



# OFFERING MEMORANDUM

April 25, 2026



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## **OFFERING MEMORANDUM**

**Date:** April 25, 2026

### **The Issuer**

**Name:** **CANGUARD MORTGAGE INVESTMENT CORPORATION**  
(the "**Company**" or the "**Issuer**")

Head Office: 1205 - 1055 W Hastings St  
Vancouver, British Columbia, V6E 2E9

Tel: (604) 595-2625

Website: [canguard.ca](http://canguard.ca)

Email: [info@canguard.ca](mailto:info@canguard.ca)

Currently listed or quoted: **No. These securities do not trade on any exchange or market.**

Reporting issuer: No. The Company is not a reporting issuer under applicable securities legislation (as such term is defined herein).

SEDAR filer: No (other than reports of exempt distributions in certain jurisdictions).

### **The Offering**

Securities offered: Class A Non-Voting Preferred Shares of the Company ("**Offered Shares**")

Price per security: \$1.00 per Offered Share

Minimum/Maximum Offering: **There is no minimum. You may be the only Subscriber. Funds available under the Offering may not be sufficient to accomplish our proposed objectives. See Item 2.6 – "Sufficiency of Funds".**

Minimum subscription amount: The minimum initial subscription amount is 10,000 Offered Shares (\$10,000). The Company may waive this minimum initial subscription amount, in its sole discretion. There is no minimum subscription amount for subsequent subscriptions. See Item 5.2 – "Subscription Procedure".

Payment terms: The full subscription price is due on closing. See Item 5.3 – "The Subscription Agreement".

Proposed closing date(s): Closing dates will be determined from time to time by the Company, as subscriptions are received. See Item 5.2 – "Subscription Procedure".

Income tax consequences: There are important tax consequences to these securities. See Item 6.2 – "Income Tax Consequences".

Compensation Paid to Sellers and Finders: A person has received or will receive compensation for the sale of securities under the Offering.

On April 2, 2020, the Company engaged Kite Financial Solutions Ltd. as its exempt market dealer for the distribution of the Offered Shares on a best effort basis in consideration of a fixed fee of \$17,000 paid monthly by the manager. In addition to Kite Financial Solutions Ltd., the Company may engage and pay fees to one or more other arm's length exempt market

dealers and/or dealers regulated by and members of Canadian Investment Regulatory Organization or any successor organization, which fees will be paid from the gross proceeds of the Offering. See Item 7 – "Compensation Paid to Sellers and Finders".

Connected Issuer: Kite Financial Solutions Ltd. is a registered "exempt market dealer" (as such term is defined in National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations*) in British Columbia and Alberta and is a selling agent in respect of the Offering. As a result, the Company is a "connected issuer" and a "related issuer" (as those terms are defined in National Instrument 33-105 *Underwriting Conflicts*) to Kite Financial Solutions Ltd. See Item 7 - "Compensation Paid to Sellers and Finders".

### **Insufficient Funds**

Funds available under the offering may not be sufficient to accomplish the proposed objectives. See Item 2.6 – "Insufficient Funds".

### **Resale restrictions**

You will be restricted from selling your securities for an indefinite period. See Item 10 – "Resale Restrictions".

### **Payments to Related Party**

Some of your investment will be paid to a related party of the Company. See Item 1.2 – "Use of Available Funds".

### **Conditions on Repurchases**

**You will have a right to require the Company to repurchase the securities from you, but this right is qualified by a specified price and restrictions. As a result, you might not receive the amount of proceeds that you want. See Item 5.1 – "Terms of Securities".**

### **Subscriber's rights**

You have 2 business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this Offering Memorandum, you have a right to damages or to cancel the agreement. See Item 11 – "Subscriber's Rights".

Purchasers of Offered Shares ("**Subscribers**") pursuant to this Offering Memorandum are granted certain rights of action for damages or rescission described herein. See Item 11 – "Subscriber's Rights".

**No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. This is a risky investment. See Item 8 – "Risk Factors".**

**You should thoroughly review this Offering Memorandum and are advised to consult with your own legal and tax advisors concerning this investment, including with respect to the complete details of the exemptions from the prospectus requirements of applicable securities legislation being relied upon and the consequences of purchasing the securities being offered hereunder pursuant to such exemptions.**

This Offering Memorandum does not constitute and may not be used for or in conjunction with, an offer or solicitation by anyone in any jurisdiction or in any circumstances in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. You are directed to inform yourself of and observe such restrictions and all legal requirements of your jurisdiction of residence in respect of the acquisition, holding and disposition of the securities offered hereby.

The Offered Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state applicable securities legislation, and may not be offered or sold in the United States or to, or for the account or benefit of U.S. Persons (as such term is defined in Regulation S under the U.S. Securities Act) except in



compliance with the registration requirements of the U.S. Securities Act and applicable state applicable securities legislation or pursuant to an exemption therefrom.

The securities offered hereby will be issued only on the basis of information contained in this Offering Memorandum and provided by the Company in writing and no other information or representation is authorized or may be relied upon as having been authorized by the Company. Any subscription for the securities offered hereby made by any person on the basis of statements or representations not contained in this Offering Memorandum or so provided, or inconsistent with the information contained herein or therein, shall be solely at the risk of such person. Neither the delivery of this Offering Memorandum at any time nor any sale to you of any of the securities offered hereby shall, under any circumstances, constitute a representation or create any implication that there has been no change in the business and affairs of the Company since the date hereof or that the information contained herein is correct as of any time subsequent the date hereof.

There is no market through which the Offered Shares may be sold and no such market is expected to develop as a consequence of the subscription.

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## **General:**

### **CURRENCY**

All dollar amounts stated in this Offering Memorandum are expressed in Canadian currency, except where otherwise indicated.

### **INTERPRETATION**

Words importing the singular number only include the plural and vice versa, and words importing the masculine, feminine or neuter gender include the other genders. "Issuer", "Company", "we", "us" and "our" shall at all times refer to Canguard Mortgage Investment Corporation and terms such as "you" and "your" shall at all times refer to Subscribers who purchase Offered Shares.

### **FORWARD LOOKING STATEMENTS**

This Offering Memorandum contains certain statements or disclosures that may constitute forward-looking information under applicable securities legislation and the respective regulations, rules and policies and orders thereunder and all applicable published orders and rulings (collectively, "**applicable securities legislation**") of the applicable jurisdictions, securities commissions or similar regulatory authority ("**securities regulatory authorities**").

Forward-looking statements may be identified by the use of words like "believes", "intends", "expects", "may", "will", "should", "estimates" or "anticipates", or the negative equivalents of those words or comparable terminology, and by discussions of strategies that involve risks and uncertainties. All forward-looking statements are based on the Company's current beliefs as well as assumptions made by and information currently available to the Company and relate to, among other things, anticipated financial performance; prospects; strategies; the nature of the Company's operations; sources of income; forecasts of capital expenditures and the sources of the financing thereof; expectations regarding the ability of the Company to raise capital; intentions regarding the use of available funds and working capital; expectations with respect to compensation under various agreements and remuneration to the Company's directors and officers; intentions regarding terms of and requirements for loans; expectations regarding rates of return on loans; intentions regarding dividends; intentions respecting the Company's status as a mortgage investment corporation under the Tax Act (as defined herein); intentions regarding the expansion of capital raising; expectations regarding yields on mortgage investments; the Company's outlook; plans and objectives for future operations; forecast results; and anticipated financial performance.

The risks and uncertainties of the Company's activities, including, but not limited to, those discussed under Item 9 – "Risk Factors", could cause the Company's actual results and experience to differ materially from the anticipated results or other expectations expressed. In addition, the Company bases forward-looking statements on assumptions about future events, which may not prove to be accurate. In light of these risks, uncertainties and assumptions, prospective Subscribers should not place undue reliance on forward-looking statements and should be aware that events described in the forward-looking statements set out in this Offering Memorandum may not occur.

The Company cannot assure prospective Subscribers that its future results, levels of activity and achievements will occur as the Company expects, and neither the Company nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Except as required by law, the Company assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Subscribers are urged to read "Risk Factors" for a discussion of other factors that will impact the operations and success of the Company.

### **DOCUMENTS INCORPORATED BY REFERENCE**

Any documents of the type referred to in NI 45-106 to be incorporated by reference in an Offering Memorandum, including any marketing materials that are effective after the date of this Offering Memorandum and before the termination of the Offering, are deemed to be incorporated by reference in this Offering Memorandum. Copies of the documents incorporated herein by

reference may be obtained on request without charge from the Issuer at its registered office at 2600 – 1066 West Hastings Street, Vancouver, BC, V6E 3X1.

**Any statement contained in this Offering Memorandum or in a document incorporated or deemed to be incorporated by reference herein is deemed to be modified or superseded for the purposes of this Offering Memorandum to the extent that a statement contained herein or in any other subsequently filed document which also is, or is deemed to be, incorporated by reference herein, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement is not deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded is not deemed, except as so modified or superseded, to constitute a part of this Offering Memorandum.**

Other than to the extent deemed incorporated in this Offering Memorandum under applicable securities legislation, information contained or otherwise accessed through the Issuer's website or any website does not form part of this Offering Memorandum or the Offering.

