVA WATCH COMPANY LTD.
350 FIFTH AVENUE, 29TH FLOOR
NEW YORK NY 10118

=D0001 Base Debtor: COMFORTABLE IMAGE INC
(Business) SUITE 102 5740, 2ND ST SW
CALGARY AB T2H 1Y6

General Collateral:

ALL BULOVA WATCHES AND RELATED PRODUCTS SUPPLIED BY THE SECURED PARTY
TO THE DEBTOR

Registering

Party: OLIVIA D'INNOCENZO
3400-1 FIRST CANADIAN PLACE
TORONTO ON M5X 1A4

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: MAY 04, 2017 Reg. Length: 10 YEARS
Reg. Time: 08:45:11 Expiry Date: MAY 04, 2027
Base Reg. #: 983283J Control #: D4492420

Block#

Continued on Page 5

Search Criteria: COMFORTABLE IMAGE INC

Page: 5

S0001 Secured Party: DARREN BONDAR
9976 PATTON ROAD SW
CALGARY AB T2V 5E8

=D0001 Base Debtor: COMFORTABLE IMAGE INC
 (Business) #102, 5740-2 STREET SW
 CALGARY AB T2H 1Y6

General Collateral:

ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY, INCLUDING, WITHOUT LIMITATION, ALL ACCOUNTS, CHATTEL PAPER, CROPS, DOCUMENTS OF TITLE, EQUIPMENT, FIXTURES, GOODS, INSTRUMENTS, INTANGIBLES, INVENTORY, LICENCES, MONEY AND INVESTMENT PROPERTY (EACH AS DEFINED IN THE BRITISH COLUMBIA PERSONAL PROPERTY SECURITY ACT).

Registering

Party: MCCARTHY TETRAULT LLP
SUITE 2400, 745 THURLOW STREET
VANCOUVER BC V6E 0C5

Some, but not all, tax liens and other Crown claims are registered at the Personal Property Registry (PPR) and if registered, will be displayed on this search result. HOWEVER, it is possible that a particular chattel is subject to a Crown claim that is not registered at the PPR. Please consult the Miscellaneous Registrations Act, 1992 for more details. If you are concerned that a particular chattel may be subject to a Crown claim not registered at the PPR, please consult the agency administering the type of Crown claim.

[illegible]

Personal Property Registry

Selection List

For: [PB87142] [MCCARTHY TETRAULT]

May 16, 2017

09:37:31 AM

[Return](#)[Send to Mailbox](#)[Help ?](#)

Folio: 218845.491783

[BC OnLine Mailbox](#)

Business Name:

COMFORTABLE IMAGE INC

➔ **Exact Matches: 9**

Local Print Limit: 200

BSR101 - NO MORE INFORMATION TO DISPLAY

Debtor Name

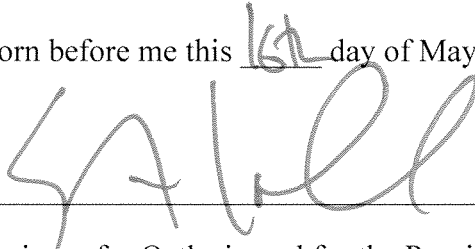
- ➔ COMFORTABLE IMAGE INC
- ➔ COMFORTABLE IMAGE INC
- ➔ COMFORTABLE IMAGE INC
- ➔ COMFORTABLE IMAGE INC
- ➔ COMFORTABLE IMAGE INC.
- ➔ COMFORTABLE IMAGE INC.
- ➔ COMFORTABLE IMAGE INC.
- ➔ COMFORTABLE IMAGE INC.
- ➔ COMFORTABLE IMAGE INC.

[Display Selection](#)

This is Exhibit "F" referred to in the Affidavit #1 of

Darren Bondar

sworn before me this 16th day of May, 2017.

A handwritten signature in dark ink, appearing to read 'S. F. Collins', written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

SEAN F COLLINS
BARRISTER & SOLICITOR

Page: 1

BC OnLine: PPRS SEARCH RESULT 2017/05/16
Lterm: XPSP0050 For: PB87142 MCCARTHY TETRAULT 09:36:53

Attn./Ref. No.: 218845.491783

Index: BUSINESS DEBTOR

Search Criteria: WATCH IT! INCORPORATED

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: NOV 23, 2005

Reg. Length: 5 YEARS

Reg. Time: 08:01:37

Expiry Date: NOV 23, 2035

Base Reg. #: 703380C

Control #: B7023412

*** Expiry date includes subsequent registered renewal(s).

Block#

S0001 Secured Party: COMFORTABLE IMAGE INC.
#2500, 10303 JASPER AVENUE
EDMONTON AB T5J 3N6

=D0001 Base Debtor: WATCH! IT INCORPORATED
(Business) 10544B - 82 AVENUE
EDMONTON AB T6E 5A4

General Collateral:

A SECURITY INTEREST IN ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED
GOODS, MOTOR VEHICLES, ACCOUNTS, MONEY, CHATTEL PAPER, DOCUMENTS OF
TITLE, SECURITIES, INSTRUMENTS, AND INTANGIBLES, AND ALL OTHER
PROCEEDS OF EVERY DESCRIPTION AND OF ANY KIND WHATSOEVER DERIVED
DIRECTLY OR INDIRECTLY FROM ANY DEALINGS WITH THE GENERAL COLLATERAL
OR SERIAL NUMBE COLLATERAL (IF ANY) DESCRIBED ABOVE, OR ANY PROCEEDS
IF ANY SUCH PROCEEDS.

Registering

Party: K.V.P. REGISTRATION SERVICES LTD.
11648 - 104 AVE
EDMONTON AB T5K 2T7

----- R E N E W A L -----

Reg. #: 845360F

Reg. Date: NOV 03, 2010

Reg. Life: 25 YEARS

Reg. Time: 06:55:34

Control #: D0255665

Base Reg. Type: PPSA SECURITY AGREEMENT

Base Reg. #: 703380C

Base Reg. Date: NOV 23, 2005

Registering

Party: K.V.P. REGISTRATION SERVICES LTD.
11648 - 104 AVE
EDMONTON AB T5K 2T7

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: NOV 23, 2005

Reg. Length: 5 YEARS

Reg. Time: 08:09:01

Expiry Date: NOV 23, 2035

Base Reg. #: 703388C

Control #: B7023448

*** Expiry date includes subsequent registered renewal(s).

Block#

Continued on Page 2

Search Criteria: WATCH IT! INCORPORATED

Page: 2

S0001 Secured Party: BONDAR, DARREN
#2500, 10303 JASPER AVENUE
EDMONTON AB T5J 3N6

=D0001 Base Debtor: WATCH IT! INCORPORATED
 (Business) 10544B - 92 AVENUE
 EDMONTON AB T6E 5A4

General Collateral:

A SECURITY INTEREST IN ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED GOODS, MOTOR VEHICLES, ACCOUNTS, MONEY, CHATTEL PAPER, DOCUMENTS OF TITLE, SECURITIES, INSTRUMENTS, AND INTANGIBLES, AND ALL OTHER PROCEEDS OF EVERY DESCRIPTION AND OF ANY KIND WHATSOEVER DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALINGS WITH THE GENERAL COLLATERAL OR SERIAL NUMBER COLLATERAL (IF ANY) DESCRIBED ABOVE, OR PROCEEDS IF ANY SUCH PROCEEDS.

Registering

Party: K.V.P. REGISTRATION SERVICES LTD.
11648 - 104 AVE
EDMONTON AB T5K 2T7

----- R E N E W A L -----

Reg. #: 845361F	Reg. Date: NOV 03, 2010
Reg. Life: 25 YEARS	Reg. Time: 06:57:08
	Control #: D0255667

Base Reg. Type: PPSA SECURITY AGREEMENT
Base Reg. #: 703388C Base Reg. Date: NOV 23, 2005

Registering

Party: K.V.P. REGISTRATION SERVICES LTD.
11648 - 104 AVE
EDMONTON AB T5K 2T7

Some, but not all, tax liens and other Crown claims are registered at the Personal Property Registry (PPR) and if registered, will be displayed on this search result. HOWEVER, it is possible that a particular chattel is subject to a Crown claim that is not registered at the PPR. Please consult the Miscellaneous Registrations Act, 1992 for more details. If you are concerned that a particular chattel may be subject to a Crown claim not registered at the PPR, please consult the agency administering the type of Crown claim.

[illegible]

Personal Property Registry

Selection List

For: [PB87142] [MCCARTHY TETRAULT]

May 16, 2017

09:36:53 AM

[Return](#)[Send to Mailbox](#)[Help ?](#)

Folio: 218845.491783

[BC OnLine Mailbox](#)Business Name: WATCH IT!
INCORPORATED➔ **Exact Matches: 2**

Local Print Limit: 200

BSR101 - NO MORE INFORMATION TO DISPLAY

Debtor Name

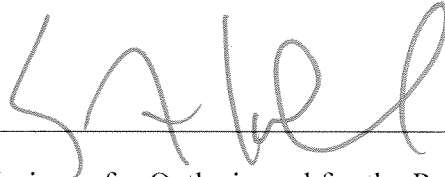
- ➔ WATCH IT! INCORPORATED
- ➔ WATCH! IT INCORPORATED
- ☐ WATCH IT (KELOWNA)
- ☐ WATCH IT (METROTOWN)
- ☐ WATCH IT (PACIFIC)
- ☐ WATCH IT (RICHMOND)

[Display Selection](#)

This is Exhibit "G" referred to in the Affidavit #1 of

Darren Bondar

sworn before me this 6th day of May, 2017.

