

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

BUSINESS DEVELOPMENT BANK OF CANADA

Applicant

And

2868335 ONTARIO INC.

Respondent

**APPLICATION UNDER SECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY
ACT, RSC 1985, c B-3. AS AMENDED AND UNDER SECTION 101 OF THE COURTS
OF JUSTICE ACT, RSO 19990, cC43, AS AMENDED**

SUPPLEMENTAL REPORT TO THE FIRST REPORT OF THE RECEIVER

February 5, 2026



Grant Thornton Limited
200 King Street, 11th Floor
Toronto, Ontario
M5H 3T4

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SUPPLEMENTAL REPORT TO THE FIRST REPORT OF THE RECEIVER

February 5, 2026

INTRODUCTION

1. This supplemental report (the “**Supplemental Report**”) to the first report of the Receiver dated December 15, 2025 (the “**First Report**”) is filed by Grant Thornton Limited (“**GTL**”) in its capacity as court-appointed receiver (the “**Receiver**”) of 2868335 Ontario Inc., a real estate holding company (the “**Debtor**”). The Debtor is the owner of two commercial real estate properties located at the addresses municipally known as: 40 West Drive, Brampton, ON (“**40 West**”) and 44 West Drive, Brampton, ON (“**44 West**”) (collectively, the “**Real Properties**”).
2. The Supplemental Report should be read in conjunction with the Receiver's First Report and defined terms that are not specifically defined in this Supplemental Report shall have the meanings as defined in the First Report.

PURPOSE OF THIS REPORT

3. The purpose of this Supplemental Report is to update the Court on the receivership proceedings and to provide information to the Court to support the Receiver's request for an order, *inter alia*:
 - (a) approving this Supplemental Report and the activities of the Receiver related to the Remaining Tenants, as defined herein;
 - (b) vesting out all remaining leases for any part of the Real Properties;
 - (c) directing any and all lessees or occupants remaining at the Real Properties to vacate the Real Properties by March 1, 2026, and to provide written notice to the Receiver by February 20, 2026, advising of their intention to vacate the Real Properties by no later than March 1, 2026;
 - (d) granting leave to the Receiver to issue a Writ of Possession in respect of any part of the Real Properties that is not vacant by March 1, 2026, or in respect of which the applicable lessee or occupant has not delivered, by February 20, 2026, written notice advising the Receiver of their intention to vacate the Real Properties on or before March 1, 2026;
 - (e) directing the Local Registrar of the City of Brampton to issue any such Writ(s) of Possession within three business days of receipt of the Receiver's requisition, and directing the Sheriff for the Regional Municipality of Peel to enforce any such issued Writ(s) of Possession within five business days of receipt of the issued Writ(s), provided enforcement takes place on or after March 1, 2026; and
 - (f) such other relief as counsel may advise.

RESTRICTIONS

4. In preparing this Supplemental Report, the Receiver has relied upon unaudited financial information, the Debtors' books and records, the documents provided by the Applicant and the Debtor, and discussions with the stakeholders and other parties. The Receiver's work does not constitute an audit or verification of such information for accuracy, completeness or compliance with Generally Accepted

Accounting Principles (“**GAAP**”) or International Financial Reporting Standards (“**IFRS**”). Accordingly, the Receiver expresses no opinion or other form of assurance pursuant to GAAP or IFRS with respect to such information.

5. This Supplemental Report has been prepared for the use of this Court in support of the relief described herein. This Supplemental Report should not be relied on for any other purpose.
6. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

BACKGROUND

7. As described in the First Report, 40 West included six tenants (“**Existing Tenants**”), while 44 West was vacant, as at July 4, 2025 (the “**Possession Date**”, as defined in the First Report). The Receiver’s representatives served the Existing Tenants a copy of the Receivership Order at the Possession Date. On July 31, 2025, the Tenancy Termination Notice was delivered to the Existing Tenants. Four of the six Existing Tenants complied with the Tenancy Termination Notice and vacated the premises.
8. As at the date of this Supplemental Report, the Receiver has requested all Existing Tenants to vacate the premises, all of which have since vacated, with the exception of two remaining tenants occupying the premises at 40 West (“**Remaining Tenants**”).
9. Additional background information on the Debtor is included in the Receiver’s First Report.

REMAINING TENANTS

10. Since the Court granted the Receivership Order (as defined in the First Report), the Receiver has maintained ongoing correspondence with the Remaining Tenants. While it is the Receiver’s understanding that one of the Remaining Tenants will vacate the premises at 40 West by February 28, 2026, the other Remaining Tenant, IT5 Labs (“**IT5**”), has not provided the Receiver with sufficient evidence that they will vacate the premises on or before March 1, 2026.

11. Following the appointment of the Receiver, IT5 provided a copy of its lease agreement made between the Debtor dated May 2, 2025, with a lease term end date of June 1, 2028 (the “**Lease**”). A copy of the Lease is attached hereto as **Appendix “A”**.
12. Pursuant to the Lease, IT5’s current occupancy at 40 West includes approximately 900 square feet of a total of 4,000 square feet of office space. It is the Receiver’s understanding, through discussions held with IT5 representatives, that the operations of IT5 include IT consulting and election campaign management activities. One of the primary purposes of the tenancy includes utilizing the premises for the purpose of hosting campaign discussions and presentations. Further, it is the Receiver’s understanding that IT5 core staff consists of approximately three to four individuals who attend the premises on a regular basis.