## Item 1 - Use of Available Funds

### 1.1 Funds

The funds available as a result of this Offering would be as follows:

		Assuming min. Offering	Assuming max. Offering
A	Amount to be raised by this Offering	\$0	\$50,000,000 <sup>[1]</sup>
B	Selling commissions and fees <sup>[2]</sup>	\$0	\$0
C	Estimated Offering costs (including legal, accounting, audit, etc.)	(\$25,000)	(\$25,000)
D	Net Proceeds: D=A-(B+C)	(\$25,000)	\$49,975,000
E	Additional sources of funding required	\$0	\$0
F	Working capital deficiency	\$0	\$0
G	Total: G = (D + E) – F	(\$25,000)	\$49,975,000

Note:

- There is no minimum or maximum offering. The amounts shown under "Assuming maximum offering" are for illustrative purposes only based on an assumed maximum offering of 50,000,000 Preferred Shares. As at the date of this Offering Memorandum, 301,755,066 Class A Preferred Shares are issued and outstanding.
- The Company intends to sell the Class A Shares through Kite Financial Solutions Ltd., which is an exempt market dealer registered in Alberta and British Columbia. Kite Financial Solutions Ltd shall be paid by the manager, Quantum Pacific Management Ltd., a monthly fixed fee of \$17,000, which is not included in the table above. In addition to Kite Financial Solutions Ltd., the Company may engage and pay fees to one or more other arm's length exempt market dealers and/or dealers regulated by and members of Canadian Investment Regulatory Organization or any successor organization, which fees will be paid from the gross proceeds of the Offering. It is not expected that a sales commission (or fee) will be payable to the Company when you purchase Preferred Shares. However, if you acquire Preferred Shares through a registered dealer, your dealer may charge you a sales commission or fee at a rate to be negotiated between you and your dealer.

### 1.2 Use of Available Funds

We will use the available funds of this Offering as follows:

Description of Intended Use of Net Proceeds	Assuming min. Offering	Assuming max. Offering <sup>[1]</sup>
To provide loans secured by mortgages and other permitted investments, which follow our Investment Guidelines (as defined herein). See Item 2.2.5 – "Investment Guidelines".	\$0	\$49,975,000

Notes:

- There is no minimum or maximum offering. The amounts shown under "Assuming maximum offering" are for illustrative purposes only based on an assumed maximum offering of 50,000,000 Preferred Shares. As at the date of this Offering Memorandum, 301,755,066 Class A Preferred Shares are issued and outstanding.

### 1.3 Reallocation

We intend to spend the available funds as stated; however, there may be circumstances where a reallocation of funds may be necessary. We will reallocate funds only for sound business reasons.

## Item 2 - Business of the Company

### 2.1 Structure

The Company is a corporation that was incorporated under the *Business Corporations Act* (British Columbia) on February 24, 2011. The registered and records offices of the Company is located at 2600 – 1066 West Hastings Street, Vancouver, BC, V6E 3X1. The head office of the Company is located at 1205 – 1055 West Hastings Street, Vancouver, BC, V6E 2E9. The Company is registered under the *Mortgage Brokers Act* (British Columbia) and, if required, will register under equivalent legislation of any jurisdiction in which the Company carries on business in the future.

### 2.2 Our Business

#### 2.2.1 Overview

The Company currently satisfies all of the criteria of a mortgage investment corporation ("**MIC**") under the *Income Tax Act* (Canada) (the "**Tax Act**") and carries on the business (the "**Business**") of providing loans to owners and developers of residential, commercial, office, industrial and other real estate projects which are secured by way of mortgages on such real estate projects. Such projects are generally located in urban or suburban centres in British Columbia and Alberta. We do not intend to provide loans for mortgages against real property located outside of Canada.

We have developed administrative procedures and systems for offering prompt loan and mortgage approvals within time frames not generally available through institutional lenders. We focus our lending criteria on the critical issues that permits the Company to provide loans and loan amounts that are often not available through institutional lenders. See 2.2.4 "Operations" and 2.3 "Development of the Business" for details on type of properties, geographical focus, mortgage terms and priority ranking of mortgages.

Operating as a MIC will qualify for special tax treatment pursuant to the Tax Act. As a MIC, the Company is allowed deductions from income in respect of dividends it pays. The Company intends to pay out all of its net income as dividends and as a result does not anticipate paying any income tax. The Company's Articles require that, as profits allow, the directors of the Company (the "**Directors**") shall pay all profits of the Company to the holders of Class A Preferred Shares (as defined herein; "**Class A Shareholders**"). The holders of the Class B Common Shares (as defined herein; the "**Class B Shareholders**") do not have the right to receive any dividends. It is expected that such dividends will be distributed quarterly based on a calendar year. The Class A Shareholders may elect to receive dividends by way of either cash or additional Class A Preferred Shares of the Company. See Item 6.2 – "Income Tax Consequences" and Item 5.1 – "Terms of Securities".

The Company may register to carry on business as a MIC in other provinces of Canada.

### **2.2.2 Rate of Return on Investment**

The rate of return our Class A Shareholders receive on their investment is determined quarterly, based on the net income reported on the Company's quarterly statement of financial position. The quarterly performance for the four quarters ending on March 31, 2026, and the historical five (5) year effective annualized yield on investments can be found below.

*Summary of Quarterly Performance for the last 12 months:*

	Quarter ended March 31, 2026	Quarter ended December 31, 2025	Quarter ended September 30, 2025	Quarter ended June 30, 2025
	(%)	(%)	(%)	(%)
Quarterly Performance <sup>(1) (2)</sup>	8.70	9.00	9.05	9.10

*The following table shows the Company's annual rate of return for the last 10 fiscal years and the period ended March 31, 2026. The annual rate of return for each period is determined based on the Company's adjusted net income for the period divided by the weighted average number of outstanding shares during the period. Past performance is not indicative of future returns.*

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026 <sup>[3]</sup>
Annual return <sup>(1) (2)</sup>	9.00%	9.00%	8.70%	8.45%	8.02%	7.46%	8.37%	10.70%	10.73%	9.48%	8.70%

**Notes:**

- (1) The factors which affect the amount of such returns (expressed in the above 2 tables) are described in Item 8 – "Risk Factors". The rates of return above are the effective annual yield of our portfolio. Due to rounding and other factors, the above effective annual yields may not reflect the exact return received by any one Class A Shareholder. Furthermore, there is no guarantee that such rates of return will continue, or that Class A Shareholders will receive similar returns in future years.
- (2) The rate of annualized return has been rounded to the nearest hundredth of a decimal position.
- (3) Information for 2026 reflects only the three months ended March 31, 2026.

### **2.2.3 Investment Objectives and Strategy**

Our investment objective is to make prudent investments in Mortgages, which provide financing for real estate within BC and Alberta, creating capital preservation and strong cash flow with quarterly dividend distribution for investors. Our strategy is to expand in a controlled manner by diversifying geographically and focusing on real estate sectors with the lowest risk.

The Company recognizes that each application is unique and takes a holistic approach when reviewing applications. Clear underwriting guidelines, geographic diversity, and arrears management are designed to manage and mitigate credit risk. Each of the Mortgages will be registered on title against the underlying Real Property securing such

Mortgage. Where appropriate, title insurance is obtained. Any title insurance will be held in the name of the Company.

The Company will reduce the risks associated with defaulting Mortgages through extensive initial due diligence and careful monitoring of the Mortgage portfolio, including active communication with borrowers, tracking the status of outstanding payments due, grace periods and due dates, and the calculation and assessment of other applicable charges. Each member of management of the company has extensive knowledge and understanding of the Mortgage and real estate industries that has enabled him to make prudent investment decisions and identify sound investment opportunities.

#### **2.2.4 Operations**

We secure our loans by first, second and/or third mortgages on the real property being financed. Frequently, our loans are more complex, specialized or do not meet financing criteria for institutional lenders. As a result, the loans are expected to earn a higher rate of return than those generally attained by institutional lenders. The mortgage investments generally bear interest at variable and fixed interest rates. The weighted average interest rate was 10.67% as at March 31, 2026.

We also receive commitment, renewal and/or discharge fees from borrowers, or similar payments in recognition of the specialized and complex type of the financing that we provide.

We minimize risk by verifying that:

- the collateral value of our mortgage security can generally protect the total indebtedness of any single borrower to the Company; and
- there is a commercially reasonable exit strategy for each loan.

We employ prudent portfolio diversification techniques and must meet our Investment Guidelines.

