



This is the 1st affidavit
of Jeffrey Johnson in this case
and it was made on July 17 2018

No. VLC-S-S-183355
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

ALL CANADIAN INVESTMENT CORPORATION

PLAINTIFF

AND:

BDO CANADA LLP

DEFENDANTS

AND

DONALD BERGMAN

THIRD PARTY

AFFIDAVIT

I, JEFFREY JOHNSON, CPA, CA, of Suite 201, 571 – 6th Street Northeast, Salmon Arm, British Columbia, SOLEMNLY AFFIRM THAT:

1. I am a Chartered Professional Accountant, and a partner in the Salmon Arm office of the defendant, BDO Canada LLP (“BDO”). I provided accounting services on behalf of BDO to the plaintiff, All Canadian Investment Corporation (“ACIC”). As such I have personal knowledge of the matters deposed to in this Affidavit except where stated to be on information and belief, in which case I believe such matters to be true.
2. I was licenced to practice as a Chartered Accountant on October 24, 2002. Before this, I articulated for three years with KPMG LLP in Vernon, B.C.

Relationship with the other parties

All Canadian Investment Corporation

3. BDO was the auditor for ACIC for its 2009 – 2014 fiscal years.
4. On December 14, 2015, ACIC and BDO agreed that BDO would audit and report on ACIC's September 30, 2015 year-end financial statements and complete its tax returns for its September 30, 2015 fiscal year-end (the "2015 Audit Engagement"). Attached to this Affidavit and marked as **Exhibit "A"** is a copy of the engagement letter signed by BDO and ACIC relating to the 2015 Audit Engagement (the "Engagement Letter").
5. It was a term of the Engagement Letter that BDO would carry out the audit in compliance with Canadian generally accepted auditing standards, and their ethical requirements. BDO was also required to perform its services in accordance with the Chartered Professional Accountants of British Columbia ("CPABC") Code of Professional Conduct (the "Code").
6. Throughout the 2015 audit, I led the team responsible for the 2015 Audit Engagement. At all material times I worked closely with the audit team, and in particular Ms. Angela Spencer ("Ms. Spencer"), who kept me apprised of the progress of our information collection and audit testing.

Donald Bergman

7. While working on the 2015 Audit Engagement, Mr. Donald Bergman ("Mr. Bergman") was BDO's main contact at ACIC. At all material times, Mr. Bergman was ACIC's only director and officer, and its controlling shareholder.

The 2015 Audit Engagement

8. ACIC was primarily funded by investors whose contributions were secured by non-voting preferred shares issued by ACIC. ACIC's business consisted of using these funds to provide mortgages on residential and commercial properties and making loans, both secured and unsecured, to third parties for a return.

9. At all material times, ACIC represented itself as a Mortgage Investment Corporation (“MIC”) carrying on business in accordance with s. 130 of the *Income Tax Act*. In order to maintain its status as a MIC, it was incumbent on ACIC to continuously ensure that no less than 50% of its loan portfolio was secured by mortgages on residential property or land intended as residential property.
10. In BDO’s role as auditor for ACIC, it was to express an opinion on the September 30, 2015 year-end financial statements as to whether or not the financial statements presented fairly, in all material respects, the financial position of ACIC as at September 30, 2015. In furtherance of that objective, BDO focused its audit testing on the valuation and recoverability of ACIC’s outstanding loan portfolio. Part of this analysis included whether or not the loans were secured by mortgages on residential property or land intended as residential property, as required for ACIC to continue to be qualified as a MIC.
11. Accordingly, on or around December 15, 2015, BDO obtained a spreadsheet from Mr. Bergman that provided us with a list of outstanding loans receivable for the year ended September 30, 2015 (the “Loan Listing”). Attached to this Affidavit and marked as **Exhibit “B”** is a copy of the spreadsheet titled Outstanding Loans Receivable for year ended September 30, 2015 provided by Mr. Bergman.

Serious Concerns with Mr. Bergman’s Integrity

12. In the course of the 2015 Audit Engagement, I became concerned with Mr. Bergman’s failure to provide, in a timely way, the supporting documents and information BDO needed to proceed with the audit. Throughout the audit, I was informed by Ms. Spencer of Mr. Bergman’s continual delay in providing the documents and information that we needed to complete the audit report.

Mr. Bergman’s Release of Registered Mortgage Security

13. In the course of the 2015 Audit, Mr. Bergman represented to BDO, through the Loan Listing and other documents, that ACIC held two significant loans, the Hastings 4719 loan

and the Altezza loan (together, the “Censario Loans”), which were secured by residential mortgages.

14. In or around March 2016, our audit team tested these representations by, among other things, performing title searches on the properties related to the Censario Loans, which is a regular part of our audit testing. On or about March 2, 2016, the audit team received a title search result for the property related to the Hastings 4719 loan, which loan had a value of \$2,065,691. The search revealed that ACIC no longer had registered security in respect of the Hastings 4719 loan, and that other secured lenders had mortgages registered against title. Attached to this affidavit and marked as **Exhibit “C”** is a true copy of the title search results dated March 2, 2018 for the property related to the Hastings 4718 loan.
15. I was informed by Ms. Spencer that when she received these title search results, she spoke with Mr. Bergman who admitted to discharging ACIC’s security in relation to the Hastings 4719 loan. I was also informed that Mr. Bergman suggested to Ms. Spencer that that BDO complete the 2015 Audit Engagement with “temporary” mortgage security in place. This information caused me to become concerned about the accuracy and the truthfulness of the information BDO was receiving from Mr. Bergman, as we had been led to believe that the Censario Loans, which represented approximately one-third of ACIC’s loan portfolio, were secured. It also made me concerned that Mr. Bergman was prepared to essentially falsify the existence of security for the purpose of meeting the MIC requirements.
16. Subsequently, on or about March 18, 2018, the audit team received a title search result for the property related to the Altezza loan, which had a value of \$6,415,224. The search revealed that Mr. Bergman had released the security in relation to the Altezza loan as well, and that again other secured lenders had mortgages registered against title. Attached to this affidavit and marked as **Exhibit “D”** is a true copy of the title search results dated March 18, 2018 for the property related to the Altezza loan.
17. The release of this security was highly problematic, particularly in light of the management letter BDO prepared at the completion of ACIC’s 2014 audit. In the course of that audit, it was noted that, among other issues, a number of ACIC’s loans were past due, and that the general financial health of ACIC was declining. These observations were set out in

BDO's management letter dated March 30, 2015 to Mr. Bergman (the "Management Letter"). In particular, BDO advised Mr. Bergman that the criteria for its status as a MIC required that the company be able to demonstrate that 50% of its loan portfolio was secured by mortgages against residential properties. The Management Letter advised Mr. Bergman that ACIC was close to not being able to meet that requirement. Attached to this affidavit and marked as **Exhibit "E"** is a true copy of BDO's Management Letter to ACIC dated March 30, 2015.