RECEIVER’S ACTIVITIES

13. In addition to the activities described in the First Report, the Receiver has performed the following activities as described herein this section of the Supplemental Report.
14. Since the Court granted the Receivership Order, the Receiver has maintained a copy of all correspondence with IT5, which may be summarized as follows:
 - (a) on July 15, 2025, the Receiver provided notice of the Receivership Order to IT5 via email;
 - (b) on July 31, 2025, the Receiver’s legal counsel, Thornton Grout Finnigan LLP (“**TGF**”), in consultation with the Receiver, delivered the Tenancy Termination Notice to all tenants via email, advising of the tenancy termination date of October 31, 2025 (the “**First Termination Date**”), a copy of which is attached hereto as **Appendix “B”**;
 - (c) on November 6, 2026, the Receiver provided notice to IT5, via email, to vacate the premises by November 17, 2025 (the “**Second Extension**”), an extension to the First Termination Date, advising of the requirement

for vacant premises pursuant to the Sale Process, as defined in the First Report;

- (d) on December 4, 2026, the Receiver provided notice to IT5, via email, to vacate the premises by the first week of January 2026 (the “**Third Extension**”), an extension to the Second Extension;
 - (e) on December 18, 2026, the Receiver provided notice to IT5, via email, to vacate the premises by January 15, 2026 (the “**Fourth Extension**”), an extension to the Third Extension, advising that the subsequent measure of failure to comply would be an application to the Court for direction; and
 - (f) on January 26, 2026, TGF, in consultation with the Receiver, delivered a Demand for immediate vacant possession (“**Demand Letter**”) to IT5 via email, advising that the Receiver requires vacant possession of the Real Properties to be delivered by no later than February 15, 2026, and that a Court hearing in connection with this matter is scheduled for February 17, 2026. A copy of the Demand Letter is attached hereto as **Appendix “C”**.
15. Notwithstanding the terms of the Lease, the Receiver suspended rent recovery efforts to assist with IT5’s moving costs in support of the request to vacate the premises.
16. The Receiver has maintained correspondence with the Purchaser (as defined in the First Report) and understands that the Purchaser both expects and requires the Real Properties to be vacant upon the closing of the Sale Transaction.
17. Further, pursuant to the Sale Agreement dated October 21, 2025, as detailed in the First Report, the Purchased Assets are to be free and clear of all Encumbrances (defined in the Sale Agreement) other than the Permitted Encumbrances (defined in the Sale Agreement), which includes the absence of any leases in respect of the Real Properties. If the Receiver cannot deliver vacant possession to the Purchaser on the closing date, the Purchaser will be entitled to terminate the Sale Agreement and walk away from the Transaction.

THE RECEIVER'S VIEW

18. The Receiver is of the view that the relief recommended herein is required to complete the Sale Transaction, to maximize recovery for stakeholders, and that the Receiver has acted in a manner that is appropriate, reasonable, transparent and fair, for the following reasons:
- (a) the current situation with the Remaining Tenants is likely to impede the Receiver's ability to complete the Sale Transaction, considering the terms of the Sale Agreement and the Receiver's discussions with the Purchaser;
 - (b) if the Receiver cannot complete the Sale Transaction on account of the Remaining Tenants, the Debtor's stakeholders will suffer prejudice. Among other things:
 - (i) the Receiver's inability to close the Sale Transaction would prejudice the Debtor's senior secured creditor, Business Development Bank of Canada, the principal party with an economic interest in the Sale Transaction; and
 - (ii) the Receiver's inability to close the Sale Transaction would prejudice other stakeholders with priority payable claims, including the property tax arrears owing to the City of Brampton, the fees payable to Colliers (the real estate broker engaged to assist with the Sale Process), the professional fees incurred within this proceeding, and other incidental costs incurred critical in preserving the Real Properties. These claims would otherwise be paid out of the proceeds from the Sale Transaction.
 - (c) the Receiver is of the view that the steps it has taken with respect to the Remaining Tenants are reasonable, appropriate, and consistent with the Receivership Order, and that the Receiver has acted in good faith and has made sufficient efforts to cooperate with the Remaining Tenants to recover vacant possession at 40 West—including providing financial accommodation to support IT5's transition.

RECOMMENDATION

19. Based on the foregoing, the Receiver respectfully recommends that the Court grant the relief requested herein.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 5th day of February 2026.

GRANT THORNTON LIMITED,
IN ITS CAPACITY AS RECEIVER AND MANAGER OF
2868335 ONTARIO INC.,
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY
Per:



Daniel Wootton, CIRP, LIT
Senior Vice President

Appendix A

DRAFT LEASE

THIS INDENTURE made as of the 2nd day of May, 2025

BETWEEN:

2868335 Ontario Inc.
(herein called the "Landlord")

OF THE FIRST PART

-and-

IT5 LABS
(herein called the "Tenant")

OF THE SECOND PART

1. DEMISE

- a) In consideration of the rents, covenants, and obligations hereinafter reserved and contained on the part of the Tenant to be paid, observed, and performed, the Landlord hereby leases to the Tenant, and the Tenant rents from the Landlord, a portion of the Premises municipally known as 40 WEST DRIVE, in the City of Brampton, including associated lands for parking, which are more particularly described in Schedule "A" hereto annexed.

The portion of the Premises leased to the Tenant is identified as approximately 900 square feet of office space, the specific location of which is outlined and labelled on the blueprint annexed as Schedule "B" (the "Leased Premises").

The Leased Premises are shown for identification purposes only, and not by limitation or enlargement, as being outlined in Green on Schedule "B," along with the specific rooms, areas, and amenities associated with the Tenant's lease.

- b) The Tenant shall have the exclusive right to use the designated leased premise (Schedule B), commonly shared driveways, designated exclusive parking area (Schedule C), entrances and exits, and roadways of the Leased Premises (the "Facilities"). The Landlord shall have the right to make all such changes, improvements or alterations as the Landlord may, acting reasonably, from time to time decide in respect of the Building and the Facilities. The use of all Facilities shall be subject to the provisions of this Lease (the "Lease") and to the rules and regulations attached hereto as Schedule "D".

2. TERM

TO HAVE AND TO HOLD the Leased Premises, unless sooner terminated as hereinafter provided, for and during the term (the "**Term**") of Three (3) years to be computed from and inclusive of the 1st day of June, 2025, (the "**Commencement Date**") and thenceforth next ensuing and to be fully complete and ended on the 1st day of June, 2028, subject to the right of renewal set out herein.

