

SCHEDULE "A" TO CONTRACT OF PURCHASE AND SALE

DATED FOR REFERENCE: _____

- 1) The following terms modify and where applicable override the terms of the attached Contract of Purchase and Sale and Addendums thereto (together, the "Contract").
- 2) Where a conflict arises between the terms of this Schedule "A" and the Contract, the terms of this Schedule "A" will apply. Capitalized terms not defined in this Schedule "A" shall have the meanings ascribed to them in the Contract.
- 3) All references to the "Seller" in the Contract and in this Schedule "A" will be read as references to Lanyard Investments Inc., acting pursuant to the Order (the "Conduct Order") of the Supreme Court of British Columbia, Vancouver Registry (the "Court") granted on July 10, 2020 in Action No. H-190635 (the "Proceedings") directing the sale of the Property and the Related Personal Property (as hereinafter defined), with conduct of sale in favour of the Seller. Notwithstanding anything herein to the contrary, the Buyer acknowledges that the Seller is acting only in such representative capacity pursuant to the Conduct Order and is not the owner of the Property or Related Personal Property and that the Seller shall have no liability whatsoever under, as a result of or in relation to the entering into or carrying out the transaction which is the subject matter of this agreement.
- 4) The Buyer acknowledges that the property being purchased includes certain personal property secured under a certain general security agreement dated March 28, 2017, granted by REUM Holdings Ltd. to the Seller and registered under base registration number 912069J (collectively, the "Related Personal Property"). The Seller maintains a security interest in the Related Personal Property pursuant to the aforesaid general security agreement.
- 5) No property condition disclosure statement concerning the Property and the Related Personal Property shall form part of the Contract, and the Buyer is relying entirely on its own inspection and neither the Seller nor its agents make any representations or warranties whatsoever in respect to the Property and the Related Personal Property, including, without limitation, with respect to title thereof, or in connection with the use or condition of the Property and the Related Personal Property, including the buildings thereon and in respect to all matters whatsoever the Buyer accepts the Property and the Related Personal Property "as is, where is". Without limiting the generality of the foregoing or any other provision hereof, the Buyer acknowledges that it is relying on its own environmental inspection or investigation of the Property and is not relying on the Seller, and the Buyer further acknowledges and agrees that the Seller makes no representations or warranties in respect to the environmental condition of the Property. Without limiting the generality of the foregoing or any other provision hereof, the Buyer acknowledges and agrees that there are no representations or warranties with respect to:
 - a. the fitness, condition, zoning or lawful use of the Property and the Related Personal Property, the Buyer's intended uses or development or redevelopment thereof;
 - b. whether the Property complies with any existing land use or zoning by-laws or regulations or municipal development agreements or plans;
 - c. the location of any buildings and other improvements on the Property and whether such locations comply with any applicable municipal bylaws or regulations;
 - d. whether or not any buildings or improvement located on the Property encroach onto any neighbouring lands or any easements or rights of way;
 - e. whether or not any buildings or improvement located on any neighbouring lands encroach onto the Property;
 - f. the size and dimensions of the Property or any buildings or improvements located thereon; or