A handwritten signature in dark ink, appearing to read 'S.F. Collins', written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

SEAN F. COLLINS
BARRISTER & SOLICITOR

Business Debtor

Search by Business Debtor

Date: 2017-05-16
Time: 11:54:39 AM
Inquiry Number: 10238605519
User ID:

Business Name: Comfortable Image Inc.

[Credit Card Receipt](#)

0 exact matches were found.

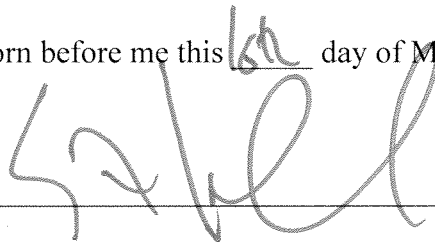
0 similar matches were found.

Close

This is Exhibit "H" referred to in the Affidavit #1 of

Darren Bondar

sworn before me this 1st day of May, 2017.

A handwritten signature in dark ink, appearing to read 'Sean F. Collins', written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

SEAN F. COLLINS
BARRISTER & SOLICITOR

Business Debtor

Search by Business Debtor

Date: 2017-05-16
Time: 11:52:45 AM
Inquiry Number: 10238605366
User ID:

Business Name: Watch It! Incorporated

[Credit Card Receipt](#)

0 exact matches were found.

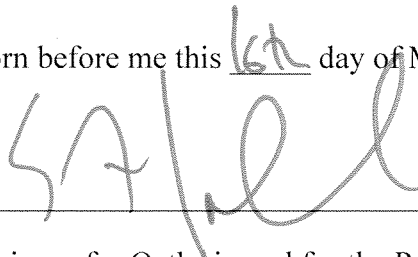
0 similar matches were found.

Close

This is Exhibit "I" referred to in the Affidavit #1 of

Darren Bondar

sworn before me this 16th day of May, 2017.

A handwritten signature in dark ink, appearing to read 'SA Collins', is written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

**SEANE COLLINS
BARRISTER & SOLICITOR**

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
SEARCH RESULTS

Date Search Conducted: 5/16/2017
File Currency Date: 05/15/2017
Family(ies): 6
Page(s): 9

SEARCH : Business Debtor : COMFORTABLE IMAGE INC.

The attached report has been created based on the data received by Cyberbahn, a Thomson Reuters business from the Province of Ontario, Ministry of Government Services. No liability is assumed by Cyberbahn regarding its correctness, timeliness, completeness or the interpretation and use of the report. Use of the Cyberbahn service, including this report is subject to the terms and conditions of Cyberbahn's subscription agreement.

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
SEARCH RESULTS

Date Search Conducted: 5/16/2017
File Currency Date: 05/15/2017
Family(ies): 6
Page(s): 9

SEARCH : Business Debtor : COMFORTABLE IMAGE INC.

FAMILY : 1 OF 6 ENQUIRY PAGE : 1 OF 9
SEARCH : BD : COMFORTABLE IMAGE INC.

00 FILE NUMBER : 694087128 EXPIRY DATE : 28FEB 2019 STATUS :
01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20140228 1439 8073 0236 REG TYP: P PPSA REG PERIOD: 05
02 IND DOB : IND NAME:
03 BUS NAME: COMFORTABLE IMAGE INC.

OCN :
04 ADDRESS : #102, 5740 ? 2ND STREET SW
CITY : CALGARY PROV: AB POSTAL CODE: T2H 1Y6
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
1895936 ONTARIO LIMITED

09 ADDRESS : 35 CONFEDERATION DRIVE
CITY : UXBRIDGE PROV: ON POSTAL CODE: L9P 1Z5
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X 300000 20DEC2017
YEAR MAKE MODEL V.I.N.

11
12

GENERAL COLLATERAL DESCRIPTION

13 ASSETS, EQUIPMENT AND INVENTORY, AS SET OUT IN THE PURCHASE
14 AGREEMENT, USED IN CONNECTION WITH THE BUSINESS KNOWN AS WATCH IT! ?
15 MARKVILLE AND LOCATED AT #2085, 5000 HIGHWAY 7 EAST, MARKHAM,
16 AGENT: SHELDON HUXTABLE PROFESSIONAL CORPORATION
17 ADDRESS : SUITE 1801, 180 DUNDAS STREET WEST
CITY : TORONTO PROV: ON POSTAL CODE: M5G 1Z8

FAMILY : 1 OF 6
SEARCH : BD : COMFORTABLE IMAGE INC.

ENQUIRY PAGE : 2 OF 9

00 FILE NUMBER : 694087128 EXPIRY DATE : 28FEB 2019 STATUS :
01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20140228 1439 8073 0236 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:

OCN :

04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

13 ONTARIO, L3R 4M9

14

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16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:

FAMILY : 2 OF 6
SEARCH : BD : COMFORTABLE IMAGE INC.

ENQUIRY PAGE : 3 OF 9

00 FILE NUMBER : 701680851 EXPIRY DATE : 19NOV 2020 STATUS :
01 CAUTION FILING : PAGE : 001 OF 003 MV SCHEDULE ATTACHED :
REG NUM : 20141119 1312 1862 5335 REG TYP: P PPSA REG PERIOD: 6
02 IND DOB : IND NAME:
03 BUS NAME: COMFORTABLE IMAGE INC.

OCN :

04 ADDRESS : #102, 5740 - 2ND STREET SW
CITY : CALGARY PROV: AB POSTAL CODE: T2H 1Y6
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
RAANAN KATZ

09 ADDRESS : 1 GATEWAY CENTER, SUITE 601
CITY : NEWTON PROV: MA POSTAL CODE: 02458
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X X
YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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15

16 AGENT: BLAKE, CASSELS & GRAYDON LLP (H. TA/LLB)

17 ADDRESS : SUITE 4000, COMMERCE COURT WEST
CITY : TORONTO PROV: ON POSTAL CODE: M5L 1A9

FAMILY : 2 OF 6
SEARCH : BD : COMFORTABLE IMAGE INC.

ENQUIRY PAGE : 4 OF 9

00 FILE NUMBER : 701680851 EXPIRY DATE : 19NOV 2020 STATUS :
01 CAUTION FILING : PAGE : 002 OF 003 MV SCHEDULE ATTACHED :
REG NUM : 20141119 1312 1862 5335 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:

OCN :

04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
MATTHEW WOSK

09 ADDRESS : 1 GATEWAY CENTER, SUITE 601
CITY : NEWTON PROV: MA POSTAL CODE: 02458
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

11

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:

FAMILY : 2 OF 6
SEARCH : BD : COMFORTABLE IMAGE INC.

ENQUIRY PAGE : 5 OF 9

00 FILE NUMBER : 701680851 EXPIRY DATE : 19NOV 2020 STATUS :
01 CAUTION FILING : PAGE : 003 OF 003 MV SCHEDULE ATTACHED :
REG NUM : 20141119 1312 1862 5335 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:

OCN :

04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
BOB HABER

09 ADDRESS : 1 GATEWAY CENTER, SUITE 601
CITY : NEWTON PROV: MA POSTAL CODE: 02458
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

11

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:

FAMILY : 3 OF 6
SEARCH : BD : COMFORTABLE IMAGE INC.

ENQUIRY PAGE : 6 OF 9

00 FILE NUMBER : 724541211 EXPIRY DATE : 01FEB 2020 STATUS :
01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
REG NUM : 20170201 1702 1462 5066 REG TYP: P PPSA REG PERIOD: 3
02 IND DOB : IND NAME:
03 BUS NAME: COMFORTABLE IMAGE INC.

OCN :

04 ADDRESS : UNIT 2085, 5000 HWY 7 EAST
CITY : MARKHAM PROV: ON POSTAL CODE: L3R4M9
05 IND DOB : IND NAME:
06 BUS NAME: WATCH IT (MARKVILLE)

OCN :

07 ADDRESS : UNIT 2085, 5000 HWY 7 EAST
CITY : MARKHAM PROV: ON POSTAL CODE: L3R4M9

08 SECURED PARTY/LIEN CLAIMANT :
THINKING CAPITAL

09 ADDRESS : 4200 BOUL DORCHESTER, SUITE #3
CITY : MONTREAL PROV: QC POSTAL CODE: H3Z1V4
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X X X X X
YEAR MAKE MODEL V.I.N.