3. USE OF PREMISES

The Tenant shall continuously, actively and diligently use and occupy the Leased Premises in accordance to all applicable laws and bylaws. The Tenant is not permitted to engage in any construction on the Leased Premises without the prior approval of the Landlord, which consent shall not be unreasonably withheld. Provided the Tenant, in the use and occupation of the Leased Premises and in the conduct of the foregoing business therein, shall comply with the requirements of all laws, ordinances, rules and regulations of the Federal, Provincial and municipal authorities and with any lawful direction or certificate of occupancy issued pursuant to any laws by any public officer or officers. The Tenant shall not use or permit to be used any part of the Leased Premises for any dangerous, noxious, or offensive trade or business and will not cause or maintain any nuisance in, at, or on the Leased Premises and the Leased Premises shall only be used for "Professional Office" only.

4. RENT & DEPOSIT

The Tenant shall pay from and after the Commencement Date and throughout the Term, to the Landlord, in lawful money of Canada, without any prior demand therefore, and without any deduction, abatement, set-off or compensation whatsoever,

- a) During the first year of the lease – June 1, 2025 to June 1, 2026: **Tenant Lease Payable in equal monthly instalments is One Thousand and Five Hundred (\$1,500.00) Dollars;**
- b) During the second year of the lease – June 2, 2026 to June 1, 2027: **Tenant Lease Payable in equal monthly instalments is One Thousand and Seven Hundred (\$1,700.00) Dollars;**
- c) During the third year of the lease – June 2, 2027 to June 1, 2028: **Tenant Lease Payable in equal monthly instalments is One Thousand, Seven Hundred and Sixty-Eight (\$1,768.00) Dollars;**

based on an area estimated to be Nine Hundred (900) square feet as monthly Minimum Rent (the "**Minimum Rent**"), each in advance on the first day of each calendar month throughout the Term.

The tenant shall also pay HST in addition to the Minimum Rent at the same time as the amounts of Minimum Rent are payable the Landlord. The Tenant will provide the Landlord with post-dated cheques for the First and Second year Term and shall provide the Landlord with one additional cheque for the Advance Rent below.

In Summary, including TMI, Utilities, Gross rent and HST, the tenant's monthly payable to the landlord for the term of years is:

- d) During the first year of the lease – June 1, 2025 to June 1, 2026: **Tenant Lease Payable in equal monthly instalments is One Thousand, Six Hundred and Ninety-Five (\$1,695.00) Dollars;**
- e) During the second year of the lease – June 2, 2026 to June 1, 2027: **Tenant Lease Payable in equal monthly instalments is One Thousand Nine Hundred and Twenty One (\$1,921.00) Dollars;**
- f) During the third year of the lease – June 2, 2027 to June 1, 2028: **Tenant Lease Payable in equal monthly instalments is One Thousand, Nine Hundred and Ninety-Seven(\$1,997.84) Dollars and Eighty-Four Cents;**

The Tenant shall, on the Commencement Date, deposit Advance Rent with the Landlord the sum of Three Thousand, Six Hundred and Fifty-Two Dollars (3,652.84) and Eighty-Four Cents, which shall, subject to the provisions of this Section be applied by the Landlord to the first and last month's payment of Rent [Minimum Rent+ Tax (HST)] due under this Lease.

By signing this agreement, the tenant acknowledges and agrees to pay the landlord the monthly payments set in the payment schedule on the 1st of each month, commencing June 1, 2025 till end of term.

This payment will not be construed to limit the Landlord's other rights under this Lease or at law or to limit the amount recoverable by the Landlord for damages in respect of breaches by the Tenant of this Lease. The Landlord will not be required to pay interest to the Tenant on any of the amounts paid to the Landlord or retained by it under this Section. The Tenant will not assign or encumber its interest in the Advance Rent except in connection with a permitted Transfer, in which case the Tenant's interest in the Advance Rent will be deemed to have been assigned to the permitted Transferee as of the date of the Transfer.

- (b) If at any time the Rent or other sums payable by the Tenant to the Landlord under this Lease are overdue and unpaid, or if the Tenant fails to keep or perform any of the terms, covenants and conditions of this Lease to be kept, observed and performed by the Tenant or if the Tenant is bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors, then the Landlord, at its sole option, may, in addition to any and all other rights and remedies provided for in this Lease or by law,

appropriate and apply the entire Advance Rent, or so much thereof as is necessary to compensate the Landlord for loss or damage sustained or suffered by the Landlord due to such breach (including, without limitation, and without limiting the Landlord to the amount of the Advance Rent all lost Rent over what would have been the balance of the Term if this Lease is terminated). If the entire Advance Rent, or any portion of it, is appropriated and applied by the Landlord for the payment of overdue Rent or other sums due and payable to the Landlord by the Tenant hereunder, then, the Tenant shall, upon demand of the Landlord, forthwith remit to the Landlord a sufficient amount in cash to restore the Advance Rent to the original sum deposited, and the Tenant's failure to do so within five (5) days after receipt of such demand constitutes a breach of this Lease.

- (c) The Landlord shall deliver or assign any Advance Rent that is then in its possession to any purchaser of the interest of the Landlord, if such interest in the building is sold, and thereupon the Landlord is discharged from any further liability with respect to applicable Advance Rent.
- (d) The Rent for any partial month during the term shall be prorated.

5. ASSIGNMENT

- a) That the Tenant will not assign this Lease in whole or in part, nor sublet all or any of the Leased Premises, nor mortgage or encumber this Lease or the Leased Premises or any part thereof, nor suffer or permit the occupation of, or part with or share possession of, all or any part of the Leased Premises by any other person, firm or corporation (all of the foregoing being hereinafter referred to as a "transfer") without the prior consent of the Landlord in each instance, which consent shall not be unreasonably withheld or delayed provided the Tenant is not then in default. The consent by the Landlord to any transfer, if granted, shall not constitute a waiver of the necessity for such consent to any subsequent transfer. This prohibition against a transfer is construed so as to include a prohibition against any transfer by operation of law. If there is a permitted transfer of this Lease, the Landlord will collect rent from the assignee, subtenant or occupant (all of the foregoing being hereinafter collectively referred to as the "transferee") and apply the net amount collected to the Rent required to be paid pursuant to this Lease. Upon acceptance of the transferee, and the execution by the transferee of the appropriate documentation, the Tenant shall remain responsible for the payment of Rent for the balance of the Term. Any document evidencing the Landlord's consent to a transfer of this Lease, if permitted or consented to by the Landlord shall be prepared by the Landlord's solicitors, and all reasonable legal fees with respect thereto shall be paid by the Tenant to the Landlord forthwith upon demand. Any consent by the Landlord shall be subject to the Tenant causing any such transferee to promptly execute an agreement directly with the Landlord agreeing to be bound by all of the terms, covenants and conditions contained in this Lease as if

such transferee had originally executed this Lease as Tenant. Notwithstanding that any such transfer is permitted or consent to by the Landlord, the Tenant shall be jointly and severally liable with the transferee upon this Lease and shall not be released from performing any of the terms, covenants and conditions contained in this Lease.

