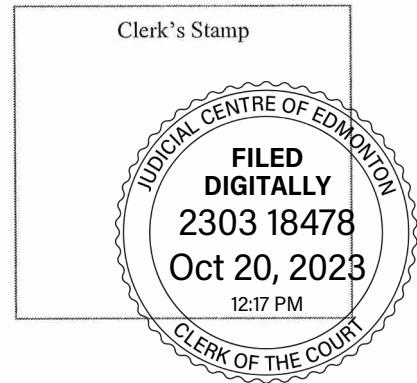


CERTIFIED *E. Wheaton*  
by the Court Clerk as a true copy of the  
document digitally filed on Oct 20, 2023

COURT FILE NUMBER: 2303 18478  
COURT: COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE: EDMONTON  
PLAINTIFF: FIRST NATIONAL FINANCIAL GP CORPORATION  
DEFENDANT: SORRENTO HOLDINGS INCORPORATED  
DOCUMENT: **RECEIVER OF RENTS ORDER**  
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT: **PARLEE McLAWS LLP**  
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10175 – 101 Street NW  
Edmonton, Alberta T5J 0H3  
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Phone: 780-423-8177  
Fax: 780-423-2870  
File No: 71625-5/SRO



DATE ON WHICH ORDER WAS PRONOUNCED: *October 20, 2023*  
LOCATION WHERE ORDER WAS PRONOUNCED: **Edmonton, Alberta**  
APPLICATIONS JUDGE WHO MADE THIS ORDER: *W. Schlosser*

UPON THE APPLICATION of First National Financial GP Corporation (“**First National**”) in respect of Sorrento Holdings Incorporated (“**Sorrento**”); AND UPON having read the Application, the Affidavit of Nicola Hume, the Consent to Act as Receiver, the Personal Property Search Results Report, and the Certificate of Title, filed; AND UPON hearing from counsel for First National and all other persons present;

AND UPON IT APPEARING that the Plaintiff’s mortgage is in default and that rents and profits are arising out of the lands that are subject to that mortgage; AND UPON IT APPEARING to be just and equitable to appoint a Receiver and Manager;

**IT IS HEREBY ORDERED AND DECLARED THAT:**

1. Pursuant to s. 49 of the *Law of Property Act*, RSA 2000, c L-7 and s. 13(2) of the *Judicature Act*, RSA 2000, c. J-2, MNP Ltd. (the “**Receiver and Manager**”) be and is hereby

appointed as Receiver of all the rentals due and accruing due now or hereafter from those lands and premises legally described as:

PLAN 5229AD  
 BLOCK 67  
 LOTS 4 TO 6 INCLUSIVE  
 EXCEPTING THEREOUT ALL MINES AND MINERALS

(the “**Mortgaged Lands**”)

and appointed as Manager of the undertaking, property and assets of Sorrento situate upon or relating to the Mortgaged Lands.

2. The Receiver and Manager shall have all such powers as this Court may from time to time deem expedient, or as are inherent in the office, and without restricting the generality of the foregoing, shall have the power from time to time:

- (a) To manage, administer, maintain, and carry on Sorrento’s business and undertaking on the Mortgaged Lands;
- (b) To determine the extent to which any one or more of the tenants are in default of their lease of the Mortgaged Lands, or any portion thereof, and to take such steps with the same right as landlord to collect such outstanding amounts;
- (c) To lease and re-let the Mortgaged Lands, or any part thereof, and to renegotiate leases thereof on commercially reasonable terms;
- (d) To terminate leases or obtain possession, or both with respect to the Mortgaged Lands, or any part thereof;
- (e) To collect all rents, profits, and other receipts now or hereafter due or accruing due from the Mortgaged Lands, or any part thereof, and deposit such amounts in a separate trust account to be applied as ordered pursuant to paragraph 5 of this Order;
- (f) To distrain and pursue other remedies available at law or in equity for rent in arrears in the same manner and with the same right of recovery as a landlord;

- (g) To from time to time borrow monies from First National for the purpose of carrying out its duties and powers hereunder, provided that no more than the sum of \$ 5000.<sup>00</sup> in the aggregate shall be borrowed without further leave of this Court, and to repay such borrowings, together with interest thereon from the date of the advance accruing at a rate equal to the rate of interest payable and secured pursuant to First National's mortgage, which borrowings together with interest thereon shall constitute a charge upon the Mortgaged Lands bearing the same priority as First National's mortgage;
- (h) To affect repairs and to make improvements needed to render the Mortgaged Lands rentable and to pay for the cost of same;
- (i) To obtain the supply of utilities to the Mortgaged Lands;
- (j) To collect and administer damage deposits and other security deposits;
- (k) Such other powers as may be deemed just and necessary by this Court from time to time.