18. Further, the Management Letter reflected that some of the loans in the loan portfolio were purportedly "equitable mortgages" (i.e. not registered mortgages), and as a result BDO advised Mr. Bergman that these equitable mortgages may not qualify as secured mortgages under the requirements of the *Income Tax Act*. As such, BDO recommended to Mr. Bergman that ACIC enter into agreements with its borrowers that state the parties' intent to grant an equitable mortgage and that they agree that a legal or registerable mortgage be granted by the borrower upon demand. Since we had raised the need to be able to demonstrate that ACIC had registerable mortgages with Mr. Bergman the prior year, it was particularly worrying that he had given up registered mortgage security on the Censario Loans, which represented a large percentage of ACIC's 2015 loan portfolio. It was of serious concern to me that Mr. Bergman was disregarding the advice we gave him as his auditors for the benefit and financial health of ACIC.
19. I had also been informed by Ms. Spencer that Mr. Bergman's explanation as to why he released ACIC's mortgage security was that doing so was "common practice" in the real estate industry, and that in order to move a project forward sometimes a lender had to give up security over the property. To me, this explanation did not make commercial sense, and it failed to appreciate that the concern for BDO as auditors was that Mr. Bergman had removed security which could imperil ACIC's ability to continue to operate as a MIC, as set out in our Management Letter. Further, BDO was concerned that Mr. Bergman had led us to believe that these loans were secured, and it was only through our audit work that we had discovered this was not the case. Finally, the fact that Mr. Bergman was willing to put "temporary" security in place in order to meet the requirement of the *Income Tax Act*, was particularly troubling to me.

Forgiveness of the 0911 for Personal Benefit

20. In March 2015, I was informed by Ms. Spencer that, on or about March 8, 2016, Mr. Bergman admitted to her that one of the loans set out in the Loan Listing in the amount of \$3,389,414 advanced to 0911368 B.C. Ltd. (the "0911 Loan"), was no longer due to ACIC. Further, Mr. Bergman admitted that his personal company had assumed the liability for the 0911 Loan, in exchange for which Mr. Bergman, through a company controlled by him, received 10% of the shares of WLA Holdings Ltd., a company owned by Les Allen worth an estimated \$600,000,000.
21. This statement contradicted what we had previously understood about the ownership of the 0911 Loan. In particular, Mr. Bergman had previously led us to believe that the 0911 Loan had been transferred to another company owned by Les Allen, the principal of the previous borrower, 0911368 B.C. Ltd. As of Ms. Spencer's March 8, 2016 conversation with Mr. Bergman, it was clear that this was not the case, that the 0911 Loan had been "forgiven" as far as ACIC was concerned, and that Mr. Bergman received a personal benefit in the form of shares worth a significant amount of money. It appeared to me that absolutely no regard was given for ACIC's investors in this transaction.

The March 21, 2016 Meeting

22. Due to the revelations set out above I had serious concerns about the truthfulness and reliability of the information provided to us by Mr. Bergman, particularly in relation to the fact that Mr. Bergman had entirely forgiven the 0911 Loan for his own benefit. As a result, I asked Ms. Spencer to arrange a meeting between Mr. Bergman, Ms. Spencer, and me so that I could ask Mr. Bergman about the transaction involving the 0911 Loan directly.
23. The meeting took place on March 21, 2016. At the meeting, we discussed the issues BDO had getting the information and documents that were necessary for the audit, which still had not been provided to BDO.
24. I also asked Mr. Bergman about the forgiveness of the 0911 Loan, and how that came to happen. Mr. Bergman explained that the 0911 Loan was forgiven in exchange for 10% of the shares of WLA Holdings Ltd., which were to be given to a holding company controlled

personally by Mr. Bergman. I asked Mr. Bergman what the value of the shares were, and Mr. Bergman responded (looking at Ms. Spencer), “should I tell him?” and proceeded to say they were worth \$60,000,000 as at the last valuation.

25. I expressed my concerns to Mr. Bergman that this transaction was a personal benefit to him and that ACIC has not received any benefit from it. Mr. Bergman said he could put an agreement in place which would pay ACIC royalties over time for the “investment,” or that he could provide interest payments to ACIC. Mr. Bergman further offered to put “whatever agreement in place” BDO needed to see as auditors to allow them to complete the audit. In the course of this discussion I stated that I was concerned about the appropriateness of this transaction as well as the implications of the forgiveness of the 0911 Loan from the perspective of the B.C. Securities Commission. Mr. Bergman responded “that they wouldn’t like it, but we’ll wait and see what they come back with,” or words to that effect. Again, I was concerned that Mr. Bergman’s response to what I considered to be significant improprieties in the way that he was manging the company’s investments, was to simply find a way to ‘paper’ his conduct in order for the audit to be completed.
26. At the conclusion of the meeting it was clear to me that Mr. Bergman had misled BDO with respect to the ownership of the 0911 Loan. It was also of very serious concern to me that I could no longer trust the information being provided to me by the management of ACIC.
27. In response to these statements I informed Mr. Bergman that I would have to consult with BDO’s national audit standards and risk management team to determine if we could complete the audit.
28. I discussed these matters with BDO’s risk management team. In view of the fact that, among other things, I had completely lost trust in Mr. Bergman and the information he had provided, and the lack of credible explanation from Mr. Bergman with respect to the 0911 transaction and the removal of security for the Censario Loans, we concluded that BDO could not rely upon the integrity of the management of ACIC, specifically Mr. Bergman, and that BDO was obliged to withdraw from the audit.

29. On March 29, 2016, I sent Mr. Bergman a letter notifying him of BDO's resignation from the 2015 Audit Engagement (the "Resignation Letter"). Attached to this Affidavit and marked as **Exhibit "F"** is a copy of the Resignation Letter.

Request from Successor Firm

30. On November 10, 2016, BDO received a letter from Sandyke & Company, CPA (the "Successor Firm") informing us that they had been approached to act as accountants to ACIC, and requesting our reasons for resignation. Attached to this Affidavit and marked as **Exhibit "G"** is a copy of the letter dated November 10, 2016 that BDO received from the Successor Auditor.

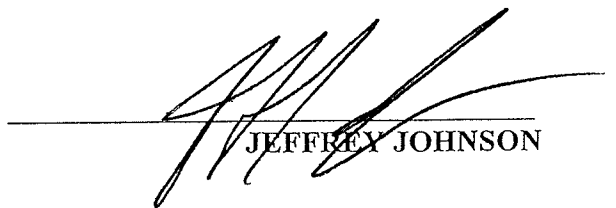
31. On November 23, 2016, I replied to the inquiry of the Successor Firm as required pursuant to the CPABC Code. In particular consideration of BDO's duty of confidentiality to ACIC, my response stated that BDO's reasons for its resignation were set out in the Resignation Letter, and I suggested that the Successor Auditor request a copy of the letter from Mr. Bergman. Attached to this Affidavit and marked as **Exhibit "H"** is a copy of the letter dated November 23, 2016 that I sent to the Successor Auditor.

AFFIRMED BEFORE ME at Salmon Arm,)
British Columbia, on July ~~17~~, 2018.)



_____)
A commissioner for taking affidavits)
for British Columbia)
)

ZOË STEVENS
A Notary Public in and for
The Province of British Columbia
#3 - 120 Harbourfront Drive NE
Salmon Arm, BC V1E 2T3



JEFFREY JOHNSON



Tel: 250 832 7171
Fax: 250 832 7429
www.bdo.ca

BDO Canada LLP
571 6th Street NE, Suite 201
Salmon Arm BC V1E 1R6 Canada

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Please sign and return

December 14, 2015

All Canadian Investment Corporation
825 Lakeshore Drive SW
Salmon Arm, BC V1E 1E4

This is Exhibit "A" referred
to in the Affidavit of
Jeffrey Johnson
sworn (or affirmed) before me on

17 July 2016
[Signature]
A Commissioner for taking Affidavits
for British Columbia

ZOE STEVENS
A Notary Public in and for
The Province of British Columbia
#3 - 120 Harbourfront Drive NE
Salmon Arm, BC V1E 2T3

Dear Don Bergman:

Thank you for requesting our Firm to audit the financial statements of All Canadian Investment Corporation, which comprise of the balance sheet as at September 30, 2015, and the statements of operations and retained earnings and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. Our audit will be conducted with the objective of our expressing an opinion on the financial statements.