b) Landlord's Option

If the Tenant intends to effect a transfer of all or any part of the Leased Premises or this Lease, in whole or in part, or of any estate or interest hereunder, then and so often as such event shall occur, the Tenant shall give prior written notice to the Landlord of such intent, specifying therein the name of the proposed transferee and shall provide such information with respect thereto including, without limitation, information concerning the principals thereof and as to any credit, financial or business information relating to the proposed transferee as the Landlord requires, and the Landlord shall, within fifteen (15) days thereafter, notify the Tenant in writing that it consents or does not consent to the transfer.

6. **TENANT ACKNOWLEDGMENTS CLAUSE**

The Tenant acknowledges that the Leased Premises include a portion of a building comprising both warehouse and office space. The Tenant further acknowledges that the office space is **connected to the warehouse**, and as such, there may be noise or other disruptions resulting from activities conducted in the warehouse. The Tenant agrees to conduct its activities within the Leased Premises with the understanding and acceptance of this fact. The Tenant also acknowledges that the Leased Premises do not include the entirety of the office space in the building, and as such, other portions of the building may be leased to or occupied by other businesses. The Tenant agrees that such arrangements may result in shared use of certain facilities or areas and accepts the presence of other tenants or occupants within the building. Additionally, the Tenant acknowledges that the property is **gated and monitored with security**. Lastly, the Tenant agrees to adhere to the specified business hours unless otherwise agreed upon with the Landlord in advance; tenant acknowledges majority of their activity will be on the following days and times: Monday – Friday, 9:00am-6:30pm.

7. **REPAIRS AND MAINTENANCE**

- a) If the Leased Premises or any part of it becomes damaged or destroyed through the negligence, carelessness or misuse by the Tenant, the Tenant's Employees or anyone permitted by it, or through it or them in any way stopping up or injuring the heating apparatus, water pipes, drainage pipes, or other equipment, the expense of the necessary repairs, replacements or alterations shall be borne by the Tenant who shall pay the same to the Landlord upon demand.
- b) The Landlord shall, at all times during the Term, keep and maintain the Leased Premises and every part of it in good order, first-class condition and repair (which

shall include preventative maintenance of the whole of the exterior portions of the Leased Premises, but including HVAC equipment) as would a prudent. The Tenant shall promptly make all needed maintenance, repairs and replacements to the interior portions the Leased Premises (including all signs, partitions, doors in the interior walls of the Leased Premises, fixtures (including lighting, wiring, plumbing fixtures), Building standard equipment and all mechanical, electrical and plumbing systems serving the Leased Premises) with due diligence and dispatch, including all repairs or replacements which are interior, exterior, structural, non-structural, ordinary as well as extraordinary, foreseen as well as unforeseen.

- c) The Tenant shall pay for the repair and routine maintenance of the Building HVAC system through a regular service contract with a reputable contractor which will be approved by both Landlord and Tenant. Such contract will include the proper service and maintenance of the system including having all filters changed every six months. The Landlord shall pay for the replacement and major repairs of the office HVAC system as required from time to time.
- d) The Landlord shall be responsible for, at its own cost, the general maintenance of the Leased Premises, including but without limiting the generality of the foregoing, snow removal and landscaping, provided the building and lands are being maintained in a reasonable manner.
- e) The Tenant shall allow the Landlord's roofing contractor the right to inspect the roof annually and will also allow the fire department or other licensed contractors to inspect and test the existing sprinkler system as required by law.
- f) The Landlord shall be entitled to recover as part of the Additional Rent the direct costs of its maintenance obligations as above (to include snow removal and grass cutting), but shall not include therein the costs of renovations, replacements or repair.

8. PARKING

The Tenant acknowledges that as part of this Lease, the Tenant is allocated **Six (6) guaranteed parking spots**, which are specifically marked and highlighted in **Red** on Schedule "C" annexed to this Lease (the "Designated Parking Spots"). These Designated Parking Spots are reserved exclusively for the Tenant's use for the duration of the Term of the Lease. The Tenant further acknowledges that all other parking spots on the property, as highlighted in **Green** on Schedule "C," are **shared parking spaces** and are available for use on a first-come, first-served basis. The Tenant agrees to use these shared parking spaces only when they are open and acknowledges that such spaces are shared with other tenants or visitors to the property. The Tenant agrees to ensure that its employees, customers, and visitors comply with the parking designations and do not obstruct access to other tenants' designated or shared parking spaces. The Landlord reserves the right to enforce parking regulations on the property to ensure fair and efficient use of all parking facilities.

9. UTILITIES

The Tenant acknowledges that utilities servicing the Leased Premises, electricity, water, heating and cooling, are included in the rent.

The Tenant agrees to use these utilities **in accordance with normal and reasonable expectations** for the type of activities conducted within the Leased Premises. The Tenant further agrees not to engage in excessive or wasteful use of utilities beyond what is customary for similar business operations. Tenant acknowledges the monthly Rent includes Utilities based on Tenant's stated Base Operating Hours as stated in "Tenant acknowledgement clause". If Tenant's actual occupancy or use of the Premises exceeds those Base Operating Hours, Tenant shall reimburse Landlord, as additional Rent, for all incremental Utility costs incurred as a result, calculated by increase in utility bill in comparison to previous compliant months.