- 9) If the Seller's Condition is satisfied or waived within the time allowed, and the Buyer subsequently fails to complete the purchase of the Property and the Related Personal Property on the Completion Date pursuant to the terms and conditions contained in the accepted Contract (including this Schedule "A"), the Deposit shall be absolutely forfeited to the Seller as provided for in the Contract and the Buyer shall have no interest in the Property or the Related Personal Property.
- 10) Acceptance of the Contract by the Seller is pursuant to the Conduct Order and not as owner of the Property or the Related Personal Property and will become effective from the time the Vesting Order is granted. Until such time, the Seller is subject to the jurisdiction and discretion of the Court to entertain other offers and to any further Orders the Court may make regarding the Property and the Related Personal Property. Given its position and relationship to other parties in the Proceedings, the Seller may be compelled to advocate that the Court consider other offers in order to obtain the highest price for the Property and the Related Personal Property. The Seller gives no undertaking to advocate the acceptance of the Contract. In that regard, the Buyer must make its own arrangements to support the Contract in Court. The Buyer acknowledges that another party or parties may attend the Court on the date scheduled to hear the Seller's application for the Vesting Order for the purpose of submitting an offer or offers to purchase the Property and the Related Personal Property. Notwithstanding the foregoing, the Contract shall be deemed irrevocable by the Buyer except as expressly otherwise stated in the Contract.
- 11) If the Property is occupied by anyone, then the Seller, while still required to deliver vacant possession to the Buyer, may wait to deliver vacant possession until after conclusion of the Seller's enforcement of a court order for vacant possession. The Buyer acknowledges that if vacant possession is unavailable on the Possession Date, then the Buyer must complete the purchase of the Property in any event in accordance with the terms of the Contract and allow the Seller a reasonable period of time thereafter to deliver vacant possession through writ of possession or such other lawful enforcement means as the Seller considers advisable. In such event the Buyer agrees that the Seller shall not be liable to the Buyer for any losses or damages arising or related in any way to the Seller's failure to deliver vacant possession to the Buyer on the Possession Date.
- 12) The Completion, Possession, and Adjustment dates shall be no later than fifteen (15) days after Court Approval or such earlier date as the Buyer and Seller shall agree.
- 13) Without limiting the generality of any other provision hereof, if the Seller or any person on its behalf provides the Buyer with any information (including, without limitation, due diligence materials in its or their possession or control) concerning the Property or the Related Personal Property, such as, without limitation, appraisals, engineering reports, environmental studies, etcetera, such information (the "Information") is provided strictly on the understanding that neither the Seller nor anyone on its behalf or for whom at law they may be liable, makes any representation, declarations or warranties, express or implicit, as to the accuracy or completeness of such Information. The Seller expressly disclaims any and all liability for any errors or omissions related to or concerning such Information including its lack of completeness. Neither the Seller nor anyone acting on its behalf or for whom at law it may be liable, shall be under any obligation to take any actions whatsoever to consider the contents of the Information, its accuracy, completeness or relevance, the Buyer assuming all such responsibility. The Buyer will not make or advance any claim against any third party with respect to such Information where such third party might, in relation thereto, have a right to third party or otherwise make a claim against the Seller.
- 14) Notwithstanding any provisions of the Contract to the contrary:
 - a. the Purchase Price shall be subject to customary and usual adjustments on account of matters such as property taxes, utilities, fuel tank credits, and the like; and
 - b. in addition to the Purchase Price, the Buyer will pay all HST, GST, PST, Property Transfer Tax and other similar sales taxes, if applicable, and will indemnify and save harmless the Seller from all claims that may be made in connection therewith. The Seller shall not be responsible to provide any certificates with respect to the applicability of any such taxes to the transaction.
- 15) The Seller represents and warrants to the Buyer that:

- a. a true copy of the Conduct Order, pursuant to which the Seller is granted the authority to accept the Contract and carry out the transactions contemplated hereby, is attached hereto as Annexure "B";
- b. it, which the parties acknowledge is not the owner of the Property, is not a non-resident person as defined for the purposes of Section 116 of the Income Tax Act (Canada).

The Seller acknowledges that the Buyer is relying upon such representations, warranties, and/or covenants without which the Buyer would not have entered into the Contract.

- 16) The Seller makes no representations as to residency of the owner(s) of the Property and will make no representations or declarations about that at closing. The Buyer hereby warrants and represents to the Seller that the Buyer has made reasonable inquiry within the meaning of s.116(5)(a) of the Income Tax Act and is satisfied that the owner(s) of the Property is, or if more than one are, Canadian residents. The Buyer agrees that upon completion, the Buyer will pay to the Seller, subject only to those adjustments to which the Seller has agreed in writing, the full purchase price owing on the purchase under this Agreement without holdback under s.116(5) of the Income Tax Act or related sections and, to the extent necessary, has incorporated any associated risk into its purchase price.