11

12

GENERAL COLLATERAL DESCRIPTION

13 UNIVERSALITY OVER ALL ITS PRESENT AND FUTURE MOVABLE/PERSONAL
14 PROPERTY, BOOKS, ASSETS AND UNDERTAKINGS, BOTH CORPOREAL AND
15 INCORPOREAL, NOW OWNED OR HEREINAFTER ACQUIRED BY THE MERCHANT.
16 AGENT: THINKING CAPITAL

17 ADDRESS : 4200 BOUL DORCHESTER, SUITE #3
CITY : MONTREAL PROV: QC POSTAL CODE: H3Z1V4

FAMILY : 4 OF 6
SEARCH : BD : COMFORTABLE IMAGE INC.

ENQUIRY PAGE : 7 OF 9

00 FILE NUMBER : 724794138 EXPIRY DATE : 10FEB 2022 STATUS :
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
REG NUM : 20170210 1642 1590 6987 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: COMFORTABLE IMAGE INC

OCN :

04 ADDRESS : SUITE 102 5740, 2ND STREET S.W.
CITY : CALGARY PROV: AB POSTAL CODE: T2H 1Y6
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

CITIZEN WATCH COMPANY OF CANADA, LTD.

09 ADDRESS : 1120 AVENUE OF THE AMERICAS, 10TH FLOOR

CITY : NEW YORK PROV: NY POSTAL CODE: 10036

CONS. MV DATE OF OR NO FIXED

GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 X X X
YEAR MAKE MODEL V.I.N.

11

12

GENERAL COLLATERAL DESCRIPTION

13

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16 AGENT: BENNETT JONES LLP (GRANT-48272-17OD)

17 ADDRESS : 3400-1 FIRST CANADIAN PLACE

CITY : TORONTO PROV: ON POSTAL CODE: M5X 1A4

FAMILY : 5 OF 6
SEARCH : BD : COMFORTABLE IMAGE INC.

ENQUIRY PAGE : 8 OF 9

00 FILE NUMBER : 724794147 EXPIRY DATE : 10FEB 2022 STATUS :
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
REG NUM : 20170210 1643 1590 6988 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: COMFORTABLE IMAGE INC.

OCN :

04 ADDRESS : SUITE 102 5740, 2ND STREET S.W.
CITY : CALGARY PROV: AB POSTAL CODE: T2H 1Y6
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
BULOVA WATCH COMPANY LTD.

09 ADDRESS : 350 FIFTH AVENUE, 29TH FLOOR
CITY : NEW YORK PROV: NY POSTAL CODE: 10118
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X
YEAR MAKE MODEL V.I.N.

11

12

GENERAL COLLATERAL DESCRIPTION

13

14

15

16 AGENT: BENNETT JONES LLP (GRANT/48272/17OD)

17 ADDRESS : 3400-1 FIRST CANADIAN PLACE
CITY : TORONTO PROV: ON POSTAL CODE: M5X 1A4

FAMILY : 6 OF 6
SEARCH : BD : COMFORTABLE IMAGE INC.

ENQUIRY PAGE : 9 OF 9

00 FILE NUMBER : 727265718 EXPIRY DATE : 04MAY 2027 STATUS :
01 CAUTION FILING : PAGE : 001 OF 001 MV SCHEDULE ATTACHED :
REG NUM : 20170504 1035 1862 3768 REG TYP: P PPSA REG PERIOD: 10
02 IND DOB : IND NAME:
03 BUS NAME: COMFORTABLE IMAGE INC.

OCN :

04 ADDRESS : #102, 5740 - 2 STREET SW
CITY : CALGARY PROV: AB POSTAL CODE: T2H 1Y6
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
DARREN BONDAR

09 ADDRESS : 9976 PATTON ROAD SW
CITY : CALGARY PROV: AB POSTAL CODE: T2V 5E8
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X X
YEAR MAKE MODEL V.I.N.

11
12

GENERAL COLLATERAL DESCRIPTION

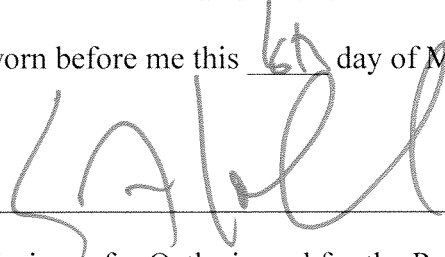
13
14
15

16 AGENT: MCCARTHY TETRAULT LLP (A. MILLS)
17 ADDRESS : STE. 5300, TD BANK TOWER, TD CENTRE
CITY : TORONTO PROV: ON POSTAL CODE: M5K 1E6

This is Exhibit "J" referred to in the Affidavit #1 of

Darren Bondar

sworn before me this 6th day of May, 2017.

A handwritten signature in dark ink, appearing to read 'S. Collins', written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

SEANE F. COLLINS
BARRISTER & SOLICITOR

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
SEARCH RESULTS

Date Search Conducted: 5/16/2017
File Currency Date: 05/15/2017
Family(ies): 6
Page(s): 15

SEARCH : Business Debtor : WATCH IT! INCORPORATED

The attached report has been created based on the data received by Cyberbahn, a Thomson Reuters business from the Province of Ontario, Ministry of Government Services. No liability is assumed by Cyberbahn regarding its correctness, timeliness, completeness or the interpretation and use of the report. Use of the Cyberbahn service, including this report is subject to the terms and conditions of Cyberbahn's subscription agreement.

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
SEARCH RESULTS

Date Search Conducted: 5/16/2017
File Currency Date: 05/15/2017
Family(ies): 6
Page(s): 15

SEARCH : Business Debtor : WATCH IT! INCORPORATED

FAMILY : 1 OF 6 ENQUIRY PAGE : 1 OF 15
SEARCH : BD : WATCH IT! INCORPORATED

00 FILE NUMBER : 620247312 EXPIRY DATE : 04NOV 2021 STATUS :
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
REG NUM : 20051104 1114 1590 6704 REG TYP: P PPSA REG PERIOD: 11
02 IND DOB : IND NAME:
03 BUS NAME: WATCH IT! INCORPORATED

OCN :

04 ADDRESS : 10544B 82ND AVENUE
CITY : EDMONTON PROV: AB POSTAL CODE: T6E 2A4
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
FALLS MANAGEMENT COMPANY

09 ADDRESS : 2300 YONGE ST., #409, P.O. BOX 2343
CITY : TORONTO PROV: ON POSTAL CODE: M4P 1E4
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X
YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: LANG MICHENER LLP(WILLIAM A. ROWLANDS)

17 ADDRESS : 181 BAY STREET, SUITE 2500, BCE PLACE
CITY : TORONTO PROV: ON POSTAL CODE: M5J 2T7

FAMILY : 1 OF 6
SEARCH : BD : WATCH IT! INCORPORATED

ENQUIRY PAGE : 2 OF 15

FILE NUMBER 620247312

PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 01 OF 001 MV SCHED: 20160119 1449 1590 1620
21 REFERENCE FILE NUMBER : 620247312
22 AMEND PAGE: NO PAGE: CHANGE: B RENEWAL REN YEARS: 5 CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: WATCH IT! INCORPORATED

25 OTHER CHANGE:

26 REASON:

27 /DESCR:

28 :

02/05 IND/TRANSFEE:

03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:

CITY:

PROV:

POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :

CITY :

PROV :

POSTAL CODE :

CONS.

MV

DATE OF

NO FIXED

GOODS INVTRY EQUIP ACCTS OTHER

INCL

AMOUNT

MATURITY OR

MAT DATE

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16 NAME : MCMILLAN LLP (WR/EBF/AL/70456-00037)

17 ADDRESS : 181 BAY ST, SUITE 4400, BROOKFIELD PLACE

CITY : TORONTO

PROV : ON

POSTAL CODE : M5J 2T3

FAMILY : 2 OF 6
SEARCH : BD : WATCH IT! INCORPORATED

ENQUIRY PAGE : 3 OF 15

00 FILE NUMBER : 620714655 EXPIRY DATE : 23NOV 2035 STATUS :
01 CAUTION FILING : PAGE : 001 OF 3 MV SCHEDULE ATTACHED :
REG NUM : 20051123 1134 1590 7636 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: WATCH! IT INCORPORATED

OCN :

04 ADDRESS : 10544B 82 AVENUE
CITY : EDMONTON PROV: AB POSTAL CODE: T6E 3N6
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
COMFORTABLE IMAGE INC.