In the event that the Landlord determines, acting reasonably, that the Tenant is overusing utilities or consuming them in a manner inconsistent with normal expectations, the Landlord reserves the right to:

1. Notify the Tenant in writing of the excessive usage.
2. Require the Tenant to adjust its usage to reasonable levels.
3. Impose additional charges for continued excessive utility consumption, as calculated based on the overage amount and prevailing utility rates.

The Tenant's compliance with this clause shall be considered an essential term of this Lease.

10. DAMAGE TO THE PREMISES

- a) If the Premises or the building in which the Premises are located, are damaged or destroyed, in whole or in part, by fire or other peril, then the following provisions shall apply:

If the damage or destruction renders the Premises unfit for occupancy and impossible to repair or rebuild using reasonable diligence within 120 clear days from the happening of such damage or destruction, then the Term hereby granted shall cease from the date the damage or destruction occurred, and the Tenant shall immediately surrender the remainder of the Term and give possession of the Premises to the Landlord, and the Rent from the time of the surrender shall abate;

- i. If the Premises can with reasonable diligence be repaired and rendered fit for occupancy within 120 days from the happening of the damage or destruction, but the damage renders the Premises wholly unfit for occupancy, then the rent hereby reserved shall not accrue after the day that such damage occurred, or while the process of repair is going on, and the Landlord shall repair the Premises with all reasonable speed, and the Tenant's obligation to pay Rent shall resume immediately after the necessary repairs have been completed;
- ii. If the leased Premises can be repaired within 120 days as aforesaid, but the

damage is such that the leased Premises are capable of being partially used, then until such damage has been repaired, the Tenant shall continue in possession and the Rent shall abate proportionately.

- iii. Any question as to the degree of damage or destruction or the period of time required to repair or rebuild shall be determined by an architect retained by the Landlord.
- iv. Apart from the provisions of Section 8 (1) there shall be no abatement from or reduction of the Rent payable by the Tenant, nor shall the Tenant be entitled to claim against the Landlord for any damages, general or special, caused by fire, water, sprinkler systems, partial or temporary failure or stoppage of services or utilities which the Landlord is obliged to provide according to this Lease, from any cause whatsoever.

11. USE RESTRICTIONS

The Tenant hereby acknowledges and agrees that the Premises shall only be used for the purposes stated in the Lease Agreement and in accordance with the permitted business activities

outlined therein. The Tenant further agrees to abide by the following conditions regarding the use of the Premises:

- 1. No Overnight Sleeping: The Premises shall not be used for overnight accommodation, and the Tenant, its employees, agents, or visitors shall not sleep, reside, or lodge at the premises at any time.
- 2. Restrictions on Cooking and Appliances: The Tenant shall not cook or prepare food on the Premises, nor shall the Tenant use any gas-burning appliances, including but not limited to stoves, ovens, or portable gas burners.
- 3. Noise and Activities: The Tenant shall ensure that no loud music, excessive noise, or partying occurs on the Premises, except for activities directly related to the stated business purposes.

Failure to comply with the above conditions will constitute a breach of the Lease Agreement and may result in penalties or termination of the lease at the Landlord's discretion

12. ACTS OF DEFAULT AND LANDLORD'S REMEDIES

a) An Act of Default has occurred when:

- i. the Tenant has failed to pay Rent for a period of 15 consecutive days, regardless of whether demand for payment has been made or not;
- ii. the Tenant has breached his covenants or failed to perform any of his obligations under this Lease; and

- a. the Landlord has given notice specifying the nature of the default and the steps required to correct it; and

- b. the Tenant has failed to correct the default as required by the notice within 10 days of the date of the giving of the notice by the Landlord, or such longer period of time as may be agreed in writing by the Landlord, or specified by the Landlord in the said notice;

iii. the Tenant has:

- a. become bankrupt or insolvent or made an assignment for the benefit of Creditors;
- b. had its property seized or attached in satisfaction of a judgment;
- c. had a receiver appointed;
- d. committed any act or neglected to do anything with the result that a Construction Lien or other encumbrance is registered against the Landlord's property, and has not had same discharged within 10 days of written notice by the Landlord to the Tenant;
- e. taken action if the Tenant is a corporation, with a view to winding up, dissolution or liquidation;

- iv. any insurance policy is cancelled or not renewed by reason of the use or occupation of the Premises, or by reason of non-payment of premiums;

v. the Premises:

- a. become vacant or remain unoccupied for a period of 30 consecutive days; or
- b. are not open for business on more than thirty (30) days in any twelve (12) month period or on any twelve (12) consecutive business days;

b) When an Act of Default on the part of the Tenant has occurred:

- i. the current month's rent together with the next three months' rent shall become due and payable immediately; and
- ii. the Landlord shall have the right to terminate this Lease and to re-enter the Premises and deal with them as he may choose.

- c) If, because an Act of Default has occurred, the Landlord exercises his right to terminate this Lease and re-enter the Premises prior to the end of the Term, the Tenant shall nevertheless be liable for payment of Rent and all other amounts payable by the

Tenant in accordance with the provisions of this Lease until the Landlord has re-let the Premises or otherwise dealt with the Premises in such manner that the cessation of payments by the Tenant will not result in loss to the Landlord:

- i. and the Tenant agrees to be liable to the Landlord, until the end of the Term of this Lease for payment of any difference between the amount of Rent hereby agreed to be paid for the Term hereby granted and the Rent any new tenant pays to the Landlord.
- d) The Tenant covenants that notwithstanding any present or future Act of the Legislature of the Province of Ontario, the personal property of the Tenant during the Term of this Lease shall not be exempt from levy by distress for Rent in arrears and the Tenant acknowledges that it is upon the express understanding that there should be no such exemption that this Lease is entered into, and by executing this Lease:
 - i) the Tenant waives the benefit of any such legislative provisions which might otherwise be available to the Tenant in the absence of this agreement; and
 - ii) the Tenant agrees that the Landlord may plead this covenant as an estoppel against the Tenant if an action is brought to test the Landlord's right to levy distress against the Tenant's property.
- e) If, when an Act of Default has occurred, the Landlord chooses not to terminate the Lease and re-enter the Premises, the Landlord shall have the right to take any and all necessary steps to rectify any or all Acts of Default of the Tenant and to charge the costs of such rectification to the Tenant and to recover the costs as Rent.
- f) If when an Act of Default has occurred, the Landlord chooses to waive his right to exercise the remedies available to him under this Lease or at law the waiver shall not constitute condonation of the Act of Default, nor shall the waiver be pleaded as an estoppel against the Landlord to prevent his exercising his remedies with respect to a subsequent Act of Default;
- g) No covenant, term, or condition of this Lease shall be deemed to have been waived by the Landlord unless the waiver is in writing and signed by the Landlord.