Our mortgage investments typically fall into one of the following major loan categories:

- (i) Interim First Mortgage Loans – These are first mortgage loans secured on properties such as apartment, office and retail buildings, industrial properties, and warehouse projects. These also include loans to finance the acquisition of land, and the construction, development, redevelopment or renovation of residential, commercial office or industrial properties.
- (ii) Second Mortgage Loans – These are second mortgage loans to property owners to supplement the amount of equity which a borrower must provide in addition to its own financial resources and first mortgage financing. These loans are undertaken on a highly specific basis and must meet our Investment Guidelines.

Loans to finance the acquisition and development of land may include loans for clearing, road construction, installation of sewer, water and utilities, and other improvements. As a result we may make loans to finance bonds,

plans, permits, or progress advances for servicing. Since land servicing loans are made at an early stage of project development, they may involve higher risk and offer a higher rate of return to the Company.

Our loans are generally outstanding from 6 to 24 months. Interest is usually paid monthly or from construction draws. Any additional commitment and other fees are often deducted from our mortgage loan advances.

We intend to maintain our current status as a mortgage investment corporation under the Tax Act. As a result, at least 50% of our assets will be invested in residential mortgage loans against:

- single family dwellings;
- multiple unit residential developments;
- residential land and subdivisions; or
- deposits with institutions insured by Canada Deposit Insurance Corporation.

In the circumstances of large loans, we may hold only part of a mortgage loan and the balance may be held by other lenders in a syndicate or syndicate-like arrangement. By limiting our participation in large individual investments, we obtain the benefits of increased portfolio diversification. This also allows us to participate in the financing of larger real estate projects than our assets and Investment Guidelines would otherwise permit.

#### **2.2.5 Investment Guidelines**

The following investment guidelines (the "**Investment Guidelines**") have been established by the Board to direct our mortgage investments:

- i. Investments must maintain the Company's status as a "**mortgage investment corporation**" or "**MIC**" (as otherwise referred) under the Tax Act.
- ii. Investments must be secured by mortgages and/or other appropriate security interests in favour of the Company and registered in the appropriate land title or land registry office as a charge against the subject real property.
- iii. Except where the Board, in its sole discretion, determines it to be in the best interests of the Company, the sum of all first, second and/or third mortgage loans registered against the subject real property shall not exceed 75% of the real property's appraised value.
- iv. Unless otherwise determined by the Board, prior to funding any mortgage loan, the Company shall obtain a written appraisal with respect to all real property charged by the mortgage. Such appraisal must be carried out by a professional appraiser, insurance company, bank, trust company, loan company or other person who carries out appraisals in connection with mortgage lending or servicing activities, if such person is, in the sole judgment of the Board, properly qualified to do the appraisal.
- v. In the absence of a written appraisal as considered in (iv), the Company shall only lend up to 60% of the value of any real property as assessed by a recognized governmental authority.

- vi. Mortgage terms shall generally not exceed 24 months and the total of any term extensions will not exceed an additional 24 months.
- vii. The Company will only make investments in Canada in jurisdictions in which the Company is lawfully authorized to make investments.
- viii. Cash not invested in mortgage loans will be maintained in government treasury bills or in the bonds, securities, notes, deposits or deposit instruments of any Canadian government, government agency or government corporation or in deposits or deposit instruments of Canadian chartered banks, credit unions, registered investment dealers or other CDIC insured financial institutions or in such other investments as may be approved by the Directors.
- ix. Except where the Board, in its sole discretion, determines it to be in the best interests of the Company, individual loans shall not exceed five percent (5%) of the total portfolio value.

### **2.3 Development of the Business**

We lend and intend to continue to lend primarily in real estate projects located in British Columbia and Alberta which are secured by registered mortgages, although we will consider lending elsewhere in Canada provided that circumstances warrant such investment and provided that our Investment Guidelines will be met. Our emphasis will remain on urban centres and growth areas as determined from time to time by our Board. Our loan investments change continuously as mortgage loans in our portfolio are repaid and new opportunities emerge. We continue to seek sound mortgage investment opportunities through primary broker and other sources. For further financial details, see our financial statements as described under Item 12 – "Financial Statements", which are attached to this Offering Memorandum as Appendix B.

We may, from time to time, borrow additional funds from an institutional lender in an amount not exceeding two-thirds of our paid-up capital. We will only borrow where the interest rate spread would allow us to realize a profit, to increase returns to our shareholders and/or to bridge the gap between the timing of loan draws and repayments. Our operations are not contingent upon the use of a line of credit or obtaining any other debt financing. The successful use of leverage will depend upon our ability to borrow funds and to use those funds to make loans and other investments at rates of return higher than the cost to us of the borrowed funds.

We intend to expand capital raising through additional registered entities in Canada, including those registered as "investment dealers" under National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations*.

The Company was incorporated on February 24, 2011. The total issued and outstanding Class A Preferred Shares were 292,820,329 on December 31, 2025 and 300,353,010 on March 31, 2026. All of the share subscriptions, redemptions and reinvestments from January 1, 2022 to March 31, 2026 are explained in the table below:

*Summary of Class A Preferred Shares:*

	Three months ended March 31, 2026 <sup>[1]</sup>	Year ended December 31, 2025 <sup>[1]</sup>	Year ended December 31, 2024 <sup>[1]</sup>	Year ended December 31, 2023 <sup>[1]</sup>	Year ended December 31, 2022 <sup>[1]</sup>
	# and \$	# and \$	# and \$	# and \$	# and \$
Subscribed	20,540,550	100,140,687	107,544,912	69,621,018	121,105,766
Redeemed	16,238,569	60,218,465	65,448,492	41,779,327	79,031,509
Reinvestment	3,230,699	12,185,784	10,494,495	8,607,293	5,288,248
Net Shares Issued	7,532,680	52,108,006	52,590,915	36,448,984	47,362,505
Shares Outstanding	300,353,010	292,820,329	240,712,323	188,121,408	151,672,424

Note:

1. Share numbers may not add due to rounding.

Many investors were focused on short-term investments in the Company which resulted in significant redemptions. Management prefers longer-term investments so as to avoid the transaction costs associated with such significant redemptions. Accordingly, management is focusing efforts on investors with longer term horizons. As at March 31, 2026, there were 300,353,010 Class A Preferred Shares issued and outstanding.

*Summary of Mortgage Portfolio:*

A summary of the Corporation's mortgage portfolio as of March 31, 2026 and December 31, 2025 is set out below:

Mortgage type	March 31, 2026			December 31, 2025		
	No.	Principal	%	No.	Principal	%
First Mortgages	122	\$ 291,728,984	92%	117	\$ 301,118,964	92%
Second Mortgages	35	26,961,889	8%	31	24,828,889	8%
Total	157	\$ 318,690,873	100%	148	\$ 325,947,853	100%
Residential Mortgages	128	\$ 215,338,684	68%	119	\$ 219,208,164	67%
Commercial Mortgages	29	103,352,189	32%	29	106,739,689	33%
Total	157	\$ 318,690,873	100%	148	\$ 325,947,853	100%

As at March 31, 2026:

The average interest rate payable under the Company's mortgage investments, weighted by the principal amount of such mortgage investments, based on the prime rate at that time.	10.67%
The average of the terms to maturity of the Company's mortgage investments, weighted by the principal amount of such mortgage investments.	1.25 years
The average loan-to-value ratio of the Company's mortgage investments, weighted by the principal amount of such mortgage investments.	52.26%;
The principal amount, and the percentage of the total principal amount of the mortgage investments by each jurisdiction of Canada:	
BC:	\$303.04M (95.1%)
AB:	\$ 15.65M (4.9%)
The principal amount of the Company's mortgage investments maturing in less than one year, and the percentage of the total principal amount of the Corporation's mortgage investments.	\$244.60M (76.8%)
The aggregate total principal amount with payments more than 90 days overdue.	\$25.81M (8.1%) (10 mortgages).
The aggregate total principal amount attributable to mortgages that have an impaired value.	\$21.85M (6.8%)
Accommodations were made to borrowers of mortgages that are not impaired or in default but have financial difficulties by allowing flexible payment schedule, if the accommodations would be material to a reasonable investor.	\$Nil
The average credit score of the borrowers of the Company, weighted by the principal amount of the Company's mortgage investments.	661 (in a range from 516 to 867)
No mortgage comprises 10% or more of the total principal amount of all of the Company's Mortgages.	

## 2.4 Long-Term Objectives

The long-term objectives of the Company beyond the 12 months following the date of this Offering Memorandum are to expand the Business by raising funds by way of the offering of Class A Preferred Shares, including this Offering, and then to lend such funds in return for mortgage security on real property located in Canada. The objective of the lending activities is to provide a sustainable target net return for the Offered Shares which is superior to term deposits, GICs and money market funds.