09 ADDRESS : #2500, 10303 JASPER AVENUE
CITY : EDMONTON PROV: AB POSTAL CODE: T5J 3N6
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X
YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

13 A SECURITY INTEREST IN ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED
14 GOODS, MOTOR VEHICLES, ACCOUNTS, MONEY, CHATTEL PAPER, DOCUMENTS OF
15 TITLE, SECURITIES, INSTRUMENTS, AND INTANGIBLES, AND ALL OTHER
16 AGENT: K.V.P. REGISTRATION SERVICES LTD.
17 ADDRESS : 11648 - 104 AVE.
CITY : EDMONTON PROV: AB POSTAL CODE: T5K 2T7

FAMILY : 2 OF 6
SEARCH : BD : WATCH IT! INCORPORATED

ENQUIRY PAGE : 4 OF 15

00 FILE NUMBER : 620714655 EXPIRY DATE : 23NOV 2035 STATUS :
01 CAUTION FILING : PAGE : 002 OF 3 MV SCHEDULE ATTACHED :
REG NUM : 20051123 1134 1590 7636 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:

OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

13 PROCEEDS OF EVERY DESCRIPTION AND OF ANY KIND WHATSOEVER DERIVED
14 DIRECTLY OR INDIRECTLY FROM ANY DEALINGS WITH THE GENERAL COLLATERAL
15 OR SERIAL NUMBER COLLATERAL (IF ANY) DESCRIBED ABOVE, OR PROCEEDS IF
16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:

FAMILY : 2 OF 6
SEARCH : BD : WATCH IT! INCORPORATED

ENQUIRY PAGE : 5 OF 15

00 FILE NUMBER : 620714655 EXPIRY DATE : 23NOV 2035 STATUS :
01 CAUTION FILING : PAGE : 003 OF 3 MV SCHEDULE ATTACHED :
REG NUM : 20051123 1134 1590 7636 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:

04 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE MODEL V.I.N.

11
12
GENERAL COLLATERAL DESCRIPTION
13 ANY SUCH PROCEEDS.

14
15
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

FAMILY : 2 OF 6
SEARCH : BD : WATCH IT! INCORPORATED

ENQUIRY PAGE : 6 OF 15

FILE NUMBER 620714655

PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 001 OF 1 MV SCHED: 20101105 1619 4012 0029
21 REFERENCE FILE NUMBER : 620714655
22 AMEND PAGE: NO PAGE: CHANGE: B RENEWAL REN YEARS: 25 CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: WATCH IT! INCORPORATED

25 OTHER CHANGE:

26 REASON:

27 /DESCR:

28 :

02/05 IND/TRANSFeree:

03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:

CITY:

PROV:

POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :

CITY :

PROV :

POSTAL CODE :

CONS.

MV

DATE OF

NO FIXED

GOODS INVTRY EQUIP ACCTS OTHER

INCL

AMOUNT

MATURITY OR

MAT DATE

10

11

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16 NAME : KVP REGISTRATION SERVICES

17 ADDRESS : 11648 104 AVENUE

CITY : EDMONTON

PROV : AB

POSTAL CODE : T5K 2T7

FAMILY : 3 OF 6
SEARCH : BD : WATCH IT! INCORPORATED

ENQUIRY PAGE : 7 OF 15

00 FILE NUMBER : 620714934 EXPIRY DATE : 23NOV 2035 STATUS :
01 CAUTION FILING : PAGE : 001 OF 3 MV SCHEDULE ATTACHED :
REG NUM : 20051123 1142 1590 7637 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: WATCH! IT INCORPORATED

OCN :

04 ADDRESS : 10544B 82 AVENUE
CITY : EDMONTON PROV: AB POSTAL CODE: T6E 5A4
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
BONDAR, DARREN

09 ADDRESS : #2500, 10303 JASPER AVENUE
CITY : EDMONTON PROV: AB POSTAL CODE: T5J 3N6
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X
YEAR MAKE MODEL V.I.N.

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12

GENERAL COLLATERAL DESCRIPTION

13 A SECURITY INTEREST IN ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED
14 GOODS, MOTOR VEHICLES, ACCOUNTS, MONEY, CHATTEL PAPER, DOCUMENTS OF
15 TITLE, SECURITIES, INSTRUMENTS, AND INTANGIBLES, AND ALL OTHER
16 AGENT: K.V.P. REGISTRATION SERVICES LTD.
17 ADDRESS : 11648 - 104 AVE.
CITY : EDMONTON PROV: AB POSTAL CODE: T5K 2T7

FAMILY : 3 OF 6
SEARCH : BD : WATCH IT! INCORPORATED

ENQUIRY PAGE : 8 OF 15

00 FILE NUMBER : 620714934 EXPIRY DATE : 23NOV 2035 STATUS :
01 CAUTION FILING : PAGE : 002 OF 3 MV SCHEDULE ATTACHED :
REG NUM : 20051123 1142 1590 7637 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:

OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

13 PROCEEDS OF EVERY DESCRIPTION AND OF ANY KIND WHATSOEVER DERIVED
14 DIRECTLY OR INDIRECTLY FROM ANY DEALINGS WITH THE GENERAL COLLATERAL
15 OR SERIAL NUMBER COLLATERAL (IF ANY) DESCRIBED ABOVE, OR PROCEEDS IF
16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:

FAMILY : 3 OF 6
SEARCH : BD : WATCH IT! INCORPORATED

ENQUIRY PAGE : 9 OF 15

00 FILE NUMBER : 620714934 EXPIRY DATE : 23NOV 2035 STATUS :
01 CAUTION FILING : PAGE : 003 OF 3 MV SCHEDULE ATTACHED :
REG NUM : 20051123 1142 1590 7637 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:

04 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION
13 ANY SUCH PROCEEDS.

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16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

FAMILY : 3 OF 6
SEARCH : BD : WATCH IT! INCORPORATED

ENQUIRY PAGE : 10 OF 15

FILE NUMBER 620714934

PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 001 OF 1 MV SCHED: 20101105 1621 4012 0030
21 REFERENCE FILE NUMBER : 620714934
22 AMEND PAGE: NO PAGE: CHANGE: B RENEWAL REN YEARS: 25 CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: WATCH IT! INCORPORATED

25 OTHER CHANGE:

26 REASON:

27 /DESCR:

28 :

02/05 IND/TRANSFeree:

03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:

CITY:

PROV:

POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :

CITY :

PROV :

POSTAL CODE :

CONS.

MV

DATE OF

NO FIXED

GOODS INVTRY EQUIP ACCTS OTHER

INCL

AMOUNT

MATURITY OR

MAT DATE

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16 NAME : KVP REGISTRATION SERVICES

17 ADDRESS : 11648 104 AVE

CITY : EDMONTON

PROV : AB

POSTAL CODE : T5K 2T7

FAMILY : 4 OF 6
SEARCH : BD : WATCH IT! INCORPORATED

ENQUIRY PAGE : 11 OF 15

00 FILE NUMBER : 643527522 EXPIRY DATE : 20MAR 2018 STATUS :
01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
REG NUM : 20080320 1950 1531 0627 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: 2156053 ONTARIO LTD.

OCN :

04 ADDRESS : 100 BAYSHORE DRIVE UNIT T24
CITY : NEPEAN PROV: ON POSTAL CODE: K2B 8C1
05 IND DOB : IND NAME:
06 BUS NAME: WATCH IT

OCN :

07 ADDRESS : 100 BAYSHORE DRIVE UNIT T24
CITY : NEPEAN PROV: ON POSTAL CODE: K2B 8C1

08 SECURED PARTY/LIEN CLAIMANT :
THE TORONTO-DOMINION BANK - 59266

09 ADDRESS : 100 BAYSHORE DRIVE
CITY : NEPEAN PROV: ON POSTAL CODE: K2B 8C1
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X X
YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : SUITE 200 - 4126 NORLAND AVENUE

CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

FAMILY : 4 OF 6
SEARCH : BD : WATCH IT! INCORPORATED

ENQUIRY PAGE : 12 OF 15

FILE NUMBER 643527522

PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 01 OF 001 MV SCHED: 20130206 1948 1531 4594
21 REFERENCE FILE NUMBER : 643527522
22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 5 CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: 2156053 ONTARIO LTD.

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28 :
02/05 IND/TRANSFEE:
03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
CITY: PROV: POSTAL CODE:
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : 4126 NORLAND AVENUE

CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

FAMILY : 5 OF 6
SEARCH : BD : WATCH IT! INCORPORATED

ENQUIRY PAGE : 13 OF 15

00 FILE NUMBER : 643640274 EXPIRY DATE : 26MAR 2018 STATUS :
01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
REG NUM : 20080326 1953 1531 4174 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: 2156053 ONTARIO LTD.

OCN :

04 ADDRESS : 100 BAYSHORE DRIVE UNIT T24
CITY : NEPEAN PROV: ON POSTAL CODE: K2B 8C1
05 IND DOB : IND NAME:
06 BUS NAME: WATCH IT

OCN :

07 ADDRESS : 100 BAYSHORE DRIVE UNIT T24
CITY : NEPEAN PROV: ON POSTAL CODE: K2B 8C1

08 SECURED PARTY/LIEN CLAIMANT :
THE TORONTO-DOMINION BANK - 59266

09 ADDRESS : 100 BAYSHORE DRIVE
CITY : NEPEAN PROV: ON POSTAL CODE: K2B 8C1
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X X X X X
YEAR MAKE MODEL V.I.N.

11

12

GENERAL COLLATERAL DESCRIPTION

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16 AGENT: CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : SUITE 200 - 4126 NORLAND AVENUE
CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

FAMILY : 5 OF 6
SEARCH : BD : WATCH IT! INCORPORATED

ENQUIRY PAGE : 14 OF 15

FILE NUMBER 643640274

PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 01 OF 001 MV SCHED: 20130220 1447 1530 6618
21 REFERENCE FILE NUMBER : 643640274
22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 5 CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: 2156053 ONTARIO LTD.