13. NOTICE

- a) Any notice required or permitted to be given by one party to the other pursuant to the terms of this Lease may be given

To the Landlord at:

Email: info@metrocrossdock.com

Attention: 40 West Drive Management

To the Tenant at the Premises

Email:

Wigbals@gmail.com

Attention: 40 West Drive Office Tenant

- b) The above addresses may be changed at any time by giving ten (10) days written notice.
- c) Any notice given by one party to the other in accordance with the provisions of this Lease shall be deemed conclusively to have been received on the date delivered if the notice is served personally or by email; or seventy-two (72) hours after mailing if the notice is delivered by registered mail.

14. INTERPRETATION

(1) The words importing the singular number only shall include the plural, and vice versa, and words importing the masculine gender shall include the feminine gender, and words importing persons shall include firms and corporations and vice versa.

(2) Unless the context otherwise requires, the word "Landlord" and the word "Tenant" wherever used herein shall be construed to include the executors, administrators, successors and assigns of the Landlord and Tenant, respectively.

15. RIGHT OF EXTENSION

Provided it is mutually agreed and understood that if the Tenant is not in default or habitually in default of any of the terms of this Lease at the time of the exercise of the option herein, then the Tenant shall notify the Landlord in writing of its intent to either extend or decline the lease extension no later than **One Hundred and Twenty (120) days** prior to the expiration of the Term of this Lease, which expires on **June 1, 2028**.

16. Termination

Upon termination of this Lease for any reason, the Tenant shall have ninety (90) days from the date of notice of termination to fully vacate the Premises. The Tenant shall leave the Premises in good, clean condition, free of all Tenant property, garbage, and debris, subject only to reasonable wear and tear. Failure by the Tenant to vacate the Premises within the specified ninety (90) day period will constitute a breach of this

Lease, entitling the Landlord to pursue available legal remedies, including eviction and recovery of related costs and damages."

IN WITNESS of the foregoing covenants the Landlord and the Tenant have executed this Lease.

(LANDLORD)

2868335 Ontario Inc.

Signature

:

Name: HARNET SARA

Title: Director

Date: 09 MAY 2025

I have authority to bind the Corporation

(TENANT)