Our Role as Auditors

Conduct of the Audit

At the conclusion of our audit, we will submit a report directed to the Mortgage Investment Corporation containing our opinion on the financial statements. If it appears for any reason that we will not be in a position to render an unqualified opinion on the financial statements, we will discuss this with you.

We will conduct our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan to perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence supporting the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as, evaluating the overall financial statement presentation.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with Canadian generally accepted auditing standards.



In making our risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies in internal control relevant to the audit of the financial statements that we have identified during the audit.

During the course of our audit, if we identify the following matters, we will communicate them to the appropriate level of management and the Board of Directors:

- misstatements, other than trivial errors;
- fraud;
- misstatements that may cause future financial statements to be materially misstated;
- illegal or possibly illegal acts, other than ones considered inconsequential;
- significant weaknesses in internal control; and
- certain related party transactions.

We will also make notes of any other matters that we believe should be brought to your attention and will communicate them to you. These might include comments on internal control procedures, management information systems, accounting policies and other client service matters. Audits do not usually identify all matters that may be of interest to management in discharging its responsibilities. The type and significance of the matter to be communicated will determine the level of management to which the communication is directed.

Throughout the audit, we will also be communicating with the Board of Directors on matters that bear on independence, matters that pertain to planning and executing our audit and any other matters in addition to those identified in the preceding paragraphs that we feel should be brought to their attention as required by Canadian generally accepted auditing standards.

Role of Management and Board of Directors

Our audit will be conducted on the basis that management and those charged with governance acknowledge and understand that they have responsibility:

- (a) For the preparation and fair presentation of the financial statements in accordance with Canadian generally accepted accounting principles;
- (b) For such internal controls as management considers necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error; and



(c) To provide us with:

- access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- additional information that we may request from management for the purpose of the audit; and
- unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

As part of our audit process, we will request from management and, where appropriate; those charged with governance written confirmation concerning representations made to us in connection with the audit.

Fraud and Error

Management is also responsible for the following with respect to fraud and error:

- the design and implementation of internal controls to prevent and detect fraud and error;
- an assessment of the risk that the financial statements may be materially misstated as a result of fraud;
- providing us with information relating to fraud or suspected fraud affecting the entity involving management, employees who have significant roles in internal control, or others, where the fraud could have a material effect on the financial statements;
- providing us with information relating to any allegations of fraud or suspected fraud affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others; and
- communicating their belief that the effects of any uncorrected financial statement misstatements aggregated during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

It is the responsibility of the Board of Directors to ensure that policies are in place for effective corporate governance, and to ensure that all unusual and material transactions during the year are properly approved.

We look forward to full cooperation from your staff during our audit.



Reporting

Our audit will be conducted on the basis that the financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

Unless unanticipated difficulties are encountered, our report will be substantially in the form outlined in Appendix 1. Should there be unforeseen circumstances, the report may differ from that attached.

Financial Statement Preparation Services

As agreed, we will provide assistance in the preparation of the financial statements, possibly including adjusting journal entries.

These services may create a threat to our independence. We, therefore, require that the following safeguards be put into place:

- that you create the source data for all the accounting entries;
- that you develop any underlying assumptions required with respect to the accounting treatment and measurement of the entries; and
- that you review and approve all journal entries prepared by us; in addition to the draft financial statements:

As an additional safeguard, our file review policies require that someone other than the preparer review the proposed journal entries and financial statements.

Tax Services

In addition to the audit services referred to above, we will prepare the corporation's federal income tax return as required. Management shall provide the information necessary to complete these returns and shall file them with the appropriate authorities on a timely basis.

The corporation's returns, of course, are subject to review by the taxation authorities. Any items reassessed against the corporation by the taxation authorities are subject to certain rights of appeal. In the event of any tax audit, we will be available to represent the corporation for a mutually agreed upon fee.



We will discuss with you any filing positions which, if taken, have the potential to give rise to a material adverse assessment or reassessment by the taxing authorities. However, we cannot be responsible for interest and penalties assessed against the corporation in connection with the corporation's income tax affairs. Therefore, should any interest or penalty be assessed, it shall be the corporation's responsibility;

If other tax services, such as tax planning, GST/PST advice, etc. are required, we will confirm them with you as they arise.

To the extent that such additional services are not covered by a separate engagement letter, the terms of this engagement letter shall apply to those additional services which you request.

Our audit is conducted primarily to enable us to express an opinion on the financial statements. Accordingly, the audit process may not detect situations where the corporation is incorrectly collecting GST/PST or incorrectly claiming input tax credits, unless material. As you are aware, failure to properly account for the GST/PST could result in you or your corporation becoming liable for tax, interest or penalties. These situations may also arise for provincial sales tax, custom duties, and excise taxes.

Standard Terms and Conditions

A copy of our Standard Terms and Conditions is enclosed in Appendix 2. You should ensure that you read and understand these as they contain important terms including those in connection with the scope of the engagement, your responsibilities, fees, use of our advice and our liability. The Standard Terms and Conditions form part of the Engagement Letter. Should any of the terms included in the Standard Terms and Conditions conflict with any of the other terms in this letter, the latter will prevail.

You expressly agree and understand that the terms in the Engagement Letter apply to all services provided by us pursuant to the engagement, whether such services were performed or provided before or after the signing of the Engagement Letter. The Engagement Letter will remain in place and fully effective until varied or replaced by written agreement between us.

If you have any questions about the terms of this engagement, please do not hesitate to contact us. Please sign and return the attached copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities.



It is a pleasure for us to be of service and we look forward to many years of association with you.

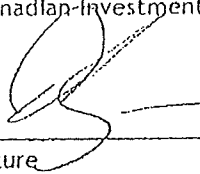
Yours truly,

BDO Canada LLP

Chartered Professional Accountants

Agreement of all the above terms, after full review, consideration and discussion of them, is hereby acknowledged by:

All Canadian Investment Corporation



Signature

Director

Position

Dec 14/15

Date



Appendix 1
Form of Report

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of All Canadian Investment Corporation

We have audited the accompanying financial statements of All Canadian Investment Corporation, which comprise of the balance sheet as at September 30, 2015, and the statements of operations and retained earnings and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Part V - prechangeover of Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as, evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of All Canadian Investment Corporation as at September 30, 2015 and its financial performance and its cash flows for the year then ended in accordance with Part V prechangeover to Canadian generally accepted accounting principles.

Chartered Professional Accountants

City, Province

Date



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Appendix 2 Standard Terms and Conditions

Introduction

Unless otherwise specifically agreed in the Engagement Letter, the Engagement Letter replaces any previous agreements between us in relation to or in contemplation of the Engagement and shall apply to any future engagements we carry out on your behalf unless varied or replaced. The Engagement Letter (which includes these Standard Terms and Conditions) constitutes the entire agreement between us. In entering into this Engagement Letter you acknowledge that you have not relied on, and shall have no right or remedy in respect of, any statement, representation, assurance or warranty (whether made negligently or innocently) other than as expressly set out in the Engagement Letter.

Independence

Professional and certain regulatory standards require us to be independent, in both fact and appearance, with respect to All Canadian Investment Corporation in the performance of our services. We will communicate in writing to the Board of Directors any relationships between BDO Canada LLP (including its related entities) and All Canadian Investment Corporation (including its related entities) that, in our professional judgment, may reasonably be thought to bear on our independence. Further, we will confirm our independence in writing.

Further, our independence rules require us to ensure that all professional services that we may provide to any entities in the corporate group are pre-approved by the Board of Directors. We agree not to perform any services without the pre-approval of the Board of Directors and you agree to implement appropriate policies and procedures to ensure that any services that we are asked to perform receive such pre-approval.