## 2.5 Short Term Objectives and How We Intend to Achieve Them

Our objectives for the 12 months following the date of this Offering Memorandum are to raise capital under this Offering, and then invest and reinvest our available funds in accordance with our established lending policies. We intend to use some of our working capital as follows:

What we must do and how we will do it	Target completion date or, if not known, number of months to complete	Our cost to complete
To raise additional capital under this Offering	12 months following the date of this Offering Memorandum.	\$145,000 Includes legal, accounting and audit fees, as well as the \$17,000 monthly fee payable to Kite Financial Solutions Ltd. See Item 1.2 – "Use of Available Funds" and Item 7 – "Compensation Paid to Sellers and Finders".
To invest and reinvest the additional capital under this Offering	As we have an ongoing lending program, there is no target completion date for our business plan. We will make loans as our available funds and market circumstances permit.	Included in costs for investing and reinvesting our existing capital, above.

## 2.6 Insufficient Funds

Should no additional capital be secured by way of this Offering, the objectives will continue with respect to investing and reinvesting available funds in accordance with established lending policies.

## 2.7 Material Agreements

### 2.7.1 Management Agreement

The Company entered into a management and advisory services agreement dated March 6, 2011, with Quantum Pacific Management Ltd. (formerly known as Vanguard Asset Management Corporation; the "**Manager**"), entered into an amended management and advisory services agreement with the Manager, dated January 2, 2015, and entered into a further amended management and advisory services agreement with the Manager, dated July 1, 2022 (the

**"Management Agreement"**). The Manager is a private company incorporated in British Columbia, the directors of which are Mohammad Eskandarpour, Meetra Eskandarpour, Jessie Dusangh and Henry Yong. The Manager was incorporated under the *Business Corporations Act* (British Columbia) on March 2, 2011. As of the date of this Offering Memorandum, Mohammad Eskandarpour, Henry Yong, and Jessie Dusangh, who are also directors, officers and voting shareholders of the Company, have beneficial ownership of, or direct or indirect control over, or a combination of beneficial ownership and direct or indirect control over, all of the voting rights of the Manager. As such, the Manager is a related party to the Company. The head office of the Manager is located at 1205 – 1055 W Hastings Street, Vancouver, British Columbia, V6E 2E9.

The key terms and provisions of the Management Agreement are summarized as follows:

#### Duties

Generally, the Manager has the following responsibilities:

- i. file all returns and manage the business of the Company in accordance with and in compliance with the laws of British Columbia and the federal laws of Canada and in accordance with the laws of any province that the Company may in the future carry on business;
- ii. provide all financial services for the operations of the Company including preparing monthly income financial statements as required;
- iii. provide staffing, management and administration services in office premises of the Manager to carry on the Company's mortgage lending business including but not limited to providing the necessary office, computer and software services, staffing, telephone and electronic telecommunication services, such as email and fax;
- iv. provide and update the Company's website;
- v. prepare monthly interim financial statements of the Company and facilitate the annual audit of the financial statements of the Company;
- vi. assist the Company in obtaining working capital either from investors or from financial institutions;
- vii. assist the Company in advertising and marketing of the Company's services to other mortgage brokers;
- viii. engage the services of third party service providers such as transfer agents, lawyers, accountants, IT providers and all other third party contractors necessary and advisable for the carrying on of the Company's mortgage investment business;
- ix. carry out the instructions of the Company with respect to enforcement of the Company's mortgage security;
- x. communicate with shareholders and investors as the need arises on behalf of the Company and attend general meetings of shareholders of the Company;

- xi. arrange for and purchase all necessary administrative supply items such as stationery, paper, office supplies, printed materials, advertising pamphlets, flyers and materials, postage, couriers all other cost items necessary or convenient for the Company to carry on business;
- xii. provide on-going management and operations including, but not limited to, executive leadership, identifying and evaluating mortgage investments, mortgage portfolio management, investment management for non-mortgage investments; and
- xiii. carry out any other duties as directed by the Board.

#### Terms and Termination

The Management Agreement has a term of three (3) years and can be renewed automatically for an indefinite number of successive three (3) year terms.

The Management Agreement may be terminated upon occurrence of one of the following events:

- i. if the Manager makes an assignment for the benefit of any creditors or is petitioned into bankruptcy within the meaning of the *Bankruptcy and Insolvency Act* (Canada);
- ii. if the Manager assigns or purports to assign the Management Agreement or any rights accruing thereunder without the prior written consent of the Company;
- iii. if the Manager fails to make payment to the Company of any monies due and owing to the Company as and when due;
- iv. if the Manager commits a material breach or default under the Management Agreement, other than the failure to pay money as set forth in (iii) above, in which case the Company shall give the Manager notice in writing stipulating the breach or default by the Manager and the Manager shall have a period of thirty (30) days from the date of the giving of such notice to remedy the default to which such notice relates or to compensate the Company for such breach;
- v. at any time during the term of the Management Agreement, if the Company gives the Manager six (6) months' notice of its intention to terminate the Management Agreement;
- vi. if the Company fails to make payment to the Manager of any monies due and owing to the Manager as and when due;
- vii. at any time during the term of the Management Agreement, if the Manager gives the Company six (6) months' notice of its intention to terminate the Management Agreement; or
- viii. by mutual consent, in writing, of the Company and the Manager.

#### Additional Terms of the Agreement

The Agreement also contains terms relating to the standards of care and practices that the Manager must adhere to. A copy of the Management Agreement will be provided to any investor, upon request.

### Expenses and Management Fees

- i. *Management Fees* – Pursuant to the Management Agreement, the Company shall pay to the Manager the following compensation for all services rendered under the Management Agreement:
  - o an annualized administration fee (the "**Administration Fee**") of 1.5% of the book value of the total assets plus bank indebtedness as per its previous month's ending financial statements. Fee is payable on or before the 15th day of the following month; and
  - o any commitment, renewal and/or discharge fees or equivalent collected by the Company from any borrowers (collectively, the "**Loan Fees**"), which fees are generally in the amount of 1-2% of the principal amount loaned by the Company for mortgage investments,and the payment by the Company of the Administration Fee and the Loan Fees (collectively, the "**Management Fee**") shall be full compensation to the Manager for all services rendered by the Manager to the Company.
- ii. *Dispute and Resolution* – The Manager shall provide a written statement to the Company setting out the Administration Fee and the Loan Fees for each month and the Company shall, within four (4) days, either pay the Administration Fee and the Loan Fees as presented or notify the Manager that it is disputing calculation of the Administration Fee and the Loan Fees. In the event that the dispute is not settled between the parties, the matter will be determined by a single arbitrator, agreed to between the parties.

The aggregate amount of the Management Fee paid by the Company to the Manager for the three months ending March 31, 2026 was \$1,736,357, and for the year ending December 31, 2025 was \$7,349,649.

### 2.7.3 Directors and Officers Indemnity Agreement

The Company and each of the Directors have entered into an indemnity agreement dated June 11, 2012, wherein the Company has agreed to indemnify each of the Directors in connection with the provision of their services to the Company, excluding gross misconduct or wilful misconduct.

### 2.7.4 Subordination Agreement

Each of the holders of Class B Common Shares and the Manager have entered into a subordination agreement with the Company under which the such persons have agreed to subordinate any and all indebtedness of the Company owed to them to the extent necessary to provide the Company with the unimpaired working capital required under the *Mortgage Brokers Act* (British Columbia) in order for the Company to be registered as a mortgage broker.

### 2.7.5 Services Agreement and License Agreements

On November 5, 2021, a monthly licensing service agreement was entered into between the Manager and Mortgage Automator Software Inc., pursuant to which Mortgage Automator Software Inc. has agreed to license its Mortgage Automator software to the Manager. The Manager is in turn providing these services to the Company pursuant to

the Management Agreement and the cost to the Company for such software is included in the Management Fee payable under the Management Agreement. Mortgage Automator is a full-service software for private lenders providing loan origination, loan servicing, investor relations, accounting, and reporting services. Mortgage Automator has won numerous industry awards and is a Canadian company based out of Toronto, Ontario.

#### **2.7.6 Bank indebtedness and credit facility**

The Company has a revolving facility with a syndicate of financial institutions led by National Bank of Canada (as successor by amalgamation to Canadian Western Bank) for a total commitment of \$60,000,000 for the purpose of providing leverage against the Company's portfolio of real estate mortgages. The credit facility, subject to the Borrowing Base, is available by multiple draws and amounts repaid may be re-drawn. The credit facility is a revolving term facility by way of a Canadian Prime Rate based loan ("Prime Rate loan"), a Canadian Overnight Repo Rate Average based loans ("CORRA") and Letters of Credit. The Company pays a floating rate of interest for the facility. The interest is dependent on the bank prime rate or the CORRA or a combination thereof, as chosen by the management.