ITS LABS

Signature

e

Name: Tanveer Sybal

Title: Director

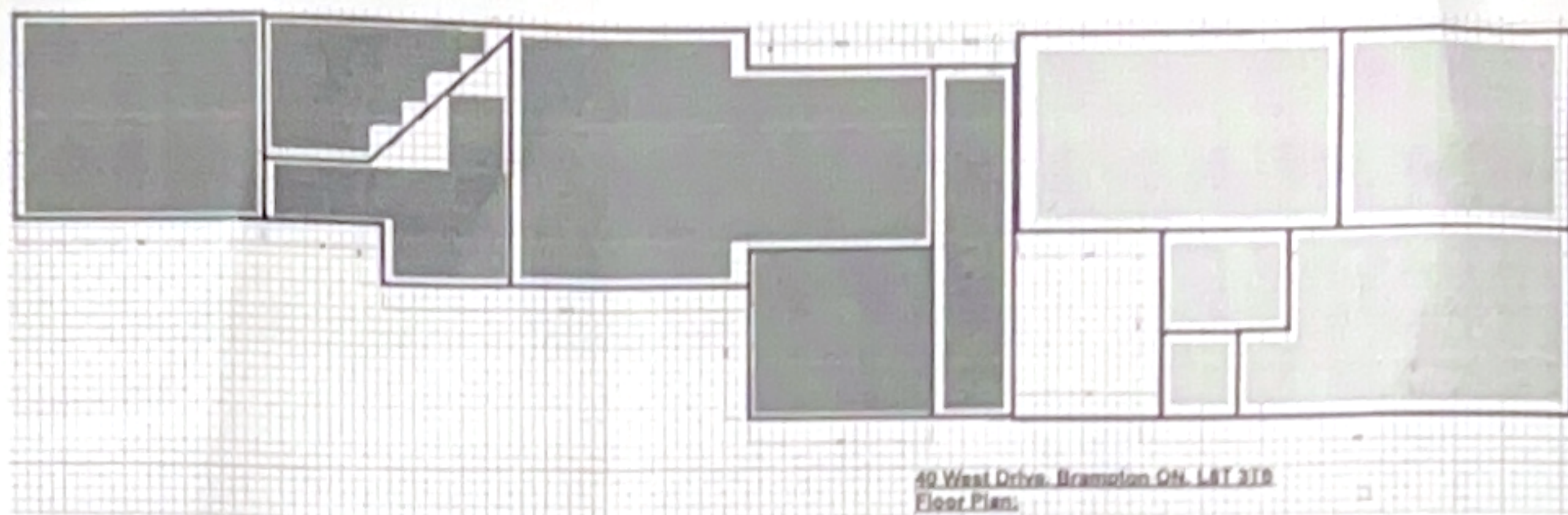
Date: MAY, 2nd 2025

I have authority to bind the Corporation

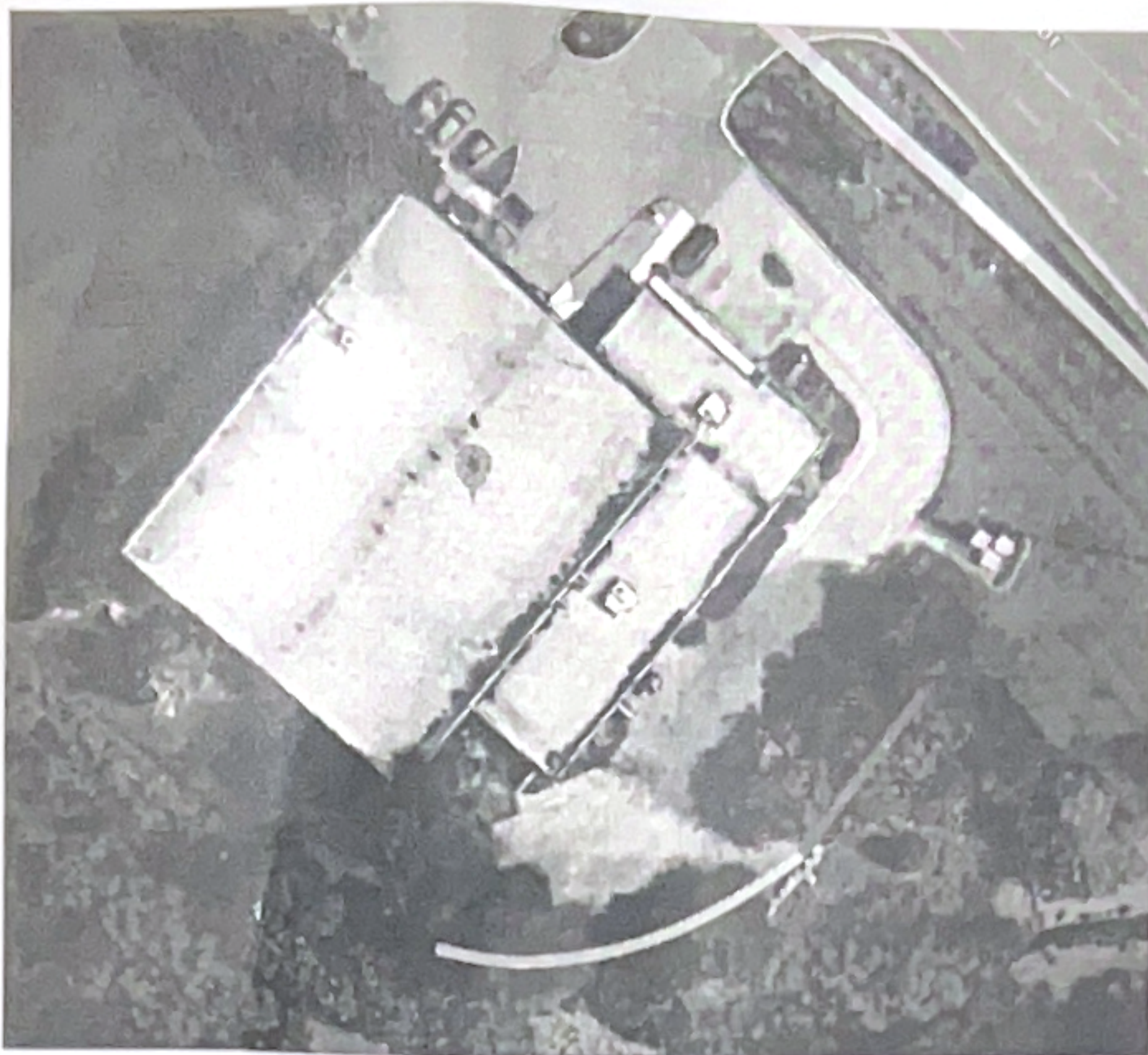
SCHEDULE "A" - LEGAL DESCRIPTION OF PREMISES

PT BLK C PL 640 CHINGUACOUSY PTS 1 & 2, 43R1283; S/T VS296073 ;
BRAMPTON
(PIN 141610241)

SCHEDULE "B" - Diagram of Leased Premises (In Green)



SCHEDULE "C" - Designated Parking Spots (Red) and Shared (Green)



SCHEDULE "D" - RULES AND REGULATIONS

1. INGRESS AND EGRESS

The sidewalks, entrances, stairways, corridors and fire escapes of the Building shall not be obstructed by the Tenant or used by it for any purpose other than for ingress and egress to and from the Premises. The Tenant shall not place or allow to be placed in the hallways, corridors or stairways any waste paper, dust, garbage, refuse or anything else whatsoever that would obstruct them or tend to make them appear unclean or untidy. Nothing shall be thrown by the Tenant or his employees out of the windows or doors or down the passages or skylights of the Building.

2. HEAVY EQUIPMENT

Heavy equipment and other articles, liable to overload, injure or destroy any part of the Building shall not be taken into the interior without the written consent of the Landlord and the Landlord shall in all cases retain the right to prescribe the weight and proper position of all such articles and the times and routes for moving them into or out of the Building; The cost of repairing any damage done to the Building by the moving or keeping of any such articles on the premises shall be paid by the Tenant.

3. OTHER TENANTS

The Tenant and his employees shall not in any way interfere with or annoy occupants of the adjoining Building owned by the Landlord, or those having business with them.

4. NOTICE OF DEFECTS

The Tenant shall give the Landlord or its agent prompt written notice of any accident to or any material defect in the plumbing, heating, air-conditioning, mechanical or electrical apparatus or any other part of the Building which has come to the attention of the Tenant.

5. VEHICLES AND ANIMALS

No vehicles and no nuisance or dangerous animal or bird shall be brought into or kept in the Building.

6. NOISE

The Tenant will not operate or permit to be operated any musical or sound producing instrument or device inside or outside the premises which may disturb persons outside the premises without written permission from the landlord; and will not operate any electrical device from which may emanate electrical waves which may interfere or impair radio or television broadcasting or reception from or in the Building or elsewhere.