Conflict of Interests

We provide a wide range of services for a large number of clients and may be in a position where we are providing services to clients in the same industry as you who may represent competing commercial interests to you or whose interests may otherwise conflict with your own. We cannot be certain that we will identify all such situations that exist or may develop, and it is difficult for us to anticipate all situations that you might perceive to conflict. We therefore request that you notify us promptly of any potential conflict affecting the engagement contract of which you are, or become, aware.

Where the above circumstances are identified by us or you and we believe that your interests can be properly safeguarded by appropriate procedures, we will discuss and agree with you the arrangements that already may exist or that we will put in place to preserve confidentiality and to ensure that the advice and opinions which you receive from us are wholly independent of the advice and opinions that we provide to other clients.

Confidentiality

We will maintain the strictest confidence with respect to any client's or former client's information. Accordingly, your confidential information will not, without your consent, be disclosed to any individuals in our firm beyond those who are in the region through which you engaged our services and those individuals from other offices who are involved in performing services for you. Nor will it be disclosed without your consent to anyone outside the firm, with the exception that we proceed on the basis that we have your consent to disclose information required by judicial, regulatory or professional authority.



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Practice Inspections

As required by legal, regulatory or professional authorities (both in Canada and abroad) or by Firm policy, our client files must periodically be reviewed by practice inspectors to ensure that we are adhering to professional and Firm standards. We will proceed on the basis that we have your consent to provide our files relating to your engagement to these practice inspectors for the sole purpose of their inspection.

Other Matters

Personal Information

It is acknowledged that we will have access to all personal information in your custody that we require to complete our engagement. Our services are provided on the understanding that:

- you have obtained any required consents for collection, use and disclosure to us of personal information required under applicable privacy legislation; and
- we will hold all personal information in compliance with our Privacy Statement.

Electronic Communications

During the course of our audit, we may be required to communicate to you electronically by email or through the Internet. In some instances, electronic copies of your financial statements may be sent to you electronically or may be required by a regulatory body. As you are aware, there is security risk attached to these electronic communications (including human error). Please communicate with us regarding any issues or concerns you may have in this regard.

Dispute Resolution Procedures

If any dispute, controversy or claim arises in connection with the performance or breach of this agreement, either party may, upon written notice to the other party, request facilitated negotiations. Such negotiations shall be assisted by a neutral facilitator acceptable to both parties and shall require the best efforts of the parties to discuss with each other in good faith their respective positions and, respecting their different interests, to finally resolve such dispute.

Limitation of Liability

In any dispute, action, claim, demand for losses or damages arising out of the services performed by BDO Canada LLP pursuant to this engagement, BDO Canada LLP shall only be liable for its proportionate share of the total liability based on degree of fault as determined by a court of competent jurisdiction or by an independent arbitrator as a result of the dispute resolution procedures discussed previously, notwithstanding the provisions of any statute or rule of common law which create, or purport to create, joint and several liability.

Our liability shall be restricted to damages of a direct and compensatory nature and shall not include indirect, consequential, aggravated or punitive damages, or damages for loss of profits or expected tax savings.

Sole Recourse and Other BDO Member Firms

This engagement is between you and BDO Canada LLP only. The provisions of this clause shall only apply where, and to the extent, permitted by applicable laws.

If one of our affiliates carries out any work for you in relation to the services to which this engagement applies, our affiliates will do so as a subcontractor of BDO Canada LLP. BDO Canada LLP shall remain the contracting party and shall be the sole entity that is responsible to you, including for the work carried out by any of our affiliates.

Also, where appropriate, we may use other BDO Member Firms to assist us with the services to which this engagement applies. Notwithstanding the fact that the services may be carried out by other BDO Member Firms assisting us as supplemental providers of services and as



subcontractors of BDO Canada LLP ("BDO subcontractors"), you agree that BDO Canada LLP shall have sole liability for both its acts and/or omissions and also all acts and/or omissions of any BDO subcontractors and you agree that you shall bring no claims or proceedings of any nature whatsoever (whether in contract, tort, breach of statutory duty or otherwise) against any BDO subcontractors or BDO International entities (including, without limitation, BDO International Limited and Brussels Worldwide Services BVBA) or other BDO Member Firms in any way arising from, in respect of or in connection with the services or this engagement.

These exclusions shall not apply to any liability, claim or proceeding founded on an allegation of fraud or willful misconduct or other liability that cannot be excluded under applicable laws.

It is agreed that, unless otherwise specified, the limitation of liability and indemnification provisions in this engagement shall apply equally to BDO Canada LLP, our affiliates and any BDO subcontractors we may involve in the Services.

You agree that any of our affiliates and any BDO subcontractors whom we may involve in the services or BDO International entities or other BDO Member Firms shall each have the right to rely on and enforce the paragraphs above as if they were parties to this engagement.

Indemnity

Your corporation hereby agrees to indemnify, defend (by counsel retained and instructed by us) and hold harmless BDO Canada LLP and its partners, agents or employees, from and against any and all losses, costs (including solicitors' fees), damages, expenses, claims, demands or liabilities arising out of or in consequence of:

- the breach by your corporation, or its directors, officers, agents or employees, of any of the covenants made by your corporation herein, including, without restricting the generality of the foregoing, the misuse of, or the unauthorized dissemination of, our audit report or the financial statements in reference to which the audit report is issued, or any other work product

made available to you by our Firm; and

- the services performed by BDO Canada LLP pursuant to this engagement, unless, and to the extent that, such losses, costs, damages and expenses are found by a court of competent jurisdiction to have been due to the negligence of BDO Canada LLP. In the event that the matter is settled out of court, we will mutually agree on the extent of the indemnification to be provided by your corporation, failing which, the matter may be referred to dispute resolution in accordance with the terms of this letter.

Propriety of Working Papers

The working papers prepared in conjunction with our audit are the property of our Firm, constitute confidential information and will be retained by us in accordance with our Firm's policies and procedures.

Use and Distribution of Our Report

The examination of the financial statements and the issuance of our audit opinion are solely for the use of All Canadian Investment Corporation and those to whom our report is specifically addressed by us.

BDO Canada LLP makes no representations of any kind to any third party in respect of these financial statements and we accept no responsibility for their use by any third party.

If reproduction or publication of our report is planned in an annual report or other document, including electronic filings or posting of the report on a web site, a copy of the entire document should be submitted to us in sufficient time for our review before the publication or posting process begins.

Should the corporation wish to include the financial statements referred to above and our report thereon in a document proposed to be used in connection with a public or private offering of securities at some future date, please contact us immediately. We will consider our consent to the inclusion of our report in such a document at that time.



Fees

Our professional fees will be based on our regular billing rates which depend on the means by which and by whom our services are provided. We also will bill you for our out-of-pocket expenses, our internal charges for certain support activities, and applicable Goods and Services Tax, Provincial Sales Tax and Harmonized Sales Tax. Our internal charges are calculated at 5.0% of our professional fees and represent an allocation of estimated costs associated with general office services such as computer usage, telephone charges, facsimile transmissions, postage and photocopying. Fees for additional services will be established separately. Our fees are due when rendered.

Interest will be charged on all overdue accounts at the rate of 1% per month (12% per annum).

International BDO Network

The Firm is a member of the BDO International network. This network comprises independent firms (which use "BDO" as part of their business name) in many countries. These firms are associated BDO entities, but are separate legal entities.

No associated BDO entity is our agent or partner, and no associated BDO entity has authority to enter into any legal obligations on our behalf. If we introduce you to an associated BDO entity we do not accept any liability for work that they carry out on your behalf and you must make your own contractual arrangements with them directly.

We are not the agent or partner of any associated BDO entity and we do not have authority to enter into any legal obligations on their behalf.