### Item 3 - Directors, Management, Promoters and Principal Holders

#### 3.1 Compensation and Securities Held

The following table sets out information about (a) each Director, officer and Promoter of the Company, (b) each person who directly or indirectly beneficially owns or controls 10% or more of any class of voting securities of the Company (each, a "**Principal Holder**"), and (c) any related party (as such term is defined under applicable securities legislation) that received compensation in the financial year ended December 31, 2025, or that is expected to receive compensation in the current financial year:

Name and municipality of residence	Position(s) held and date(s)	Compensation paid by the Company in the year ended December 31, 2025, and compensation anticipated to be paid in the year ended December 31, 2026	Number, type and percentage of securities of the Issuer held after completion of minimum Offering	Number, type and percentage of securities of the Issuer held after completion of maximum Offering
Mohammad Eskandarpour Vancouver, BC	Director, President, Chief Executive Officer, and Promoter  Principal Holder (February 2011)	Year ended December 31, 2025: Nil <sup>[1]</sup>  Year ended December 31, 2026: Nil <sup>[1]</sup>	33 Class B Common Shares representing 18.33% of the Class B Common Shares issued	33 Class B Common Shares representing 18.33% of the Class B Common Shares issued
Meetra Eskandarpour Vancouver, BC	Director, and Promoter (January 2023)	Year ended December 31, 2025: Nil <sup>[2]</sup>  Year ended December 31, 2026: Nil <sup>[2]</sup>	17 Class B Common Shares representing 9.44% of the Class B Common Shares issued	17 Class B Common Shares representing 9.44% of the Class B Common Shares issued
Henry Yong Vancouver, BC	Director, Vice-President, and Promoter (February 2011)	Year ended December 31, 2025: Nil <sup>[3]</sup>  Year ended December 31, 2026: Nil <sup>[3]</sup>	17 Class B Common Shares representing 9.44% of the Class B Common Shares issued	17 Class B Common Shares representing 9.44% of the Class B Common Shares issued

Name and municipality of residence	Position(s) held and date(s)	Compensation paid by the Company in the year ended December 31, 2025, and compensation anticipated to be paid in the year ended December 31, 2026	Number, type and percentage of securities of the Issuer held after completion of minimum Offering	Number, type and percentage of securities of the Issuer held after completion of maximum Offering
Jessie Dusangh Delta, BC	Director, Secretary, Chief Financial Officer, and Promoter (February 2011)	Year ended December 31, 2025: Nil <sup>[4]</sup> Year ended December 31, 2026: Nil <sup>[4]</sup>	17 Class B Common Shares representing 9.44% of the Class B Common Shares issued	17 Class B Common Shares representing 9.44% of the Class B Common Shares issued
Azar Eskandarpour Vancouver, BC	Principal Holder (February 2011)	Nil	40 Class B Common Shares representing 22.22% of the Class B Common Shares issued	40 Class B Common Shares representing 22.22% of the Class B Common Shares issued
Quantum Pacific Management Ltd. <sup>[5]</sup> Vancouver, BC	Related Party (February 2011)	Year ended December 31, 2025: \$7,349,649 <sup>[6]</sup> Year ended December 31, 2026: \$7,500,000 <sup>[6]</sup>	Nil	Nil

**Notes:**

- (1) Mr. Eskandarpour is the president and chief executive officer and a director of the Manager.
- (2) Ms. Eskandarpour was elected as a director of the Manager on January 20, 2023.
- (3) Mr. Yong is a Vice-President of the company and a director of the Manager.
- (4) Mr. Dusangh is the chief financial officer of the company and director of the Manager.
- (5) Mohammad Eskandarpour, Henry Yong, and Jessie Dusangh have beneficial ownership of, or direct or indirect control over, or a combination of beneficial ownership and direct or indirect control over, all of the voting rights of the Manager.
- (6) Compensation received or anticipated to be received from the Company as the Management Fee under the Management Agreement.

### 3.2 Management Experience

The Company has retained the Manager to advise the Company and to manage its operations in accordance with the Management Agreement. The name, municipality of residence and principal occupations of the directors and officers of the Manager and their principal occupations within the preceding five years are as follows:

Name	Principal Occupation and related experience for past 5 years
Mohammad Eskandarpour	President, Chief Executive Officer, a director and founder of each of the Company and the Manager. Mohammad Eskandarpour holds a Bachelor of Commerce degree from Concordia University. With over 30 years of business acumen and as a seasoned developer of real estate projects along the west coast, Mr. Eskandarpour brings a comprehensive understanding of real estate and financing to the company.
Meetra Eskandarpour	Managing Director of the Company and Director of the Manager. Ms. Eskandarpour has over 10 years of experience in the investment industry. Her previous roles in Business Operations with Canada's largest independent investment dealer and as a licensed investment representative has given her a broad range of experience in investment management.
Jessie Dusangh	Director and Chief Financial Officer of the Manager and the Company. Mr. Dusangh is a Chartered Accountant engaged in public practice in British Columbia since 1994, and has extensive public accounting experience in the real estate industry.
Henry Yong	Director of the Manager and Vice-President of the Company. Mr. Yong has been active in residential and commercial real estate since 1993. Mr. Yong has, in his real estate ventures, engaged in real estate transactions with cumulative asset values totalling over \$1B over the last 30 years. Until January 1, 2006, Mr. Yong was also licensed under the <i>Real Estate Act</i> (British Columbia) as a managing agent, which he did not renew as he now focuses on other financial and real estate endeavours.

### 3.3 Penalties or Sanctions

No director, executive officer or control person of the Company, or an issuer of which any of those persons was a director, executive officer or control person at the time, has been subject, during the ten years preceding the date of this Offering Memorandum, to (a) a penalty or other sanction imposed by a court relating to a contravention of applicable securities legislation, (b) a penalty or other sanction imposed by a regulatory body relating to a contravention of applicable securities legislation, (c) an order restricting trading in securities, not including an order that was in effect for less than 30 consecutive days, (d) a declaration of bankruptcy, (e) a voluntary assignment in bankruptcy, (f) a proposal under any bankruptcy or insolvency legislation, or (f) a proceeding, arrangement or compromise with creditors or appointment of a receiver, receiver manager or trustee to hold assets.

No director, executive officer or control person of the Company has ever pled guilty to or been found guilty of (i) a summary conviction or indictable offence under the *Criminal Code* (Canada); (ii) a quasi-criminal offence in any jurisdiction of Canada or a foreign jurisdiction; (iii) a misdemeanour or felony under the criminal legislation of the United States of America, or any state or territory of the United States of America; or (iv) an offence under the criminal legislation of any other foreign jurisdiction.

### 3.4 Certain Loans and Conflicts of Interest

The Company and the Manager have common directors, officers and shareholders. The Company and its shareholders are dependent largely upon the experience and good faith of the Manager.

The directors and officers of the Company and/or the Manager may be or become employed by or act in other capacities for other companies involved in mortgage and lending activities and will continue to be engaged in activities which may put them in conflict with the business strategy of the Company and/or the Manager. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. All decisions to be made by such directors and officers involving the Company are required to be made in accordance with their duties and obligations to act honestly and in good faith with a view to the best interests of the Company. In addition, such directors and officers are required to declare their interests in, and such directors are required to refrain from voting on, any matter in which they may have a material conflict of interest.

No debenture, bond or loan agreement exists between the Company and a related party (as such term is defined in applicable securities legislation).

## Item 4 - Capital Structure

### 4.1 Share Capital

The Company does not currently have any outstanding options, warrants or other securities convertible into Class A Preferred Shares or Class B Common Shares.

The following table sets out information about the Company's authorized and outstanding securities:

Description of security	Number authorized to be issued	Number outstanding as at March 31, 2026	Number outstanding assuming completion of minimum Offering	Number outstanding assuming completion of maximum Offering
Class A Preferred Shares	Unlimited	300,353,010	N/A	N/A
Class B Common Shares	10,000	180	180	180

Note:

There is no minimum or maximum offering.

### 4.2 Long Term Debt

The Company currently has no long-term debt.

### **4.3 Prior Sales**

From April 26, 2025, to the date of this Offering Memorandum, the Company issued 85,781,780 Class A Preferred Shares for aggregate gross proceeds of \$85,781,780. No securities were issued for other than cash or various reinvestments. A list of these securities can be found in Appendix A, located at the end of this document.

From April 26, 2025 to the date of this Offering Memorandum, there have also been redemptions of an aggregate of 58,116,854 Class A Preferred Shares, with an aggregate redemption price of \$58,116,854.

## **Item 5 - Description of Securities Offered**

### **5.1 Terms of Securities**

The Company is offering an unlimited number of Class A Preferred Shares at a price of \$1.00 per Offered Share. The minimum initial subscription amount is 10,000 Offered Shares (\$10,000). The Company may waive this minimum initial subscription amount, in its sole discretion. There is no minimum subscription amount for subsequent subscriptions.

The special rights and restrictions attached to the Offered Shares, being the Class A Preferred Shares, including rights and restrictions with respect to voting, dividends, redemption, retraction, transferability and entitlement on liquidation, dissolution or winding-up, are summarized below. In the event of any inconsistency between the description below and the articles of the Company, the articles shall prevail and govern.