25 OTHER CHANGE:

26 REASON:

27 /DESCR:

28 :

02/05 IND/TRANSFEE:

03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:

CITY:

PROV:

POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :

CITY :

PROV :

POSTAL CODE :

CONS.

MV

DATE OF

NO FIXED

GOODS INVTRY EQUIP ACCTS OTHER

INCL

AMOUNT

MATURITY OR

MAT DATE

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16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : 4126 NORLAND AVENUE

CITY : BURNABY

PROV : BC

POSTAL CODE : V5G 3S8

FAMILY : 6 OF 6
SEARCH : BD : WATCH IT! INCORPORATED

ENQUIRY PAGE : 15 OF 15

00 FILE NUMBER : 690812784 EXPIRY DATE : 03OCT 2018 STATUS :
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
REG NUM : 20131003 1517 1532 0159 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: 1516625 ONTARIO INC

OCN :

04 ADDRESS : 100 CITY CENTRE DRIVE, SUITE 1-151
CITY : MISSISSAUGA PROV: ON POSTAL CODE: L5B 2C9
05 IND DOB : IND NAME:
06 BUS NAME: WATCH IT!

OCN :

07 ADDRESS : 100 CITY CENTRE DRIVE, SUITE 1-151
CITY : MISSISSAUGA PROV: ON POSTAL CODE: L5B 2C9

08 SECURED PARTY/LIEN CLAIMANT :
THE BANK OF NOVA SCOTIA

09 ADDRESS : 1 ST. CLAIR AVENUE EAST
CITY : TORONTO PROV: ON POSTAL CODE: M4T 1Z3
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X
YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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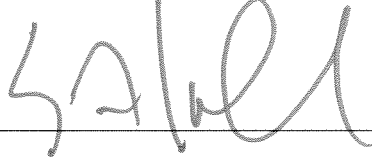
16 AGENT: CSRS

17 ADDRESS : 4126 NORLAND AVE
CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

This is Exhibit "K" referred to in the Affidavit #1 of

Darren Bondar

sworn before me this 16th day of May, 2017.

A handwritten signature in dark ink, appearing to read 'Seane E. Collins', written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

SEANE E. COLLINS
BARRISTER & SOLICITOR



Saskatchewan Personal Property Registry Search Result

Searching Party: Thomas, Rebecca
Search Date: 16-May-2017 11:03:58
Search Type: Standard

Search #: 202474727
Client Reference: 218845-491783
Control #:

Search Criteria

Search By: Business Debtor Name
Business Name
Comfortable Image Inc.

The following list displays all matches & indicates the ones that were selected.

3 Registration(s) Found: Exacts (2) - Similar (1)

Selected	Match	Registration #	Debtor Name	City
Yes	Exact	301583366	COMFORTABLE IMAGE INC.	SASKATOON
Yes	Exact	301586679	COMFORTABLE IMAGE INC.	Calgary
Yes	Similar	301586678	COMFORTABLE IMAGE INC	Calgary



Saskatchewan Personal Property Registry Search Result

Current/Setup - Exact

Registration Type: Personal Property Security Agreement
Registration Date: 01-Feb-2017 15:50:37

Registration #: 301583366
Expiry Date: 01-Feb-2020

Event Type: Setup
Transaction Reason: Regular

Notations

Trust Indenture: No

Registrant

Party ID: 152458652 - 1	Address: 4200 BOUL DORCHESTER, SUITE #3
Entity Type: Business	MONTREAL, Quebec
Name: THINKING CAPITAL	H3Z1V4
	Canada

Secured Party

Item #: 1	Address: 4200 BOUL DORCHESTER, SUITE #3
Party ID: 152458652 - 1	MONTREAL, Quebec
Entity Type: Business	H3Z1V4
Name: THINKING CAPITAL	Canada

Debtor Party

* Item #: 1	Address: UNIT 209E 201 1ST AVENUE SOUTH
Party ID: 152713618 - 1	SASKATOON, Saskatchewan
Entity Type: Business	S7K1J9
Name: COMFORTABLE IMAGE INC.	Canada
Item #: 2	Address: UNIT 209E 201 1ST AVENUE SOUTH
Party ID: 152713619 - 1	SASKATOON, Saskatchewan
Entity Type: Business	S7K1J9
Name: WATCH IT (MIDTOWN)	Canada

General Property

UNIVERSALITY OVER ALL ITS PRESENT AND FUTURE MOVABLE/PERSONAL PROPERTY, BOOKS, ASSETS AND UNDERTAKINGS, BOTH CORPOREAL AND INCORPOREAL, NOW OWNED OR HEREINAFTER ACQUIRED BY THE MERCHANT.



Saskatchewan Personal Property Registry Search Result

Current/Setup - Exact

Registration Type: Personal Property Security Agreement
Registration Date: 10-Feb-2017 15:51:22

Registration #: 301586679
Expiry Date: 10-Feb-2022

Event Type: Setup
Transaction Reason: Regular

Notations

Trust Indenture: NO

Registrant

Party ID: 152719071 - 1	Address: 3400-1 FIRST CANADIAN PLACE
Entity Type: Business	TORONTO, Ontario
Name: BENNETT JONES LLP (GRANT-48272-170D)	M5X1A4
	Canada

Secured Party

Item #: 1	Address: 350 Fifth Avenue, 29th Floor
Party ID: 152719075 - 1	New York, New York
Entity Type: Business	10118
Name: BULOVA WATCH COMPANY LTD.	United States of America

Debtor Party

* Item #: 1	Address: Suite 102 5740, 2nd Street S.W.
Party ID: 152719074 - 1	Calgary, Alberta
Entity Type: Business	T2H1Y6
Name: COMFORTABLE IMAGE INC.	Canada

General Property

All Bulova watches and related products supplied by the Secured Party to the Debtor.



Saskatchewan
Personal Property Registry
Search Result

Current/Setup - Similar

Registration Type: Personal Property Security Agreement
Registration Date: 10-Feb-2017 15:51:20

Registration #: 301586678
Expiry Date: 10-Feb-2022

Event Type: Setup
Transaction Reason: Regular

Notations

Trust Indenture: NO

Registrant

Party ID: 152719071 - 1	Address: 3400-1 FIRST CANADIAN PLACE
Entity Type: Business	TORONTO, Ontario
Name: BENNETT JONES LLP (GRANT-48272-170D)	M5X1A4
	Canada

Secured Party

Item #: 1	Address: 1120 AVENUE OF THE AMERICAS, 10TH
Party ID: 152719073 - 1	FLOOR
Entity Type: Business	New York, New York
Name: CITIZEN WATCH COMPANY OF CANADA, LTD.	10036
	United States of America

Debtor Party

* Item #: 1	Address: Suite 102 5740, 2nd Street S.W.
Party ID: 152719072 - 1	Calgary, Alberta
Entity Type: Business	T2H1Y6
Name: COMFORTABLE IMAGE INC	Canada

General Property

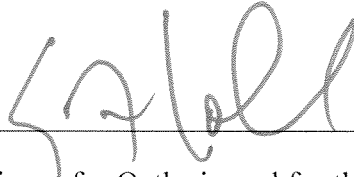
All Citizen watches and related products supplied by the Secured Party to the Debtor.

End of Search Result

This is Exhibit "L" referred to in the Affidavit #1 of

Darren Bondar

sworn before me this 6th day of May, 2017.

A handwritten signature in dark ink, appearing to read "Seane F. Collins", written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

SEANE F. COLLINS
BARRISTER & SOLICITOR



Saskatchewan Personal Property Registry Search Result

Searching Party: Thomas, Rebecca
Search Date: 16-May-2017 11:03:16
Search Type: Standard

Search #: 202474726
Client Reference: 218845-491783
Control #:

Search Criteria

Search By: Business Debtor Name
Business Name
Watch It! Incorporated

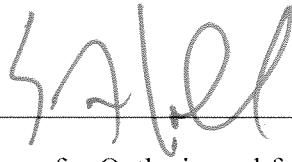
There are no registration(s) found in the Personal Property Registry to match the search criteria you entered.

End of Search Result

This is Exhibit "M" referred to in the Affidavit #1 of

Darren Bondar

sworn before me this 1st day of May, 2017.