3. The Receiver and Manager shall be at liberty to employ such agents and assistants, including the appointment of solicitors, as it may consider necessary for the purpose of carrying out its powers and duties, and any such expenditure which shall properly be made or incurred by the Receiver and Manager in so doing shall be allowed in the passing of its accounts, and shall for all purposes be deemed to be a disbursement referred to in paragraph 6(a) hereof.

4. Sorrento and all of its current directors, officers, employees, tenants, and agents shall forthwith upon receipt of a copy of this Order deliver over or pay to the Receiver and Manager the following:

- (a) all the books, documents, contracts, records, and papers of every kind related to the Mortgaged Lands, including all leases thereof;
- (b) All rentals or other amounts payable or which may hereafter fall due in respect of the Mortgaged Lands.

5. The rents, profits, borrowings, and other monies collected or received by the Receiver and Manager pursuant to this Order shall be paid and applied by it as follows:

- (a) First, towards the fees and disbursements incurred to the Receiver and Manager as and by way of remuneration for its services as Receiver and Manager, including any disbursements for normal operating and preservation expenses, utilities, and any other amounts whatsoever incurred by the Receiver and Manager in the carrying out of its powers and duties under this Order;
- (b) Second, in the payment of property taxes accruing due or owing on the Mortgaged Lands;
- (c) Third, in the payment of any monies borrowed by the Receiver and Manager as permitted hereby;
- (d) The balance to be held and paid and distributed only by further Order of this Court granted in this action.

6. Prior to payment of the fees which it proposes to charge by way of account or interim account for remuneration in its capacity as Receiver and Manager, the Receiver and Manager shall from time to time provide to the solicitors for the Plaintiff a statement confirming the amount of rents collected or recovered by the Receiver and Manager and the amount of all expenditures and borrowings incurred by the Receiver and Manager, together with a statement of the fees and disbursements charged by the Receiver and Manager for remuneration in carrying out its powers and duties.

7. Prior to discharge, the Receiver and Manager shall have its accounts passed by the Court.

8. The Receiver and Manager shall not be required to finish any security or bond for the due performance of its duties and powers under this Order.

9. A true copy of this Order shall be served upon any person or persons appointed or employed by Sorrento to collect the rents and all other payments from the Mortgaged Lands, or alternatively upon each tenant now or hereafter occupying the Mortgaged Lands, or any part thereof, and notwithstanding any previous notices or requests, the tenants upon receipt of a true

copy of this Order shall henceforth, and until the discharge of the Receiver and Manager, pay all rents now or hereafter due and payable by them to the Receiver and Manager, which payment of the rentals to the Receiver and Manager shall be deemed, as to those rentals received, to be an effective payment of such rents to the landlord.

10. This Order may be served upon any tenant of the Mortgaged Lands, or any part thereof, by leaving a copy of it with any adult person located at any unit on the Mortgaged Lands, or, if no adult person is located at a unit at the time of service, by posting a copy to the main entryway of the unit or units.

11. The Receiver and Manager shall be discharged by further Order of this Court to be obtained by First National, Sorrento, the Receiver and Manager, or any other interested person on reasonable notice to the said other parties.

12. The Receiver and Manager, or any other interested person, may from time to time apply to this Honourable Court for direction and guidance in the discharge of the Receiver and Manager's duties and powers as ordered herein, or to vary the terms of this Order.

13. All rights and remedies which the Plaintiff may have against the Defendant are reserved and preserved.

14. The appointment of the Receiver and Manager shall not operate as a stay of the within action.



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A.J.C.K.B.A.