#### **5.1.1 Voting**

The Class A Shareholders are not entitled to vote or to attend meetings of shareholders. However, if the Company does not pay a dividend for two consecutive fiscal years then the Class A Preferred Shares shall be entitled to attend shareholder meetings and to vote at the said meeting and shall be entitled to one vote per share held. Provided further that if the Company pays a dividend for two consecutive fiscal periods then the Class A Shareholders' right to vote shall be lost and shall not be reinstated unless and until the Company fails to pay a dividend for a further two consecutive fiscal years.

The Class B Shareholders are entitled to vote and to attend meetings of shareholders.

#### **5.1.2 Dividends**

The Class A Shareholders are entitled to dividends on the Class A Preferred Shares out of the profits of the Company if, as and when declared and authorized by the board of directors provided that no dividend shall be declared or paid by the Company if there are reasonable grounds for believing that after payment thereof the Company would be unable to pay its liabilities as they become due or the realizable value of the Company's assets would thereby be less than the aggregate of its liabilities.

If a Class A Shareholder has not owned the Class A Preferred Shares for a full earnings period since the last dividend distribution date, then the dividend payable, if any, to said Class A Shareholder shall be in proportion to the time period that the shareholder has owned the Class A Preferred Shares in the period in which a dividend is to be paid.

Any Class A Shareholder may, at least 30 days prior to any dividend payment date, elect to receive dividends either in cash or reinvested as additional Class A Shares pursuant to the Company's Dividend Reinvestment Plan ("DRIP"). The said Class A Shareholder shall notify the Company in writing of their election to change the form of dividend they wish to receive.

The Class B Shareholders are not entitled to dividends.

### **5.1.3 Redemption Rights - Company**

The Company may at any time redeem any of the Class A Preferred Shares in accordance with the following rules and procedures:

By paying to the holder of the shares to be redeemed, an amount equal to: (A) the net book value (NBV) of the Company multiplied by a fraction, the numerator of which is the aggregate number of shares to be redeemed and the denominator of which is the aggregate number of shares outstanding in the capital of the Company (regardless of class); plus (B) any dividends declared but unpaid on the shares to be redeemed including any dividends declared after notice of the redemption but payable after redemption in which case the amount payable shall be prorated by the following fraction the denominator of which is the number of days before the Class A Preferred Shares are redeemed and the denominator is the number of days before the dividend is payable (the "**Redemption Price**");

The Company shall, at least 30 days prior to any redemption taking place give notice of the redemption to each Class A Shareholder, but accidental failure to give such notice to one or more shareholders shall not affect the validity of such redemption; the notice of redemption shall specify the date on which the redemption is to take place, the redemption price and if less than all of the Class A Preferred Shares are to be redeemed the notice shall specify the aggregate number thereof to be redeemed and all details concerning the surrender of the Class A Preferred Shares to be redeemed and the means and method of payment for the redeemed shares;

On or after the date specified for the redemption, the Company shall, on presentation and surrender to the Company of the certificate or certificates representing the shares to be redeemed, pay or cause to be paid to the holder of such shares, the Redemption Price therefor. A share in respect of which the redemption price is paid as provided herein will thereupon be deemed to be redeemed and the certificate representing the shares shall be cancelled; the holder of a Class A Preferred Share may by instrument in writing waive notice of redemption of such share;

The shares to be redeemed shall be redeemed by the Company proportionately amongst the Class A Shareholders and in the event that such proportionate calculation results in the redemption of a fraction of a share the Company shall round up or down to the nearest whole number the number of shares to be redeemed

by the Company by the aforesaid Class A Shareholders (the "**Proportionality Provision**"); and provided that no Class A Preferred Share shall be redeemed by the Company if there are reasonable grounds for believing that after redemption thereof the Company would be unable to pay its liabilities as they become due or the realizable value of the Company's assets would thereby be less than the aggregate of its liabilities.

The Class B Common Shares are not redeemable.

#### **5.1.4 Redemption Practices and Rights - Holder**

If at any time after January 1, 2012 an owner of one or more Class A Preferred Shares may give written notice to the Company ("**Redemption Notice**") requesting the Company to redeem the number of Class A Preferred Shares set forth in the said notice. The following terms, rules and procedures shall apply to the aforesaid transaction:

The Retraction Notice shall, at a minimum, specify the following: (a) the intent to redeem; (b) the date (the "**Redemption Date**") on which the redemption is to take place, which date shall be: (i) if the aggregate proceeds realizable upon redemption is less than or equal to \$1,000,000, at least 30 days from the date of the Notice; or (ii) if the aggregate proceeds realizable upon redemption is greater than \$1,000,000, at least 90 days from the date of the Notice; (c) if part only of the Class A Preferred Shares held by the person to whom such notice is addressed is to be redeemed, the number of shares to be redeemed.

The Company shall not be required to redeem the said shares if the redemption of the said shares specified in the Redemption Notice will result in the Company not qualifying as a mortgage investment company under the Tax Act or if there are reasonable grounds for believing that after the redemption requested the Company would be unable to pay its liabilities as they become due or the realizable value of the Company's assets would thereby be less than the aggregate of its liabilities. Prior to the redemption of any Class A Preferred Shares, the Company shall continue to pay dividends to the Class A Shareholders on the same basis as other Class A Shareholders;

The Company will redeem the Shares specified in the Redemption Notice by the payment in cash for each share of an amount equal to the redemption price which is equal to the par value of \$1.00 plus the pro rata share of any unpaid dividends thereon which have been declared payable but remain unpaid as at the time of calculation (the "Redemption Price").

The Company shall not be required to redeem or retract more than ten percent (10%) of its outstanding Class A Preferred Shares in any 12 month period (the "**10% Limitation**");

If by reason of the 10% Limitation the Company is aware that the redemption by the Company of the Class A Preferred Shares in the Redemption Notice will be reduced or delayed, the Company shall within a reasonable time thereafter give written notice to the shareholder who gave the Redemption Notice that only a proportion of their shares will be redeemed or that there will be a delay in redeeming their Class A Preferred Shares and

stipulating a date that their shares or the remainder of their Class A Preferred Shares will be redeemed by the Company;

Class A Preferred Shares to be redeemed shall be redeemed in the order that the Company receives Redemption Notices and in the event two or more Redemption Notices are received by the Company on the same day, then said notices shall be deemed to have been received simultaneously by the Company for the purposes of determining the order of redemption. The Company may redeem Class A Preferred Shares referred to in Redemption Notices proportionately if to redeem all the said shares the Company would not be in compliance with the 10% Limitation. The Proportionality Provision applies mutatis mutandis to this subparagraph;

And the amount to be paid by the Company for each Class A Preferred Share redeemed shall be the Redemption Price and all other and the provisions relating to the redemption of shares shall apply mutatis mutandis to the retraction of shares.

The Class B Common Shares are not retractable.

#### **5.1.5 Transferability**

Shares of the Company may not be transferred without the consent of the Board of Directors of the Company. Furthermore, the Company reserves the right not to transfer such shares of the Company if to do so would reduce the number of shareholders of the Company below 20 shareholders or the minimum number required by the Tax Act from time to time in order for the Company to continue to qualify as a mortgage investment corporation pursuant to the provisions of the Tax Act. Furthermore, the Company reserves the right to refuse to transfer a share or shares of the Company if to do so would create a Specified Shareholder of the Company, as defined in the Tax Act.

#### **5.1.6 No Pre-Emptive Rights**

The Class A Shareholders do not have any pre-emptive rights to subscribe for, purchase or receive any part of any issue of shares, bonds, debentures or other securities of the Company.

#### **5.1.7 Notices**

Any notice required or permitted to be given in relation to the foregoing rights and restrictions shall be in writing and shall be delivered personally or by courier or transmitted by facsimile email or similar means of recorded electronic communication addressed to the Company at the address in the subscription agreement and to the any shareholder at the address given by the shareholder in the subscription agreement signed by the Shareholder.

Any such notice or other communication shall be deemed to be given and received on the day on which it was delivered or transmitted or if such day is a weekend or not a business day, then on the following business day;

Any party may at any time change their address for service from time to time by giving notice to other in accordance with the foregoing provisions.

## 5.2 Subscription Procedure

We are offering to sell Offered Shares under this Offering Memorandum to Subscribers, who must, where required by applicable securities legislation, receive a copy of this Offering Memorandum, pursuant to exemptions under NI 45-106 and British Columbia Instrument 32-517 *Exemption from Dealer Registration Requirement for Trades in Securities of Mortgage Investment Entities*. Such exemptions relieve the Company from provisions under applicable securities legislation requiring the Company to file a prospectus and therefore Subscribers do not receive the benefits associated with a subscription for securities issued pursuant to a filed prospectus, including the review of material by a securities commission or similar authority. We are also offering to sell the Offered Shares to Subscribers who are not required by law to receive the Offering Memorandum and who do not request a copy of this Offering Memorandum as well as to Subscribers who may request a copy of this Offering Memorandum but who are not required by law to receive a copy before purchasing any of the Offered Shares. We may close the Offering on an earlier or later date as we may determine. Closings may occur from time to time, at our discretion, during the course of this Offering.