Force Majeure

We will not be liable for any delays or failures in performance or breach of contract due to events or circumstances beyond our reasonable control, including acts of God, war, acts by governments and regulators, acts of terrorism, accident, fire, flood or storm or civil disturbance.

Severability

In the event that any part of these Terms of Business and the Engagement Letter of which they form part is held to be invalid or unenforceable, the remainder will continue in full force and effect.

Governing Laws and Termination

The above terms of our engagement shall remain operative until amended, terminated or superseded in writing. They shall be interpreted according to the laws of the Province of British Columbia and the laws of Canada applicable therein, and any disputes arising from this engagement shall be referred to the courts of British Columbia, which shall have exclusive jurisdiction.

It is possible that we may determine that we cannot render a report or complete the engagement. If, in our professional judgment, the circumstances require, we will notify you of our resignation from this engagement which shall conform to all applicable laws.

13

All Canadian Investment Corporation
 Outstanding Loans Receivable
 For year ended September 30, 2015

Account Description	Balance	Accrued Interest	Attention	Company
Allen 0911368 BC Ltd.	3,389,414.00	-	Les Allen	0911368 BC Ltd
Charleson Park	150,000.00		Legal Collections-	Clark Wilson - contact Anna Sekunova
Daniel Point Projects Lots	2,700,000.00		Don Bergman	All Canadian Investment Corporation
Hastings & Beta	6,415,223.99	-	Peter Censorio	Altezza Development Ltd.
Hastings & Carleton	1,137,147.35	-	Peter Censorio	Censorio Group (Hastings & Carleton) Holdings Ltd.
Lensen 50th Ave	402,158.28	-	Michael Lensen	N/A
Mendes	100,000.00	12,002.00	Joe Mendes	Seamont Investments Ltd.
Otter Bay	1,630,334.50	49,312.04	Joe Mendes	Seamont Investments Ltd.
Parmar	24,102.40	78.95	Ravi Parmar	N/A
Risler 400	650,000.00		Gary Risler	N/A
Risler 616796 BC Ltd.	700,000.00	89,753.46	Gary Risler	616796 BC Ltd
Risler P-Note	825,000.00		Gary Risler	N/A
Seamount Investment Ltd.	64,723.32		Joe Mendes	Seamont Investments Ltd.
Stonewater Motel	1,159,155.78		Terry Griffin	Stonewater Motel Ltd.
Sweet Dreams Motel	290,000.00	8,771.51	Joe Mendes	Seamont Investments Ltd.
Censorio Dev Corp	4,494,117.02	-	Peter Censorio	Censorio Development Corp
Chisa Holdings	67,952.00		Peter Censorio	Chisa Holdings Ltd
Chisa Properties	845,926.61		Peter Censorio	Chisa Properties Ltd.
Grant Manor	600,000.00	160,624.66	Joe Mendes	Seamont Investments Ltd.
Hastings 4719	2,065,691.00	-	Peter Censorio	Censorio Group (Hastings & Beta) Holdings Ltd.
Hastings 6715	1,059,899.87		Peter Censorio	Censorio Group (Hastings & Sperling) Holdings Ltd.
Agnes & Elliot	9,780,583.54	-	Peter Censorio	Censorio Group (Agnes & Elliot) Holdings Ltd.
Censorio Construction	40,000.00		Peter Censorio	Censorio Construction Group Ltd
Golden Buffalo	100,000.00	-	Don Wilson	Golden Buffalo Development Inc
I3 Design	30,000.00		Peter Censorio	I3 Design
Meridian Lodges	360,000.00		Les Allen	Meridian Reource Accommodations Inc.
Frederick	10,000.00	923.84	Bob Frederick	N/A
Weninger	100,000.00	3,024.65	Ron Weninger	N/A
	<u>39,191,429.66</u>	<u>324,491.11</u>		

This is Exhibit "B" referred to in the Affidavit of Jettred Johnson sworn (or affirmed) before me on 17 July 2014.

[Signature]
 A Commissioner for taking Affidavits for British Columbia

ZOE STEVENS
 A Notary Public in and for
 The Province of British Columbia
 #3 - 120 Harbourfront Drive NE
 Salmon Arm, BC V1E 2T3

Address		Email	
1910 - 1095 West Pender Street	Vancouver	BC V6E 2M6	les@meridianlodges.com
900-885 West Georgia Street	Vancouver	BC V6C 3H1	ads@cwilson.com
825 Lakeshore Drive, SW	Salmon Arm	BC V6E 2M6	dbergman@acicinvestor.ca
2410 Charles Street	Vancouver	BC V5K 2Z9	peter@censoriogroup.com
2410 Charles Street	Vancouver	BC V5K 2Z9	peter@censoriogroup.com
16529 108A Ave	Surrey	BC V4N 5B9	mlensen@telus.net
1770 - 650 West Georgia Street	Vancouver	BC V6B 4N9	mendesj@telus.net
1770 - 650 West Georgia Street	Vancouver	BC V6B 4N9	mendesj@telus.net
150- 14351 Burrows Road	Richmond	BC V6V 1K9	sennainc@telus.net
505-535 Nicola Street	Vancouver	BC V6G 3G3	grisler@shaw.ca
505-535 Nicola Street	Vancouver	BC V6G 3G3	grisler@shaw.ca
505-535 Nicola Street	Vancouver	BC V6G 3G3	grisler@shaw.ca
1770 - 650 West Georgia Street	Vancouver	BC V6B 4N9	mendesj@telus.net
15366 Hallowell Road	Ruby Lake	BC V0H 2H0	reservations@thestonewater.ca
1770 - 650 West Georgia Street	Vancouver	BC V6B 4N9	mendesj@telus.net
2410 Charles Street	Vancouver	BC V5K 2Z9	peter@censoriogroup.com
2410 Charles Street	Vancouver	BC V5K 2Z9	peter@censoriogroup.com
2410 Charles Street	Vancouver	BC V5K 2Z9	peter@censoriogroup.com
1770 - 650 West Georgia Street	Vancouver	BC V6B 4N9	mendesj@telus.net
2410 Charles Street	Vancouver	BC V5K 2Z9	peter@censoriogroup.com
2410 Charles Street	Vancouver	BC V5K 2Z9	peter@censoriogroup.com
2410 Charles Street	Vancouver	BC V5K 2Z9	peter@censoriogroup.com
2410 Charles Street	Vancouver	BC V5K 2Z9	peter@censoriogroup.com
1300 1500 Georgia Street	Vancouver	BC V6G 2Z6	donaldwilson@goldenbuffalo.ca
2410 Charles Street	Vancouver	BC V5K 2Z9	peter@censoriogroup.com
1910 - 1095 West Pender Street	Vancouver	BC V6E 2M6	les@meridianlodges.com
3585 West 34th Ave	Vancouver	BC V6N 2K7	bob@mvpfilm.com
1225 Mountain Ave	Kelowna	BC V1Y 7G9	r-e-weninger@telus.net

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2,932,630.14
150,000.00
2,700,000.00
7,036,645.42
1,403,972.93
320,311.12
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700,000.00
700,000.00
64,723.32
1,159,155.78
290,000.00
3,582,682.57
54,800.00
1,232,180.82
600,000.00
1,650,180.54
1,074,773.60
1,917,543.08

100,000.00

1,725,000.00
150,000.00
2,700,000.00
5,069,986.00
634,179.00
284,000.00
100,000.00
1,655,500.00
29,873.13
600,000.00
700,000.00
700,000.00
64,723.32
1,112,500.00
290,000.00
2,943,569.30
150,000.00
1,100,000.00
1,700,000.00
800,000.00
735,000.00
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77
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22
(63)
12
(65)
106
46
0