- 17) The Buyer represents and warrants to the Seller that:

- a. the Buyer has and will have, on the Completion Date, all necessary power, authority and capacity to carry out the transactions contemplated hereby, and will be registered for the purpose of Part IX of the Excise Tax Act (Canada);
- b. the Buyer is not a non-resident of Canada for income tax and Investment Canada purposes; and
- c. the Buyer's GST registration number is: _____.

The Buyer acknowledges that the Seller is relying upon such representations, warranties and/or covenants without which the Seller would not have entered into the Contract.

- 18) On the Completion Date, the Seller shall deliver to the Buyer (or its legal counsel), in addition to any other closing documentation, properly executed a Court-certified copy of the Vesting Order suitable for registration in the Land Title Office.

- 19) The Buyer agrees to deliver to the Seller (or its legal counsel) as part of the Closing, the following:

- a. certified solicitors' trust cheque or bank draft for the balance of the Purchase Price after all closing adjustments and holdbacks;
- b. a statement of adjustments accompanied by an undertaking by the Seller and the Buyer to readjust any errors, omissions or changes in such statement of adjustments; and
- c. any and all such further certificates, agreements, documents or assurances as reasonably required by the Seller to give effect to the Contract.

- 20) The closing (the "Closing") for the transaction contemplated hereby shall occur on the Completion Date at the offices of the Seller's legal counsel (unless otherwise agreed among the parties and their respective solicitors that the Closing may be conducted in escrow or on acceptable solicitors undertakings). If the Land Title and Survey Authority Office is not open on the date set for the Completion Date, the Completion Date shall be the first day thereafter that it is open for business. It shall be the Buyer's responsibility to prepare or cause to be prepared a Statement of Adjustments and any other documents necessary to complete the transaction (other than the Vesting Order) and to deliver such documents to the Seller's solicitor not less than three (3) business days prior to the Completion Date. The Buyer shall bear all costs of preparation and registration of the closing documents. The

Seller shall bear its own costs for discharging the charges it is required to discharge. All documents required to transfer the Property to the Buyer will be delivered, when required, in registerable form.

- 21) The Seller shall be paid the Purchase Price on the Completion Date except for those adjustments (if any) agreed upon by the parties or otherwise required in accordance with the Vesting Order, or any holdbacks or other unforeseen disbursements agreed to be withheld at Closing between the parties.
- 22) The Property and the Related Personal Property shall be transferred to the Buyer by way of the Vesting Order, free and clear of all encumbrances of the parties to the Proceedings in accordance with the Vesting Order except for Permitted Encumbrances.
- 23) If the Buyer is relying upon a new mortgage to finance the Purchase Price, the Buyer, while still required to pay the Purchase Price on the Completion Date, may wait to pay the Purchase Price to the Seller until after a certified copy of the Vesting Order and the new mortgage documents have been lodged for registration in the appropriate Land Title Office, but only if, before such lodging, the Buyer has:
 - a. made available for tender to the Seller that portion of the Purchase Price not secured by the new mortgage; and
 - b. fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration; and
 - c. made available to the Seller, the undertaking of the Buyer's solicitors to pay the Purchase Price upon the lodging a certified copy of the Vesting Order and new mortgage documents.
- 24) If the Seller has existing financial charges to be cleared from the title, the Seller, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Seller agrees that payment of the Purchase Price shall be made by the Buyer's solicitors to the Seller's solicitors, on settled and acceptable undertakings to pay out and discharge the financial charges, and remit the balance, if any, to the Seller.
- 25) Provided that the Purchase Price has been paid by the Buyer to the Seller, the Buyer will have possession of the Property at 5 p.m. on the Completion Date.