The Company will be relying primarily on the offering memorandum exemption under section 2.9 of NI 45-106 (the "**Offering Memorandum Exemption**"), and the accredited investor exemption under section 2.3 of NI 45-106 and Section 73.3 of the Ontario Act (the "**Accredited Investor Exemption**").

**Please carefully review the accompanying subscription agreement to determine the securities exemption requirements that apply to you for your investment.**

**The Offered Shares are being offered only in the Selling Provinces and only through registered dealers.**

**Each Subscriber is urged to consult with their own legal adviser as to the details of the statutory exemption being relied upon and the consequences of purchasing Offered Shares pursuant to such exemption.**

## 5.3 The Subscription Agreement

Each prospective and qualified investor who wishes to subscribe for Offered Shares must complete and sign the form of subscription agreement (including the applicable certificates and risk acknowledgement forms) provided by the Company or the Dealer (the "**Subscription Agreement**") specifying the number of Offered Shares being subscribed for and follow the instructions set forth therein.

The Subscription Agreement contains, among other things, representations and warranties required to be made by the Subscriber that it is duly authorized to purchase the Offered Shares, that it is purchasing Offered Shares for investment and not with a view for resale, and as to its corporate status or other qualifications to purchase Offered Shares on a "private placement" basis. Reference is made to the Subscription Agreement and related

documentation, copies of which are to be delivered to the prospective Subscriber concurrently with this Offering Memorandum for the specific terms of these representations, warranties and conditions.

#### Execution and Delivery of Subscription Agreement

You may subscribe for Offered Shares by delivering the following documents to us at the address shown in the Subscription Agreement:

- (i) a completed and executed Subscription Agreement accompanying the form provided with this Offering Memorandum;
- (ii) Bank draft, wire, order/ electronic funds transfer or certified cheque payable to the Company in the amount of the subscription price for the Offered Shares;
- (iii) any Subscriber purchasing Offered Shares pursuant to the Offering Memorandum Exemption must complete and sign two copies of the Form 45-106F4 – Risk Acknowledgement ("**Form 45-106F4**") attached to the Subscription Agreement (one copy to be retained by the Subscriber and one copy to be delivered to the Company);
- (iv) if the Subscriber is an individual and resident in Alberta, New Brunswick, Nova Scotia, Ontario or Saskatchewan and is purchasing Offered Shares pursuant to the Offering Memorandum Exemption, the Subscriber must complete and sign two copies of Schedules A-1 and A-2 attached to the Form 45-106F4 in the Subscription Agreement;
- (v) if the Subscriber is purchasing Offered Shares having an aggregate acquisition cost of greater than \$10,000 pursuant to the Offering Memorandum Exemption, the Subscriber may be required to complete and sign additional documentation including an Eligible Investor Questionnaire; and
- (vi) if the Subscriber is an "accredited investor" as defined in NI 45-106 (or the Ontario Act, if the Subscriber is resident in Ontario) and is purchasing Offered Shares pursuant to the "accredited investor" exemption under section 2.3 of NI 45-106, the Subscriber must complete and sign the Accredited Investor Status Certificate attached to the Subscription Agreement (including the Form 45-106F9 risk acknowledgement form contained therein, if applicable).

Subscriptions may be accepted at the sole discretion of the Manager, and are subject to the terms and conditions of the Subscription Agreement. The Company reserves the right to close the subscription books at any time without notice. Any funds for subscription that the Company does not accept will be promptly returned after the Company has determined not to accept the funds without interest or deduction.

The authority to accept or reject subscriptions has been delegated to the Manager to ensure that the Company maximizes its return for existing Subscribers, that the fund remains qualified as a "MIC" as this term is defined by the Tax Act, and to ensure that the Company complies with all other relevant applicable securities legislation.

This Offering is not subject to any minimum subscription level except as specified in this Offering Memorandum or as required for the Company to maintain its status as a "MIC" under the Tax Act. Therefore, any funds received from a Subscriber are available to the Company and need not be refunded to the Subscriber save and except as required by the constating documents of the Company, the terms of this Offering Memorandum, or as otherwise required by law.

If this Offering is nullified for any reason, the Subscription Agreement and cash funds received by the Manager prior to the nullification will be returned to Subscribers without interest or deduction as if the Subscribers' subscription had been rejected (whether or not the subscription(s) had previously been accepted by the Company).

A prospective Subscriber of Offered Shares will become a Class A Shareholder upon completion of the following steps: execution of a Subscription Agreement, acceptance of the Subscription Agreement by the Manager acting on behalf of the Company, payment of the subscription price, and entry of the Subscriber's name in the shareholder register of the Company.

Where required under applicable securities legislation, the subscription amount will be held in trust by the Manager until midnight on the second business day after the Subscriber delivers the executed Subscription Agreement. Such subscription proceeds will be held in trust until midnight on the second business day after the day the Subscriber signs the applicable Subscription Agreement. If Subscribers provide the Company with a cancellation notice prior to midnight of the second business day after the signing date, or the Company does not accept a Subscriber's subscription, all subscription proceeds will be promptly returned to the Subscriber without interest or deduction. Proceeds received from Subscribers who purchase Offered Shares under this Offering will be held in trust and only released against delivery of the certificates representing the Offered Shares subscribed therefor. If the Offering is terminated prior to Closing, the proceeds under the Offering received from each Subscriber shall be returned to such Subscriber without interest or deduction. See Item 11 – "Subscriber's Rights".

#### Personal Information

Each prospective Subscriber will be deemed to have represented to the Company and each dealer from whom a purchase confirmation is received, that such Subscriber:

1. has been notified by the Company:
  - (i) that the Company may be required to provide personal information pertaining to the Subscriber as required to be disclosed in Schedule I of Form 45-106F1 under NI 45-106 (including its name, address, telephone number and the aggregate purchase price of any Offered Shares purchased) ("**personal information**"), which Form 45-106F1 may be required to be filed by the Company under NI 45-106;
  - (ii) that such personal information may be delivered to the securities regulatory authorities in the Selling Provinces in accordance with NI 45-106 (the "**Regulators**");

- (iii) that such personal information is collected indirectly by the Regulators under the authority granted to it under the applicable securities legislation of the Selling Provinces;
- (iv) that such personal information is collected for the purposes of the administration and enforcement of the applicable securities legislation of Selling Provinces; and
- (v) that the public official in the Selling Provinces who can answer questions about the indirect collection of such personal information by the Regulators is provided in the below table:

<b>Alberta Securities Commission</b> Suite 600, 250 – 5 <sup>th</sup> Street SW Calgary, Alberta T2P 0R4 Telephone: 403 297-6454 Toll free in Canada: 1 877 355-0585 Facsimile: 403 297-2082	<b>Government of Nunavut Department of Justice</b> Legal Registries Division P.O. Box 1000, Station 570 1st Floor, Brown Building Iqaluit, Nunavut XoA 0Ho Telephone: 867 975-6590 Facsimile: 867 975-6594
<b>British Columbia Securities Commission</b> P.O. Box 10142, Pacific Centre 701 West Georgia Street Vancouver, British Columbia V7Y 1L2 Inquiries: 604 899-6854 Toll free in Canada: 1 800 373-6393 Facsimile: 604 899-6581 Email: inquiries@bcsc.bc.ca	<b>Ontario Securities Commission</b> 20 Queen Street West, 22 <sup>nd</sup> Floor Toronto, Ontario M5H 3S8 Telephone: 416 593-8314 Toll free in Canada: 1 877 785-1555 Facsimile: 416 593-8122 Email: exemptmarketfilings@osc.gov.on.ca
<b>The Manitoba Securities Commission</b> 500 – 400 St. Mary Avenue Winnipeg, Manitoba R3C 4K5 Telephone: 204 945-2548 Toll free in Manitoba: 1 800 655-5244 Facsimile: 204 945-0330	<b>Prince Edward Island Securities Office</b> 95 Rochford Street, 4 <sup>th</sup> Floor Shaw Building P.O. Box 2000 Charlottetown, Prince Edward Island C1A 7N8 Telephone: 902 368-4569 Facsimile: 902 368-5283
<b>Financial and Consumer Services Commission (New Brunswick)</b> 85 Charlotte Street, Suite 300 Saint John, New Brunswick E2L 2J2 Telephone: 506 658-3060 Toll free in Canada: 1 866 933-2222 Facsimile: 506 658-3059 Email: info@fcnb.ca	<b>Autorité des marchés financiers</b> 800, Square Victoria, 22 <sup>e</sup> étage C.P. 246, Tour de la Bourse Montréal, Québec H4Z 1G3 Telephone: 514 395-0337 or 1 877 525-0337 Facsimile: 514 873-6155 (For filing purposes only) Facsimile: 514 864-6381 (For privacy requests only) Email: financementdessocietes@lautorite.qc.ca
<b>Government of Newfoundland and Labrador Financial Services Regulation Division</b> P.O. Box 8700 Confederation Building 2nd Floor, West Block Prince Philip Drive St. John's, Newfoundland and Labrador A1B 4J6 Telephone: 709 729-4189 Facsimile: 709 729-6187	<b>Financial and Consumer Affairs Authority of Saskatchewan</b> Suite 601 - 1919 Saskatchewan Drive Regina, Saskatchewan S4P 4H2 Telephone: 306 787-5879 Facsimile: 306 787-5899
<b>Government of the Northwest Territories</b> Department of Justice Securities Registry 1st Floor, Stuart M. Hodgson Building 5009 – 49th Street Yellowknife, Northwest Territories X1A 2L9 Telephone: (867) 920-3318 Facsimile: (867) 873-0243	<b>Government of Yukon</b> Office of the Yukon Superintendent of Securities Government of Yukon Department of Community Services 307 Black Street, 1st Floor PO Box 2703 (C-6) Whitehorse, Yukon Y1A 2C6 Telephone: (867) 667-5466 Facsimile: (867) 393-6251