0

10

TITLE SEARCH PRINT
File Reference:
Declared Value \$1135000

2016-03-02, 09:48:46
Requestor: Cory Neil

CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN

Title Issued Under	STRATA PROPERTY ACT (Section 249)
Land Title District	NEW WESTMINSTER
Land Title Office	NEW WESTMINSTER
Title Number	CA4644606
From Title Number	CA4598561
Application Received	2015-08-31
Application Entered	2015-09-02
Registered Owner in Fee Simple	CENSORIO GROUP (HASTINGS & BETA) PROPERTIES LTD., INC.NO.
Registered Owner/Mailing Address:	BC1041190 4723 HASTINGS STREET BURNABY, BC V5C 2K8
Taxation Authority	CITY OF BURNABY
Description of Land	029-636-876
Parcel Identifier:	
Legal Description:	STRATA LOT 9 DISTRICT LOT 122 GROUP 1 NEW WESTMINSTER DISTRICT STRATA PLAN EPS2787 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V

This is Exhibit "C" referred to in the Affidavit of Jeffrey Johnson sworn (or affirmed) before me on 17 July 2018 (dd/mm/yyyy)

[Signature]

A Commissioner for taking Affidavits for British Columbia

ZOE STEVENS
A Notary Public in and for the Province of British Columbia
#3 - 120 Harbourfront Drive NE
Salmon Arm, BC V1E 2T3

Legal Notations

NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE CA2485785
FILED 2012-04-13

HERETO IS ANNEXED EASEMENT CA2803107 OVER LOT 70 PLAN 51204

HERETO IS ANNEXED EASEMENT CA2981777 OVER LOTS 32 AND 33
BLOCK 6 PLAN 1308



TITLE SEARCH PRINT

2016-03-02, 09:48:46

File Reference:

Requestor: Cory Neil

Declared Value \$1135000

Charges, Liens and Interests

Nature: EASEMENT
 Registration Number: CA2803106
 Registration Date and Time: 2012-10-03 11:01
 Remarks: INTER ALIA
 APPURTENANT TO LOT 70 PLAN 51204

Nature: EASEMENT
 Registration Number: CA2981776
 Registration Date and Time: 2013-02-04 14:20
 Remarks: INTER ALIA
 APPURTENANT TO LOTS 32 AND 33 BLOCK 6 PLAN 1308

Nature: COVENANT
 Registration Number: BB3009945
 Registration Date and Time: 2013-07-16 10:16
 Registered Owner: CITY OF BURNABY
 Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY
 Registration Number: CA3405202
 Registration Date and Time: 2013-10-16 11:19
 Registered Owner: BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
 Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY
 Registration Number: CA4226988
 Registration Date and Time: 2015-02-11 09:42
 Registered Owner: SHAW CABLESYSTEMS LIMITED
 INCORPORATION NO. A0075382
 Remarks: INTER ALIA

Nature:	MORTGAGE
Registration Number:	CA4645536
Registration Date and Time:	2015-08-31 13:16
Registered Owner:	BLUESHORE FINANCIAL CREDIT UNION INCORPORATION NO. (F1-18)
Remarks:	INTER ALIA

Nature: ASSIGNMENT OF RENTS
 Registration Number: CA4645537
 Registration Date and Time: 2015-08-31 13:16
 Registered Owner: BLUESHORE FINANCIAL CREDIT UNION
 INCORPORATION NO. (F1-18)
 Remarks: INTER ALIA



TITLE SEARCH PRINT

2016-03-02, 09:48:46

File Reference:

Requestor: Cory Neil

Declared Value \$1135000

Nature:	MORTGAGE
Registration Number:	CA4779143
Registration Date and Time:	2015-10-30 10:18
Registered Owner:	BANCORP GROWTH MORTGAGE FUND II LTD. INCORPORATION NO. BC0856914
Remarks:	INTER ALIA

Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA4779144
Registration Date and Time:	2015-10-30 10:18
Registered Owner:	BANCORP GROWTH MORTGAGE FUND II LTD. INCORPORATION NO. BC0856914
Remarks:	INTER ALIA

Duplicate Indefeasible Title NONE OUTSTANDING

Transfers NONE.

Pending Applications NONE

23

TITLE SEARCH PRINT

2016-03-18, 16:49:31

File Reference:

Requestor: Cory Neil

Declared Value \$733151

CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN

Title Issued Under STRATA PROPERTY ACT (Section 249)

Land Title District NEW WESTMINSTER
Land Title Office NEW WESTMINSTER


Title Number CA3465489
From Title Number CA2621539

Application Received 2013-11-20

Application Entered 2013-11-27

Registered Owner in Fee Simple
Registered Owner/Mailing Address:

ALTEZZA PROPERTIES LTD., INC.NO. BC0942072
2410 CHARLES STREET
VANCOUVER, BC
V5K 2Z9

This is Exhibit "D" referred
to in the Affidavit of
Jeffrey Johnson
sworn (or affirmed) before me on
17 / JUN / 2019
[dd/mm/yyyy]

A Commissioner for taking Affidavits
for British Columbia

ZOË STEVENS
A Notary Public in and for
The Province of British Columbia
#3 - 120 Harbourfront Drive NE
Salmon Arm, BC V1E 2T3

Taxation Authority CITY OF BURNABY

Description of Land

Parcel Identifier: 028-874-391

Legal Description:
STRATA LOT 2 DISTRICT LOT 122 GROUP 1 NEW WESTMINSTER DISTRICT
STRATA PLAN EPS675
TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT
ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V

Legal Notations NONE

Charges, Liens and Interests

Nature: STATUTORY RIGHT OF WAY
Registration Number: BB1757158
Registration Date and Time: 2011-05-18 12:25
Registered Owner: BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
Remarks: INTER ALIA

24

TITLE SEARCH PRINT

2016-03-18, 16:49:31
Requestor: Cory Nell

File Reference:
Declared Value \$733151

Nature: COVENANT
Registration Number: BB1331047
Registration Date and Time: 2011-06-20 12:52
Registered Owner: CITY OF BURNABY
Remarks: INTER ALIA

Nature: COVENANT
Registration Number: BB1331049
Registration Date and Time: 2011-06-20 12:52
Registered Owner: CITY OF BURNABY
Remarks: INTER ALIA

Nature: EASEMENT
Registration Number: BB1968549
Registration Date and Time: 2011-07-06 14:34
Remarks: INTER ALIA
APPURTENANT TO LOTS 5, 6, 7, 8 AND 9
PLAN 1308, EXCEPT THE NORTH 20 FEET

Nature: MORTGAGE
Registration Number: CA3465490
Registration Date and Time: 2013-11-20 15:29
Registered Owner: NORTH SHORE CREDIT UNION
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS
Registration Number: CA3465491
Registration Date and Time: 2013-11-20 15:29
Registered Owner: NORTH SHORE CREDIT UNION
Remarks: INTER ALIA

Nature: MORTGAGE
Registration Number: CA4779143
Registration Date and Time: 2015-10-30 10:18
Registered Owner: BANCORP GROWTH MORTGAGE FUND II LTD.
INCORPORATION NO. BC0856914
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS
Registration Number: CA4779144
Registration Date and Time: 2015-10-30 10:18
Registered Owner: BANCORP GROWTH MORTGAGE FUND II LTD.
INCORPORATION NO. BC0856914
Remarks: INTER ALIA

25

TITLE SEARCH PRINT

2016-03-18, 16:49:31

File Reference:

Requestor: Cory Nell

Declared Value \$733151

Duplicate Indefeasible Title

NONE OUTSTANDING

Transfers

NONE

Pending Applications

NONE

TITLE SEARCH PRINT

2016-03-18, 16:49:33

File Reference:

Requestor: Cory Neil

Declared Value \$1266849

CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN

Title Issued Under STRATA PROPERTY ACT (Section 249)

Land Title District NEW WESTMINSTER
Land Title Office NEW WESTMINSTER

Title Number CA3465488
From Title Number CA2621538

Application Received 2013-11-20

Application Entered 2013-11-27

Registered Owner in Fee Simple
Registered Owner/Mailing Address: ALTEZZA PROPERTIES LTD., INC.NO. BC0942072
2410 CHARLES STREET
VANCOUVER, BC
V5K 2Z9

Taxation Authority CITY OF BURNABY

Description of Land
Parcel Identifier: 028-874-382
Legal Description:
STRATA LOT 1 DISTRICT LOT 122 GROUP 1 NEW WESTMINSTER DISTRICT
STRATA PLAN EPS675
TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT
ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V

Legal Notations NONE

Charges, Liens and Interests
Nature: STATUTORY RIGHT OF WAY
Registration Number: BB1757158
Registration Date and Time: 2011-05-18 12:25
Registered Owner: BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
Remarks: INTER ALIA

TITLE SEARCH PRINT

2016-03-18, 16:49:33

File Reference:

Requestor: Cory Nell

Declared Value \$1266849

Nature: COVENANT
 Registration Number: BB1331047
 Registration Date and Time: 2011-06-20 12:52
 Registered Owner: CITY OF BURNABY
 Remarks: INTER ALIA

Nature: COVENANT
 Registration Number: BB1331049
 Registration Date and Time: 2011-06-20 12:52
 Registered Owner: CITY OF BURNABY
 Remarks: INTER ALIA

Nature: EASEMENT
 Registration Number: BB1968549
 Registration Date and Time: 2011-07-06 14:34
 Remarks: INTER ALIA
 APPURTENANT TO LOTS 5, 6, 7, 8 AND 9
 PLAN 1308, EXCEPT THE NORTH 20 FEET

Nature:	MORTGAGE
Registration Number:	CA3465490
Registration Date and Time:	2013-11-20 15:29
Registered Owner:	NORTH SHORE CREDIT UNION
Remarks:	INTER ALIA

Nature: ASSIGNMENT OF RENTS
 Registration Number: CA3465491
 Registration Date and Time: 2013-11-20 15:29
 Registered Owner: NORTH SHORE CREDIT UNION
 Remarks: INTER ALIA

Nature:	MORTGAGE
Registration Number:	CA4779143
Registration Date and Time:	2015-10-30 10:18
Registered Owner:	BANCORP GROWTH MORTGAGE FUND II LTD. INCORPORATION NO. BC0856914
Remarks:	INTER ALIA

Nature: ASSIGNMENT OF RENTS
 Registration Number: CA4779144
 Registration Date and Time: 2015-10-30 10:18
 Registered Owner: BANCORP GROWTH MORTGAGE FUND II LTD.
INCORPORATION NO. BC0856914
 Remarks: INTER ALIA

20

TITLE SEARCH PRINT

2016-03-18, 16:49:33

File Reference:

Requestor: Cory Neil

Declared Value \$1266849

Duplicate Indefeasible Title NONE OUTSTANDING

Transfers NONE

Pending Applications NONE



Tel: 250 832 7171
Fax: 250 832 2429
www.bdo.ca

BDO Canada LLP
201 - 571 6th Street NE
Salmon Arm BC V1E 1R6 Canada

Current File

29

March 30, 2015

All Canadian Investment Corporation
825 Lakeshore Drive SW
Salmon Arm BC V1E 1E4

Dear Don Bergman:
Re: Management Letter

All Canadian Investment Corporation

During the course of our audit of the financial statements of All Canadian Investment Corporation ("ACIC") for the year ended September 30, 2014, we identified matters which may be of interest to management. The objective of an audit is to obtain reasonable assurance whether the financial statements are free of any material misstatement and it is not designed to identify matters that may be of interest to management in discharging its responsibilities. Accordingly an audit would not usually identify all such matters.

The comments and concerns expressed herein did not have a material effect on the Company's financial statements and, as such, our opinion thereon was without reservation. However, in order for the Company to ensure the safeguarding of its assets and the accuracy of its records, we believe our comments and concerns should be taken into consideration by management. Our comments are not intended to reflect upon the honesty or competence of the Company's employees.

The matters we have identified are discussed in the attached appendices.

This communication is prepared solely for the information of management and is not intended for any other purposes. We accept no responsibility to a third party who uses this communication.

We would like to express our appreciation for the cooperation and assistance, which we received during the course of our audit, from Elaine Carelse.

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

Jeffrey Johnson
sworn (or affirmed) before me on

17 / July / 2014
(dd/mm/yyyy)

ZOE STEVENS

A Commissioner for taking Affidavits
for British Columbia

ZOE STEVENS

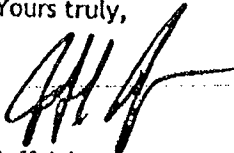
A Notary Public in and for
The Province of British Columbia
#3 - 120 Harbourfront Drive NE
Salmon Arm, BC V1E 2T3

BDO

30

We shall be pleased to discuss with you further any matters mentioned in this report at your convenience.

Yours truly,



Jeff Johnson, CA
Partner through a corporation
BDO Canada LLP
Chartered Accountants

JJJ/ks/lh

All Canadian Investment Corporation

Appendix 1

Summary of Matters Identified

September 30, 2014

Corporate Governance

In today's corporate environment, it is becoming increasingly common for companies to implement a system of corporate governance to ensure that they are meeting their objectives of effective and efficient operations, reliability of external and internal reporting, and effective risk management and decision-making. We recommend that your Board consider adopting corporate governance policies. If necessary, we can provide you with some background literature on this topic and can assist you in setting up a system.

Status of IFRS Conversion

Management has not started international financial reporting standards ("IFRS") conversion which is jeopardizing their ability to comply with Canadian general accepted accounting principles ("GAAP") requirements and our ability to report in the future. Failure to adopt IFRS may also violate laws or regulations applicable to the Company (possible illegal act).

Past Due Agreements

During the course of our audit, it was noted that multiple loan/mortgage agreements are past due. It is important to maintain current, accurate agreements for all outstanding loans and mortgages receivable to ensure ACIC will be able to seek legal recourse in the event of a default. We recommend that you obtain signed, updated agreements prior to the expiry of all loans and mortgages receivable should you decide to renew rather than call these debts.

Cash Flow and Liquidity Concerns

Over the past few years, we have noted that the financial health of ACIC appears to be declining. For a variety of reasons, the company has been experiencing difficulties maintaining positive cash flows without the assistance of external financing. Although the Company's Offering Memorandum states that it is not required to pay quarterly dividends, we wonder about the ability of ACIC to continue operating as a going concern should it fail to compensate its shareholders on a regular basis. We recommend that steps be taken to improve collection of principal and interest on the loans and mortgages outstanding; this will help ensure the continued success of the Company as well as simplify the audit and reporting process.

Continuity of Warrants

During the course of the audit, it was noted that there is no schedule of outstanding warrants. The schedule should include:

- Expiration date of all outstanding warrants at the end of the year;
- Warrants that have expired during the year; and
- Warrants issued for the year.

Funds Extended Prior to Agreement

During the course of the audit, it was noted that funds were extended to a borrower prior to having a loan agreement in place. It is important to have agreements in place to ensure ACIC will be able to seek legal recourse in the event of dispute with the borrower. We recommend that you obtain signed agreements prior to extending funds to borrowers.