Appendix B

July 31, 2025

PRIVATE & CONFIDENTIAL

IT5 Labs
40 West Drive
Brampton, Ontario
L6T 3T6

Dear Sir or Madam:

Re: Business Development Bank of Canada v. 2868335 Ontario Inc.
Court File No.: CV-25-00001828-0000 (the “Receivership Proceeding”)

We are counsel to Grant Thornton Limited in its capacity as court-appointed receiver and manager (in such capacity, the “**Receiver**”) of all the assets, undertakings, and properties of 2868335 Ontario Inc. (the “**Debtor**”), including the real property owned by the Debtor municipally known as 40 and 44 West Drive, Brampton, Ontario, L6T 3T6 (together, the “**Real Property**”).

We refer to the Order of the Ontario Superior Court of Justice (Commercial List) dated July 3, 2025, appointing the Receiver (the “**Appointment Order**”). Paragraph 3 of the Appointment Order authorizes the Receiver to, among other things, exercise control over the Real Property, execute documents of whatever nature in respect of the Real Property, and cease to perform any contracts of the Debtor, which includes termination of any agreements that the Debtor is party.

In addition, we refer to the lease arrangement (the “**Lease**”) between the Debtor and IT5 Labs in respect of certain leased premises situated at the Real Property (the “**Leased Premises**”).

In accordance with the Appointment Order, the Receiver will initiate a sales process with respect to the Real Property. The sales process may advance quickly. As part of this sales process, the Receiver will require vacant possession of the Real Property, including the Leased Premises.

The Receiver hereby provides you its notice of termination of tenancy in respect of the Lease. Notwithstanding previous correspondence, termination shall be effective on October 31, 2025 (the “**Termination Date**”).

You must provide post-dated cheques for the rent payable up to the Termination Date including any outstanding rent payments. The post-dated cheques must be delivered to the Receiver on or before August 5, 2025 (the “**Advance Rent Deadline**”).

You must peaceably surrender possession of all of the Leased Premises to the Receiver on or before the Termination Date. You must maintain the Leased Premises in the same condition and state of repair as you were required to maintain throughout the Lease. For greater clarity, you shall continue to use the Leased Premises for the purposes stated in the Lease up to the Termination Date and shall not cause or permit any hazardous materials, substances, wastes, chemicals or fuels to be used, stored, generated or disposed at the Leased Premises (the “**Prohibited Activities**”). The Prohibited Activities include but are not limited to repairs or maintenance of trucks or trailers and any other activity that may cause damage to the Real Property.

Should you wish to vacate the Leased Premises prior to the Termination Date, please contact the Receiver directly to make such arrangements.

The Receiver specifically preserves all of its rights and remedies, including instituting enforcement actions in respect of any outstanding rent payments not made by the Advance Rent Deadline.

Should you have any questions, please do not hesitate to contact the undersigned.

Yours truly,

Thornton Grout Finnigan LLP



Puya Fesharaki

Appendix C

January 26, 2026

PRIVATE & CONFIDENTIAL

IT5 Labs
40 West Drive
Brampton, Ontario
L6T 3T6

Dear Sir or Madam:

Re: Business Development Bank of Canada v. 2868335 Ontario Inc.
Court File No.: CV-25-00001828-0000 (the “Receivership Proceeding”) - Demand for Immediate Vacant Possession

As you know, we are counsel to Grant Thornton Limited in its capacity as court-appointed receiver and manager (in such capacity, the “**Receiver**”) of all the assets, undertakings, and properties of 2868335 Ontario Inc. (the “**Debtor**”), including the real property owned by the Debtor municipally known as 40 and 44 West Drive, Brampton, Ontario, L6T 3T6 (together, the “**Real Property**”).

We write further to our letter dated July 31, 2025 terminating your tenancy of the premises situated at the Real Property (the “**Leased Premises**”) (the “**Termination Notice**”). As set out in the Termination Notice, you were required to surrender possession of the Leased Premises on or before October 31, 2025.

As you are aware, the Receiver has entered into an agreement of purchase and sale in respect of the Real Property (the “**APS**”), which requires that vacant possession of the entire Real Property be delivered to the purchase on closing. The Receiver is seeking Court approval of the APS and related transaction at a hearing scheduled for February 17, 2026. It is the Receiver and the purchaser’s expectation that the Leased Premises shall be vacant by the hearing date.

Solely as a temporary accommodation based on your representations regarding your active efforts to find alternative premises and to the leave the Leased Premises, you were permitted to remain at the Leased Premises for a limited period beyond the date set out in the Termination Notice. As communicated to you directly by the Receiver and as confirmed herein, that limited period accommodation has ended, and the Receiver requires vacant possession of the Leased Premises to be delivered to the Receiver forthwith and by no later than **February 15, 2026**.

For greater certainty, any continued occupation of the Leased Premises after the Termination Notice has been permitted solely as a temporary accommodation and without prejudice to the Receiver’s rights and remedies. Nothing in the Receiver’s conduct, including any discussions or

acceptance of any payments, shall be construed as reinstating any lease, creating a new tenancy, varying the Termination Notice, waiving the Receiver's rights or creating a course of conduct as among the parties. The Receiver expressly reserves any and all rights, including to seek damages and costs if the Receiver's requests specified herein are not satisfied by the date specified herein.

Should you have any questions, please do not hesitate to contact the undersigned.

Yours truly,

Thornton Grout Finnigan LLP



Puya Fesharaki

IN THE MATTER OF SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985 C. B-3 AS AMENDED AND
SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, C. C-43, AS AMENDED

BUSINESS DEVELOPMENT BANK OF CANADA
Applicant

and **2868335 ONTARIO INC.**
Respondent

Court File No. CV-25-00001828-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
Proceedings commenced at Brampton, Ontario

**SUPPLEMENTAL REPORT TO THE FIRST REPORT
OF THE RECEIVER**

Thornton Grout Finnigan LLP
TD West Tower, Toronto-Dominion Centre
100 Wellington Street West, Suite 3200
Toronto, ON M5K 1K7
Fax: (416) 304-1313

Puya Fesharaki (LSO #70588L)
Tel: (416) 304-7979
Email: pfesharaki@tgf.ca

Adam Wyville (LSO #93169O)
Tel: (416) 307-2428
Email: awyville@tgf.ca

Lawyers for the Court-appointed Receiver,
Grant Thornton Limited