A handwritten signature in dark ink, appearing to read "S.F. Collins", written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

SEAN F. COLLINS
BARRISTER & SOLICITOR

PRIORITIES AGREEMENT

THIS PRIORITIES AGREEMENT dated and made effective November 19, 2014 (this "Agreement"),

AMONG:

BANKERS HALL LP and bcIMC REALTY CORPORATION,
each as to an undivided 50% interest,
severally, the successors-in-interest to **4087844 CANADA INC.,**
and
BANKERS HALL GP TRUST
and
BANKERS HALL GP INC.,
as the sole general partner of: **BANKERS HALL LP**
and as the trustee of: **BANKERS HALL GP TRUST**
(collectively "Bankers Hall")

- and -

RAANAN KATZ, MATTHEW WOSK and BOB HABER
(collectively, "the New Lender")

WHEREAS:

A. **COMFORTABLE IMAGE INC.**, carrying on business as: *Watch It!*, (the "Borrower") is indebted to Bankers Hall and, the Borrower has executed a security agreement dated **July 29, 2009** (the "Bankers Hall Security Agreement") whereunder the Borrower granted in favour of Bankers Hall a security interest (the "Bankers Hall Security Interest") over and with respect to all of the Borrower's present and after-acquired Personal Property of any kind and the Proceeds therefrom (the "Bankers Hall Collateral"), with respect to which a financing statement was registered at the Alberta Personal Property Registry (the "Registry") on or about **September 11, 2009** as number **09091109562** (the "Bankers Hall PPR Registration"); and

B. The Borrower is or will be from time to time indebted to the New Lender pursuant to a loan agreement (the "the New Lender Loan Agreement") and, to secure the repayment of such indebtedness, the Borrower granted in favour of the New Lender a security agreement (the "the New Lender Security Agreement") whereunder the Borrower grants to the New Lender a security interest (the "the New Lender Security Interest") in all of the Borrower's present and after-acquired Personal Property (the "the New Lender Party Collateral"), for which a financing statement was registered at the Registry on or about **November 18, 2014** as number **14111807444**; and

C Bankers Hall and the New Lender wish to set forth the agreements between themselves relating to certain inter-creditor issues and the respective priorities of the parties hereto.

NOW THEREFORE, in consideration of the covenants and agreements herein contained and other good and valuable consideration, the receipt and sufficiently of which are hereby acknowledged, the parties agree as follows:

I. **Additional Definitions**

1.1. In this Agreement, in addition to the defined terms set out in the Recital Paragraphs hereof, unless there is something in the subject matter or context inconsistent therewith:

"Act of Insolvency" means any event or occurrence defined as an "act of bankruptcy" in the *Bankruptcy and Insolvency Act* (Canada) or any of the following events or occurrences:

- (a) any of the events or occurrences described in Sections 16.01(c) or 16.01(d) of the Premises Lease; or
- (b) any termination of the Premises Lease or proposed termination of the Premises Lease in connection with any plan of arrangement or other arrangement filed under the *Companies' Creditors Arrangement Act* (Canada) or other statute; or
- (c) any assignment, termination, repudiation, disclaimer, rejection or disaffirmation of the Premises Lease, or any subletting or abandonment of all or any part of the Premises prior to the expiration of the term of the Premises Lease, or any termination of the Premises Lease in any proceeding, whether effected by Bankers Hall in concert with the Borrower or by any trustee, trustee-in-bankruptcy, receiver, receiver and manager or liquidator of the Borrower, or by operation of law.

"Fixtures Notice" means the notice contemplated by section 49 of the PPSA in effect as of the date of this Agreement.

"Fixture" shall adopt its common legal meaning and the meaning given to "fixture" by the PPSA. For clarification, "Fixture" shall exclude Trade Fixtures regardless of whether or not such Trade Fixtures are acquired by the Borrower with the proceeds of the Improvement Allowance or from monies provided to the Borrower by Bankers Hall but shall include building materials.

"Lands" means the lands in Calgary, Alberta upon which the building or real estate complex where the Premises is located is situated and includes any immediately adjacent lands.

"Lien" means any mortgage, writ of execution or attachment, charge, security interest, Fixtures Notice, pledge, deed of trust, encumbrance, financial lien of any kind, option, lien, charge or encumbrance of any kind, mortgage by way of sublease, trust agreement, deposit arrangement or any other financial arrangement or condition that, in substance or effect, secures the payment or performance of an obligation (including any conditional sale or other title retention agreement, any financing lease having substantially the same economic effect as any of the foregoing, and the filing of or agreement to give any fixed or floating charge over property of any nature or kind including personal property).

"Leasehold Improvements" shall adopt the meaning given to such term in the Premises Lease. For clarification, the definition of "Leasehold Improvements" set out in the Premises Lease specifically excludes Trade Fixtures.

"Improvement Allowance" means and shall adopt the meaning given to the term "Leasehold Improvement Allowance" in Section 18.03 of the Premises Lease.

"PPSA" means the *Personal Property Security Act* (Alberta).

"Premises" shall adopt the meaning given to the term "Premises" in the Premises Lease, which is the retail premises leased and demised by Bankers Hall to the Borrower pursuant to the Premises Lease. For clarification, "Premises" excludes the personal property located within the retail premises leased and demised by Bankers Hall to the Borrower pursuant to the Premises Lease such as Trade Fixtures, inventory, chattel paper, documents of title, instruments, investment property, accounts receivable and money.

"Premises Lease" means that retail premises lease dated July 29, 2009 between Bankers Hall and the Borrower, as such retail premises lease may be extended, renewed, amended, supplemented, replaced, assigned or assumed.

"Priority Collateral" means, collectively:

- (a) the Leasehold Improvements, or any portion thereof, and any and all personal property arising from, related to, associated with or created by the Leasehold Improvements, or any portion thereof, and any and all interests of the Borrower in or to the Leasehold Improvements, or any portion thereof; and
- (b) any accessions to or of the Leasehold Improvements, or any portion of the Leasehold Improvements, and any and all personal property arising from, related to, associated with or created by such accessions, and any and all interests of the Borrower in or to such accessions; and
- (c) the Premises, or any portion thereof, and any and all personal property arising from, related to, associated with or created by the Premises, or any portion thereof, and any and all interests of the Borrower in or to the Premises, or any portion thereof including, for clarification, the right of the Borrower or the Borrower's successors and assigns or of the legal representatives of any of the foregoing Persons (including, any trustee-in-bankruptcy, receiver, receiver-manager, liquidator or monitor) to use or occupy the Premises or to carry on business within, at or from the Premises; and
- (d) any accessions to or of the Premises, or any portion of the Premises, and any and all personal property arising from, related to, associated with or created by such accessions, and any and all interests of the Borrower in or to such accessions; and
- (e) any Fixtures in, to or of the Premises, or any portion of the Premises, and any and all personal property arising from, related to, associated with or created by such Fixtures, and any and all interests of the Borrower in or to such Fixtures, or any portion thereof; and
- (f) any accessions to or of any Fixtures in, to or of the Premises, or any portion of such Fixtures, and any and all personal property arising from, related to, associated with or created by such accessions, and any and all interests of the Borrower in or to such accessions; and
- (g) all proceeds derived from dealing with or selling any or all of the foregoing personal property, real property or property described above in paragraphs (a) to (f) inclusive of this definition of "Priority Collateral".

"Restated Bankers Hall Security Agreement" means the security agreement contemplated by Section 16.10(e) of the Premises Lease.

"accessions", "building materials", "chattel paper", "collateral", "document of title", "instrument", "inventory", "investment property", "goods", "money", "personal property", "proceeds", "security agreement" and "security interest" shall each adopt the respective meaning given to each such term in the PPSA.

1.2 If a capitalized term herein is not defined above in Section 1.1 or in the Recital Paragraphs hereof and the context of the use of such capitalized term suggests that it is to have a particular meaning, such term shall adopt the meaning ascribed to it in the Premises Lease.

II. CONSENTS AND COVENANTS

2.1. Bankers Hall hereby consents to the authorization, execution, delivery and granting by Borrower of the New Lender Security Interest, the New Lender Loan Agreement and the New Lender Security Agreement, and to the Borrower incurring the indebtedness evidenced thereby.

2.2. Subject to the priorities established by this Agreement, the New Lender hereby agrees not to contest or otherwise challenge or bring into question the validity, enforceability or priority of the Premises Lease as set out herein, the Bankers Hall Security Interest, the Bankers Hall Security Agreement, the Restated Bankers Hall Security Agreement (if any), or any part of the foregoing, notwithstanding any real or apparent defects therein or the invalidity or unenforceability thereof or any steps or proceedings which Bankers Hall may take in collecting amounts due to Bankers Hall from the Borrower.

2.3. Subject to the priorities established by this Agreement, Bankers Hall hereby agrees not to contest or otherwise challenge or bring into question the validity, enforceability or priority of the New Lender Security Interest, the New Lender Loan Agreement or the New Lender Security Agreement, or any part thereof, notwithstanding any real or apparent defects therein or the invalidity or unenforceability thereof or any steps or proceedings which the New Lender may take in collecting amounts due to the New Lender from the Borrower.