Annexure A

Permitted Encumbrances

As used herein, "Permitted Encumbrances" means all non financial encumbrances registered against title as of the date hereof and, as well, all subsisting conditions, provisos, restrictions, exceptions and reservations, including royalties, contained in the original grant or contained in any other grant or disposition from the Crown, registered or pending restrictive covenants and rights-of-way in favour of utilities and public authorities, and except as otherwise set out herein.

Annexure B

Conduct Order



FORM 35 (RULES 8-4 (1), 13-1 (3), 17-1 (2) AND 25-9 (2))

No. H-190635
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

LANYARD INVESTMENTS INC. (as general partner of LFC
SICKLE16 LIMITED PARTNERSHIP)

Petitioner

AND:

REUM HOLDINGS LTD.
MELVIN R. REEVES (also known as MELVIN ROY
REEVES)

Respondents

**ORDER MADE AFTER APPLICATION
(ORDER FOR CONDUCT OF SALE)**

BEFORE) MASTER SCARTH) FRIDAY, THE 10TH DAY OF
)) JULY, 2020

THE APPLICATION of the Petitioner, LANYARD INVESTMENTS INC. (as general partner of LFC SICKLE16 LIMITED PARTNERSHIP), coming on for hearing on this day at Vancouver, B.C., by way of teleconference, and upon hearing ALAN A. FRYDENLUND, Q.C., counsel for the Petitioner and no-one else appearing, although given notice in accordance with the Rules of the Court, and on reading the materials filed herein;

THIS COURT ORDERS THAT:

1. The lands and premises known and described as:

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Penticton Assessment Area, Kaleden Irrigation District
Parcel Identifier: 023-189-037
Lot A District Lot 103S Similkameen Divison Yale District Plan KAP55255
(the "Lands")

the subject of the within proceeding, together with the Respondent's, REUM HOLDINGS LTD.'s personal property (the "Property") be offered for sale by private sale, free and clear of all encumbrances of the parties, save and except the reservations, provisos, exceptions and conditions expressed in the original grant thereof from the Crown.

2. The Petitioner, LANYARD INVESTMENTS INC. (as general partner of LFC SICKLE16 LIMITED PARTNERSHIP), has exclusive conduct of the sale and may list the Lands and Property for sale, until further order of the Court, and may pay to any real estate agent or firm who arranges a sale of the Lands and Property a real estate commission of three (3%) percent of the gross selling price plus GST to be paid from the proceeds of the gross selling price.

3. A sale is subject to the approval of the court unless otherwise agreed to in writing by all parties.

4. The Respondent, REUM HOLDINGS LTD., or any person or persons on behalf of the said Respondent, including any person or persons in possession of the Lands and Property, do forthwith and until further order of the court, permit any duly authorized agent on behalf of the Petitioner, LANYARD INVESTMENTS INC. (as general partner of LFC SICKLE16 LIMITED PARTNERSHIP), to inspect, appraise, or show to any prospective purchaser or purchasers the Lands and Property, at any time and any day of the week, commencing forthwith, and to post signs on the Lands and Property stating that the Lands and Property are offered for sale.

5. The Petitioner, LANYARD INVESTMENTS INC. (as general partner of LFC SICKLE16 LIMITED PARTNERSHIP), is entitled to its costs of this application at Scale A.

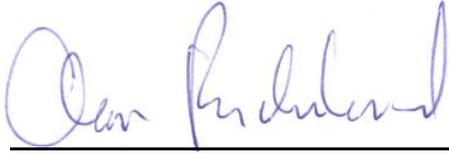
BY THE COURT

ENDORSEMENT ATTACHED

REGISTRAR

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THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT.



Signature of lawyer for the Petitioner,
LANYARD INVESTMENTS INC. (as
general partner of LFC SICKLE16
LIMITED PARTNERSHIP), Alan A.
Frydenlund, Q.C.

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Petitioner

AND:

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MELVIN R. REEVES (also known as MELVIN ROY
REEVES)

Respondents

**ORDER MADE AFTER APPLICATION
(ORDER FOR CONDUCT OF SALE)**

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