Mortgage Investment Corporation Status

During the course of the audit, it was noted that the Company is close to not meeting the criteria that 50% of loans are secured by residential properties. It is important to maintain Mortgage Investment Corporation status since many investors rely on maintaining RRSP status. We recommend that proper security for residential properties be obtained to ensure status as a Mortgage Investment Corporation can continue.

Equitable Mortgages

During the course of the audit, it was noted that in some mortgage agreements it was unclear on the intent of the parties being that the mortgage is intended to continue as an equitable mortgage. If these intentions are not made clear there is a risk that some mortgages may not qualify as a secured mortgage and threaten the Mortgage Investment Corporation requirements under the tax act. We recommend that an agreement be entered into between ACIC and the borrower in each case which clearly states the intent of the parties being that the mortgage is intended to continue as an equitable mortgage and that a legal or registrable mortgage will be granted by the borrower upon demand.



Tel: 250 832 7171
Fax: 250 832 2429
www.bdo.ca

BDO Canada LLP
571 6th Street NE, Suite 201
Salmon Arm BC V1E 1R6 Canada

March 29, 2016

All Canadian Investment Corporation
2 -781 Marine Park Drive
Salmon Arm, BC V1E 2W7

Attention: Don Bergman

Re: 2015 Year End Audit

During the course of audit work on All Canadian Investment Corporation's fiscal 2015 financial statements we have become concerned with the Corporation's loan investment processes. Our concerns are such that we are resigning from our appointment as All Canadian Investment Corporation's auditors effective immediately. We will not be reporting upon the Corporation's fiscal 2015 financial statements.

We wish All Canadian Investment Corporation success in its future endeavors.

Yours truly,

BDO Canada LLP

Chartered Professional Accountants

JJJ/ch

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

Jeffrey Johnson
sworn (or affirmed) before me on

17 / July / 2016

(dd/mm/yyyy)

[Signature]

A Commissioner for taking Affidavits
for British Columbia

ZOE STEVENS
A Notary Public in and for
The Province of British Columbia
#3 - 120 Harbourfront Drive NE
Salmon Arm, BC V1E 2T3



SANDYKE & COMPANY
Chartered Professional Accountant

November 10, 2016

All Canadian Investment Corporation
2 - 781 Marine Park Drive NE
Salmon Arm, BC
V1E 2W7

Dear Mr. Don Bergman:

Since I have been appointed your accountant, I feel that to provide the level of professional services you require it would be in your best interest, as my valued client, to allow me to assist in queries from your bank, lawyer, insurance agents, governmental agencies and previous auditor/accountant.

To allow me to perform my function in a professional manner I would appreciate your authority to:

1. Answer queries from your lawyer and transmit to the records office of the company, copies of your financial statements as required by the Companies Act.
2. Answer queries from your banker and transmit to your bank copies of your financial statements as required by them.
3. Answer queries from your insurance agent, but only insofar as is necessary to determine that you have adequate insurance coverage.
4. Answer queries from government auditors who have authority to review the books and records of the company under both federal and provincial regulations and statutes, and to transmit such tax filings, reports, and financial statements as required by law.
6. Receive information from your previous auditor/accountant.

Release of information by me will be restricted to the above unless I have your authority to assist or disclose information in other areas as you may require from time to time from me in my capacity as your professional accountant.

Yours truly,

Sandyke & Company CPA

Troy Sandyke, BBA, CPA, CGA

CONFIRMATION:

The releases set out in the above letter are in accordance with our requirements and we hereby agree to the terms and conditions of the release of the above specifically documented information as applicable.

Don Bergman, Director
All Canadian Investment Corporation

Nov 10, 2016
Date

This is Exhibit 6 referred to in the Affidavit of Jeffrey Johnson sworn (or affirmed) before me on 17 July 2018

[Signature]
A Commissioner for taking Affidavits for British Columbia **ZOE STEVENS**
A Notary Public in and for The Province of British Columbia
#3 - 120 Harbourfront Drive NE
Salmon Arm, BC V1E 2T3



CDA

CHARTERED PROFESSIONAL ACCOUNTANT

Suite 6-237 6th Avenue
Kamloops, BC

Ph: 250.434.1182 Fax: 250.434.6642
info@sandykecpa.ca
www.sandykecpa.ca



SANDYKE & COMPANY
Chartered Professional Accountant

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November 10, 2016

BDO Canada LLP
#201-571 6th Street NE
Salmon Arm, BC
V1E 1R6

Re: All Canadian Investment Corporation

We have been approached by All Canadian Investment Corporation who has requested our firm to act as their accountants. The CPA Code of Ethical Principles and Rules of Conduct states, in part:

A member engaged in the practice of public accounting shall, before accepting an appointment to replace another professional accountant or firm, inquire from such other person or firm in writing whether there is any professional reason why such appointment should not be accepted.

We enclose a letter from the All Canadian Investment Corporation authorizing you to release information to us.

Accordingly, please advise whether or not there is any reason which may preclude our acceptance of this appointment, or any information that may influence our decision. We would appreciate your response in writing.

Should there be no professional reason that would preclude our acceptance of this appointment, we request that you advise us of any information of which we should be aware.

We would greatly appreciate your sending of these to us by email at service@sandykecpa.ca or by fax at 250-434-6542 at your earliest convenience. Thank you for your assistance.

Your prompt response is requested.

Yours truly,

Sandyke & Company CPA

Troy Sandyke, BBA, CPA, CGA

Enclosure



CDA

CHARTERED
PROFESSIONAL
ACCOUNTANT

Suite 6-237 6th Avenue
Kamloops, BC

Ph: 250.434.1182 Fax: 250.434.6542
info@sandykecpa.ca



Tel: 250 832 7171
Fax: 250 832 2429
www.bdo.ca

BDO Canada LLP
201 - 571 6th Street NE
Salmon Arm, BC V1E 1R6
Canada

Fax

To:	Troy Sandyke	From:	Jeff Johnson, CPA, CA
Company:	Sandyke & Company	Date:	Nov. 23, 2016
Fax No:	250-434-6542		
Number of Pages	2 (including cover)	Operator:	Cathy Hodgson

Re: All Canadian Investment Corporation ("ACIC")

Please see the attached correspondence. Please contact our office if you have any questions.
Thank you.

This is exhibit "H" referred
to in the Affidavit of
Jeffrey Johnson
sworn (or affirmed) before me on
17 / July / 2018
[Signature]
(dd/mm/yyyy)
A Commissioner for taking Affidavits
for British Columbia

ZOË STEVENS
A Notary Public in and for
The Province of British Columbia
#3 - 120 Harbourfront Drive NE
Salmon Arm, BC V1E 2T3

The information contained in this communication is confidential and intended only for the use of those to whom it is addressed. If you have received this communication in error, please notify me by telephone (collect if necessary) and delete or destroy any copies of it. Thank you.

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BDO Canada LLP
571 6th Street NE, Suite 201
Salmon Arm BC V1E 1R6 Canada

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November 23, 2016

Sandyke & Company CPA
Suite 6, 237 - 6 Avenue
Kamloops, BC V2C 3R2

Dear Mr. Sandyke:

Re: All Canadian Investment Corporation ("ACIC")

We are writing in response to your letter of November 10, 2016. We resigned as auditors of ACIC on March 29, 2016 without having completed an audit of the corporation's fiscal 2015 financial statements. The reason for our resignation was stated in a letter of that date sent to the attention of Mr. Don Bergman. We suggest that you request a copy of the letter from Mr. Bergman and make enquiries of him in regard to the stated reason.

Yours truly,

Jeff Johnson, CPA, CA
Partner through a corporation
BDO Canada LLP
Chartered Professional Accountants

JJJ//ch

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