2.4. Bankers Hall and the New Lender do each hereby declare, covenant and agree that Bankers Hall Security Interest and the New Lender Security Interest shall have the following priorities as against one another:

- (a) firstly, the security interest of Bankers Hall created by the Bankers Hall Security Interest and any other security interest of Bankers Hall in, to, over or with respect to the Priority Collateral and all rights and remedies thereunder or with respect thereto shall retain, and the Bankers Hall Security Interest and any other security interest of Bankers Hall in, to, over or with respect to the Priority Collateral shall always have, priority over the New Lender Security Interest and any other security interest of, or granted to, or held by, the New Lender in, to, over or with respect of the personal property of the Borrower or the Proceeds therefrom; and
- (b) secondly, the security interest of the New Lender created by the New Lender Security Interest in, to, over or with respect to the New Lender Collateral (**excluding the Priority Collateral but including, for clarification, the Borrower's Trade Fixtures, inventory, intellectual property and accounts receivable**) and all rights and remedies thereunder or with respect thereto shall have priority over the Bankers Hall Security Interest to the extent of the amount of the Borrower's indebtedness owing to the New Lender from time to time and secured under the New Lender Security Agreement.

2.5. It is hereby agreed that the priorities set out above in Section 2.4 shall apply in all events and circumstances, whatsoever notwithstanding any other priorities which either Bankers Hall or the New Lender may have or to which they are or become entitled by any reason whatsoever, including pursuant to the PPSA.

2.6. Any insurance proceeds received by the Borrower or by Bankers Hall or the New Lender in respect of the collateral charged by the Bankers Hall Security Agreement, the Restated Bankers Hall Security Agreement (if any) or the New Lender Security Agreement shall be dealt with according to the provisions hereof as though such insurance proceeds are paid or payable as proceeds of realization of the collateral for which they compensate.

2.7. It is further understood and agreed that the priorities set out in the provisions hereof shall continue to apply and be binding notwithstanding that at the time of sale, realization, foreclosure or other disposition of the Personal Property so charged, the Bankers Hall Security Agreement, the Restated Bankers Hall Security Agreement (if any), the Premises Lease or the New Lender Security Agreement or any of them are not in default.

2.8. the New Lender hereby covenants and agrees with Bankers Hall that, save for the exception set out in Section 2.9, the New Lender shall not, register a Fixtures Notice, caveat, notice, document, instrument, Lien or other registration whatsoever with respect to or referring to this Agreement, the priorities set out in this Agreement, the New Lender Collateral, the Borrower's indebtedness to the New Lender or the New Lender Security Interest against the Lands or against any certificate of title to the Lands or against Bankers Hall.

2.9. Notwithstanding Section 2.8, the New Lender may, at the New Lender's sole expense, register a financing change statement in the Registry with respect to the Bankers Hall PPR Registration, which financing change statement shall properly, fully and accurately describe the priorities set out in this Agreement and the collateral subordinated by this Agreement; provided that, before the registration of any such financing change statement, the New Lender shall obtain the prior written approval and consent of Bankers Hall to the contents of such financing change statement including, the description of that portion of Bankers Hall Collateral not subordinated to the New Lender Security Interest and the extent of such subordination, which approval and consent may be conditioned but shall not be unreasonably conditioned, withheld or delayed.

2.10 This Agreement, the consent of Bankers Hall set out in Section 2.1 hereof or Bankers Hall's agreements with the New Lender herein contained do not constitute a release or waiver by Bankers Hall of any rights which Bankers Hall has in accordance with Applicable Laws, in equity or pursuant to the Premises Lease (such as, by way of non-exhaustive example, Bankers Hall's right to levy distress without notice) save as, and only to the extent, expressly set out herein or constitute a waiver of the necessity for obtaining Bankers Hall's prior written consent to any other or further Transfer.

III. INTENTIONALLY LEFT BLANK

IV. INTENTIONALLY LEFT BLANK

V. TERM

5.1. This Agreement shall commence on the date hereof and shall expire on the earliest of the following dates: the date the Borrower has repaid to the New Lender the Borrower's indebtedness under the New Lender Loan Agreement and all security has been released by the New Lender or the date the New Lender fails to honour, perform or observe any of the New Lender's obligations in this Agreement.

5.2. This Agreement and the rights and obligations of Bankers Hall and the New Lender hereunder shall not be, nor deemed to be, terminated, surrendered, waived, released, discharged, mitigated, impaired, affected or in any way prejudiced for or by any Act of Insolvency or the expiry of the Term of the Premises Lease, as such Term may be extended from time to time by the agreement of the Borrower and Bankers Hall, or the earlier termination of the Premises Lease by Bankers Hall.

VI. MISCELLANEOUS

6.1. The parties hereto and each of them shall do such things and execute such further documents, agreements, and assurances as may be necessary or desirable from time to time to give full force and effect of the intent of this Agreement.

6.2. The grammatical changes required to make the provisions of this Agreement apply in the plural sense where Bankers Hall or the New Lender comprises more than one Person and to corporations, firms, partnerships, or individuals, male or female, will be assumed as though in each case fully expressed. Where the context so requires, defined terms in this Agreement importing the singular sense shall include the plural sense and *vice versa*. If the New Lender consists of more than one Person, the covenants of the New Lender shall be deemed to be joint and several covenants of each such Person. If the New Lender is or becomes a partnership of any kind, notwithstanding any statute or rule of law to the contrary, each Person who is presently a member of such partnership, and each Person who becomes a member of any successor partnership, shall be and continue to be liable jointly and severally for the performance of this Agreement (as applicable), whether or not such Person ceases to be a member of such partnership or successor partnership.

6.3 Whenever a statement or provision in this Agreement is followed by words denoting inclusion or example (such as "including" or "such as") and then a list of, or reference to, specific matters or items, such list or reference shall not be read so as to limit or restrict the generality of such statement or provision, even though words such as "without limitation" or "without limiting the generality of the foregoing" or "but not limited to" or "by way of non-exhaustive example" do not precede such list or reference.

6.4 Article numbers, Article headings, Section numbers and Section headings are inserted for convenience of reference only and are not to be considered when interpreting this Agreement. The particular words used to label or identify the defined terms of this Agreement (if applicable) shall not be considered when interpreting this Agreement (as applicable) or the defined term itself.

6.5 Each obligation of Bankers Hall or the New Lender, if any, expressed in this Agreement shall be a covenant for all purposes.

6.6 This Agreement contains all the representations, warranties, covenants, agreements, conditions and understandings between the parties concerning the Premises, the Retail Component, the Development and the subject matter of this Agreement and may be amended only by an agreement in writing executed by Bankers Hall and the New Lender.

6.7 This Agreement, shall be interpreted under and is governed by the laws of the Province of Alberta and the laws of Canada applicable therein, without giving effect to choice of law principles established or enacted in accordance with such laws, and each shall be deemed to be an Alberta contract for all purposes. The New Lender and Bankers Hall hereby irrevocably attorn to the courts of the Province of Alberta and irrevocably select the appropriate courthouse in Calgary, Alberta (given the nature of the legal proceeding and the jurisdiction of the particular court) to be the venue for all legal proceedings in respect of this Agreement or any other related matter. Any reference to a statute includes and is a reference to such statute and to the regulations made pursuant thereto, and, unless otherwise expressly provided herein, also refers to all amendments made thereto and in force from time to time, and to any statute or regulation that may be passed which supplements or supersedes such statute or regulation.

6.8 If any provision of this Agreement is illegal or unenforceable it shall be considered severable from the remaining provisions of this Agreement which shall remain in force.

6.9 This Agreement and everything herein contained shall benefit and bind the successors and assigns of Bankers Hall and the heirs, executors, administrators and successors and assigns of the New Lender.

6.10 Time is of the essence of this Agreement and every part thereof.

6.11 No electronic communications (such as e-mail) between or among the parties will have the effect of creating or altering any legal obligations of the parties. For the purposes of this Section 6.11, the "electronic

communications" referred to in this Section 6.10 exclude the facsimile transmissions and the facsimile transmissions or electronic communications (including e-mail) contemplated by Section 6.16.

6.12 Bankers Hall and the New Lender agree that, notwithstanding any rule of law or equity, presumption, principle of construction, law or statutory enactment to the contrary:

- (a) in any controversy, dispute, contest, arbitration, mediation or legal proceeding of any kind including an action, lawsuit, motion, application, reference or appeal, regarding the interpretation, validity, or enforcement of this Agreement, or any of its provisions, there shall be no inference, presumption or conclusion drawn whatsoever against either Bankers Hall or the New Lender by virtue of that party having drafted this Agreement or any portion thereof or by virtue of this Agreement being drawn using Bankers Hall's or the Management Company's standard or preferred form; and
- (b) any deletion of language or wording from this Agreement prior to execution by Bankers Hall and the New Lender shall not be construed to have any particular meaning or to raise any presumption, construction or implication including any implication that by the deletion of certain language or wording Bankers Hall and the New Lender, as applicable, intended to state the opposite of the deleted language or wording. The selection or use of the words "not applicable" or "intentionally left blank" in any provision of this Agreement is for the convenience of the parties hereto or thereto only and shall indicate the express intention of the parties hereto or thereto that such provision to be left blank or without text and that such words shall not be construed so as to have any meaning which would effect the construction of this Agreement or be construed to raise any presumption, construction or implication; and
- (c) the selection or use of any bold, italicized, underlined or coloured print in this Agreement shall not be construed to have any particular meaning or to raise any presumption, construction or implication; and
- (d) this Agreement shall be deemed to be executed under seal by all parties to this Agreement even if a party does not affix its, his or her seal.

- 6.13
- (a)(i) The obligations of and rights against the Person, or each Person, comprising Bankers Hall with respect to the performance or observance of any covenant, agreement, obligation or condition to be kept, observed or performed by Bankers Hall under or pursuant to this Agreement or with respect to the liabilities of Bankers Hall under or pursuant to this Agreement or otherwise shall be performed, satisfied and enforced only against, and recourse shall be had only against, the Retail Component and the interest of Person comprising Bankers Hall therein; and,
 - (ii) the recovery or satisfaction of all damages, costs or expenses of whatsoever nature or kind awarded by a court of competent jurisdiction which may arise from a default by Bankers Hall of any covenant or agreement of Bankers Hall under or pursuant to this Agreement or arising with respect to any liability or obligation of Bankers Hall hereunder or otherwise shall be recovered, satisfied and enforced only against and recourse shall be had only against the Retail Component and the interest of Person comprising Bankers Hall therein; and,
 - (iii) no obligations or liabilities of the Person, or each Person, comprising Bankers Hall with respect to the performance or observance of any covenant, agreement or condition to be kept, observed or performed by Bankers Hall under or pursuant to this Agreement nor with respect to the liabilities or obligations of Bankers Hall under or pursuant to this Agreement or otherwise and no damages, costs or expenses of

whatsoever nature or kind awarded by a court of competent jurisdiction which may arise from a default by Bankers Hall of any covenant or agreement of Bankers Hall under or pursuant to this Agreement or from a breach of this Agreement by Bankers Hall or with respect to any liability or obligation of Bankers Hall hereunder or otherwise shall be personally binding on the Person, or each Person, comprising Bankers Hall, and no recourse shall be had, judgement issued, or execution or other legal process levied, against the Person, or each Person, comprising Bankers Hall or any other Person or, the assets or property of any other Person or, any assets or property of the Person or the Person comprising Bankers Hall save for the Retail Component). Notwithstanding this Section 6.13(a)(iii) but subject to Section 6.13(c) and 6.13(d) and the proviso at the end of this sentence, execution or other legal process may be levied against the Person, or any Person, comprising Bankers Hall to the limited extent that such execution or other legal process is necessary for the enforcement of any express covenant, condition or agreement to be kept, observed or performed by Bankers Hall under or pursuant to this Agreement or for the recovery or collection of damages, costs or expenses of any nature or kind awarded by a court of competent jurisdiction in connection with a default by Bankers Hall of any express covenant or agreement of Bankers Hall hereunder or with any liabilities or obligations of Bankers Hall under or pursuant to this Agreement; provided always that, recourse shall be had only against, the Retail Component and the interest of Person comprising Bankers Hall therein.

- (b) If Bankers Hall at any time becomes a partnership or joint venture and the partnership or joint venture agreements in connection with such partnership or joint venture provides that only the assets of the partnership or joint venture and not the assets of the separate partners or joint venturers be available for the satisfaction of the obligations of the partnership or joint venture including, Bankers Hall's obligations hereunder, the New Lender acknowledges and agrees that the liability of the partners or joint venturers shall be limited accordingly, and that recourse shall not be had to the partners or joint venturers separately or to their separate assets.
- (c) If Bankers Hall is comprised of two or more Persons, the liability and obligations of each Person comprising Bankers Hall for the payment of any monies due to the New Lender under this Agreement, and for the performance or observance of any covenant, agreement, obligation or condition to be kept, observed or performed by Bankers Hall under or pursuant to this Agreement, and for the liabilities of Bankers Hall under this Agreement, are several in accordance with and in proportion to the interest in and to the Retail Component held at the relevant time by each such Person, and all such liabilities and obligations shall not be, and are not, joint or joint and several.
- (d) If at any time Bankers Hall or one or more of the Persons comprising Bankers Hall is a trust including, a real estate investment trust or an income trust (the "Trust"), then the liabilities or obligations of Bankers Hall or the Trust comprising Bankers Hall shall bind only the Trust itself and shall not be binding upon any trustee, unit holder or beneficiary of the Trust or upon annuitants under plans of which holders of units of the Trust act as trustee or carrier, and subject always to the foregoing provisions of this Section 6.13, resort shall not be had to, nor shall recourse or satisfaction be sought from, the private property of any trustee, unit holder, beneficiary or annuitant of the Trust.

- (e) Bankers Hall shall only be in default of this Agreement, or to have breached this Agreement or any provision hereof, if:
- (i) the covenant, obligation or agreement Bankers Hall fails to comply with, honour, keep, observe or perform is a covenant, obligation or agreement which is expressly stated in this Agreement as being one which is to be complied with, honoured, kept, observed or performed by Bankers Hall; and
 - (ii) the New Lender has delivered notice to Bankers Hall of Bankers Hall's possible default under, or breach of, this Agreement within ten (10) days following the occurrence of the event or circumstance that gives rise to Bankers Hall's default, failure, breach or non-performance, which notice shall specify the express covenant, obligation or agreement of this Agreement that Bankers Hall failed to comply with, honour, keep, observe or perform; and
 - (iii) Bankers Hall shall have failed to remedy the default, failure, breach or non-performance specified in the notice transmitted by the New Lender pursuant to Section 6.13(e)(ii) within thirty (30) days of the date such notice is received by Bankers Hall.

Notwithstanding the forgoing, Bankers Hall shall not be considered to be in default of, or to have breached, this Agreement if the nature or extent of the default, failure, breach or non-performance specified in the notice transmitted by the New Lender pursuant to Section 6.13(e)(ii) is such or of a kind that the default, failure, breach or non-performance cannot be remedied within thirty (30) days and Bankers Hall commences to cure the default, breach, failure or non-performance in a diligent and prudent manner within such thirty (30) day period and, to cure any such default, breach, failure or non-performance, Bankers Hall shall be allowed such additional time as may be necessary or reasonable given the kind, nature and extent of the default, breach, failure or non-performance set out in the New Lender's notice.

6.14 No covenant, term, or condition of this Agreement shall be deemed to have been waived by Bankers Hall unless the waiver is in writing and signed by Bankers Hall.

6.15 Bankers Hall and the New Lender covenant, represent and warrant to one another respectively that they have the power, capacity and authority to enter into this Agreement and to perform their obligations hereunder and that the Person(s) who have executed this Agreement on their behalf have the authority to bind them.


6.16 This Agreement may be executed in any number of counterparts and delivered by facsimile transmission or e - mail (the originally executed Agreement being scanned and transmitted in .PDF format) and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

6.17 This Agreement shall not take effect unless the New Lender delivers to Bankers Hall not less than two (2) original copies of this Agreement duly executed by each Person comprising the New Lender.

[THE NEXT PAGE IS THE EXECUTION PAGE]

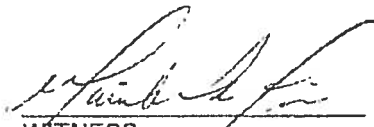
IN WITNESS WHEREOF the parties hereto have hereunto set their respective names and affixed their corporate seals duly attested by their proper officers in that behalf, the day and year first above written.


BANKERS HALL LP, by its sole general partner:
Bankers Hall GP Inc., and bclMC REALTY
CORPORATION, by their agent (and not as general
partner): Brookfield Office Properties Management
LP, by its sole general partner: Brookfield Office
Properties Management Corporation

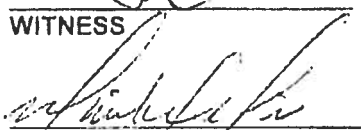
Per: 
Title: **N. Dwight Jack** c/s
Vice President, Office Leasing, Western

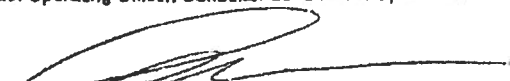
BANKERS HALL GP TRUST, by its trustee:
Bankers Hall GP Inc.


Per: 
Title: **Ian Parker** c/s
Chief Operating Officer, Canadian Commercial Operations


WITNESS


WITNESS


WITNESS


MATTHEW WOSK (seal)


RAANAN KATZ (seal)


BOB HABER (seal)

IN WITNESS WHEREOF the parties hereto have hereunto set their respective names and affixed their corporate seals duly attested by their proper officers in that behalf, the day and year first above written.

BANKERS HALL LP, by its sole general partner:
Bankers Hall GP Inc., and **bcIMC REALTY CORPORATION**, by their agent (and not as general partner): **Brookfield Office Properties Management LP**, by its sole general partner: **Brookfield Office Properties Management Corporation**

Per: 
Title: **N. Dwight Jack** c/s
Vice President, Office Leasing, Western

BANKERS HALL GP TRUST, by its trustee:
Bankers Hall GP Inc.

Per: 
Title: **Ian Parker** c/s
Chief Operating Officer, Canadian Commercial Operations

WITNESS

MATTHEW WOSK (seal)

WITNESS

RAANAN KATZ (seal)

WITNESS

BOB HABER (seal)