**Nova Scotia Securities Commission**

Suite 400, 5251 Duke Street  
Duke Tower  
P.O. Box 458  
Halifax, Nova Scotia B3J 2P8  
Telephone: 902 424-7768  
Facsimile: 902 424-4625

; and

- (vi) has authorized the indirect collection of the personal information by the Regulators.

Furthermore, each Subscriber acknowledges that its name, address, telephone number and other specified information, including the aggregate purchase price paid by the Subscriber, may be disclosed to other securities regulatory authorities and may become available to the public in accordance with the requirements of applicable securities legislation. By purchasing the Offered Shares, each Subscriber consents to the disclosure of such information.

Despite the foregoing and in order to accommodate trustee administrative procedures, we may accept subscription agreements from trustees for Registered Retirement Savings Plans (RRSPs) or Deferred Profit Savings Plans (DPSPs) under the Tax Act without the accompanying payment. Whenever we do so, we will deliver the share certificates representing the purchased Offered Shares in exchange for payment of the subscription price.

Your individual personal information will be collected, used and disclosed by us and the selling agent in accordance with the Company's privacy policy and we or the selling agent will obtain your consent to such collection, use and disclosure from time to time as required by our policy and the law. A copy of our current privacy policy will be provided to you with your subscription agreement and your consent will be sought at that time.

## **Item 6 - Income Tax Consequences**

### **6.1 Independent Tax Advice**

*YOU SHOULD CONSULT YOUR OWN PROFESSIONAL ADVISERS TO OBTAIN ADVICE ON THE INCOME TAX CONSEQUENCES THAT APPLY TO YOU.*

### **6.2 Income Tax Consequences**

This summary, prepared and provided entirely by the management of the Company, is based upon the facts set out in this Offering Memorandum, the current provisions of the Tax Act and the regulations thereunder, all specific proposals (the "**Tax Proposals**") to amend the Tax Act, and the regulations thereunder publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof and the current published administrative practices of the Canada Revenue Agency. This summary assumes that the Tax Proposals will be enacted as currently proposed but does not take into account or anticipate any other changes in law whether by legislative,

governmental or judicial action and does not take into account tax legislation or considerations of any province, territory or foreign jurisdiction.

The summary contained in this section is of a general nature only and is not exhaustive of all possible Canadian federal income tax consequences. It is not intended to be and should not be interpreted as legal or tax advice to any particular subscriber. *YOU SHOULD CONSULT WITH YOUR OWN TAX ADVISOR REGARDING THE INCOME TAX CONSEQUENCES TO YOU OF ACQUIRING, HOLDING AND DISPOSING OF THE CLASS A PREFERRED SHARES INCLUDING THE APPLICATION AND EFFECT OF THE INCOME AND OTHER TAX LAWS OF ANY COUNTRY, PROVINCE, STATE OR LOCAL TAX AUTHORITY THAT ARE APPLICABLE TO YOU.*

This summary is based on the assumption that the Company meets certain conditions which are imposed by the Tax Act on the Company in order for the Company to qualify as a mortgage investment corporation thereunder. These conditions will generally be satisfied if, throughout a taxation year of the Company:

- i. the Company was a Canadian corporation as defined in the Tax Act;
- ii. the Company's only undertaking was the investing of funds and it did not manage or develop any real property;
- iii. no debts were owed to the Company by non-residents unless such debts were secured on real property situated in Canada;
- iv. the Company did not own shares of non-resident corporations;
- v. the Company did not hold real property located outside of Canada or any leasehold interest in such property;
- vi. the Company did not loan funds where the security for such loans is real property located outside of Canada;
- vii. the cost amount of the Company's property represented by mortgages on houses or on property included within a housing project (as those terms are defined in the *National Housing Act*), together with cash on hand and deposits with a bank or any other corporation whose deposits are insured by the Canada Deposit Insurance Corporation or a credit union, (collectively, the "**Qualifying Property**") was at least 50% of the cost amount to it of all of its property;
- viii. the cost amount of real property (including leasehold interests therein but excluding real property acquired as a consequence of foreclosure or defaults on a mortgage held by the Company) owned by the Company did not exceed 25% of the cost amount to it of all of its property;
- ix. the Company had at least 20 shareholders (in its first taxation year the Company must have at least 20 shareholders on the last day of that year) and no person would have been a Specified Shareholder of the Company at any time in the taxation year;
- x. holders of Class A Preferred Shares had a right, after payment to them of their preferred dividends, and payment of dividends in a like amount per share to the holders of the Class B Common Shares to participate *pari passu* with the holders of Class B Common Shares in any further payment of dividends; and

- xi. the Company's liabilities did not exceed three times the amount by which the cost amount to it of all of its property exceeded its liabilities, where at any time in the year the cost amount to it of its Qualifying Property is less than  $\frac{2}{3}$  of the cost amount to it of all of its property, or, where throughout the taxation year the cost amount to it of its Qualifying Property equalled or exceeded  $\frac{2}{3}$  of the cost amount of all of its property, the Company's liabilities did not exceed five times the amount by which the cost amount to it of all of its property exceeded its liabilities.

It is intended, and this summary assumes, that these requirements will be satisfied so that the Company will qualify as a mortgage investment corporation at all relevant times. If the Company were not to qualify as a mortgage investment corporation, the income tax consequences would be materially different from those described below.

#### Taxation of the Company

The Company will, in computing its taxable income, generally be entitled to deduct the full amount of all taxable dividends (other than capital gains dividends) which it pays during the year or within 90 days after the end of the year to the extent that such dividends were not deductible by the Company in computing its income for the preceding year. As a mortgage investment corporation is deemed to be a public corporation, no capital dividends can be paid by the Company. However, a mortgage investment corporation may declare a capital gains dividend in an amount equal to the gross amount of its capital gains and is entitled to deduct one-half of such dividend from its taxable income. As discussed below, a capital gains dividend is taxed in the hands of a shareholder as a capital gain arising from a notional disposition of capital property. The combination of the Company's deduction for capital gains dividends and the shareholder's deemed capital gain will allow the Company to flow capital gains through to a shareholder on a tax efficient basis. As a public corporation, the Company will be subject to tax at the highest corporate rates. However, at this time the Company intends to declare dividends and capital gains dividends each year in sufficient amounts to reduce its taxable income to nil.

#### Taxation of Shareholders

Dividends other than capital gains dividends which are paid by the Company on the Class A Preferred Shares will be included in shareholders' income as interest. Capital gains dividends will be treated as realized capital gains of shareholders, and will be subject to the general rules relating to the taxation of capital gains. *SINCE THE DIVIDENDS RECEIVED ARE TAXED AS BOND INTEREST, THE NORMAL GROSS UP AND DIVIDEND TAX CREDIT RULES WILL NOT APPLY TO DIVIDENDS PAID BY THE COMPANY TO AN INDIVIDUAL AND TRUSTS ON A PREFERRED SHARE AND SHAREHOLDERS THAT ARE CORPORATIONS WILL NOT BE ENTITLED TO DEDUCT THE AMOUNT OF DIVIDENDS PAID BY THE COMPANY FROM THEIR TAXABLE INCOME.*

The cost to a subscriber of Class A Preferred Shares acquired pursuant to this Offering will equal the purchase price of the Class A Preferred Shares plus the amount of any other reasonable costs incurred in connection therewith. This cost will be averaged with the cost of all other Class A Preferred Shares held by the subscriber to determine the adjusted cost base of each Class A Preferred Share.

A disposition or a deemed disposition of Class A Preferred Shares (other than to the Company) will give rise to a capital gain (or capital loss) to the extent that the proceeds of disposition of the Class A Preferred Shares exceed (or are exceeded by) the adjusted cost base of the Class A Preferred Shares and the disposition costs. Amounts paid by the Company on the redemption or acquisition by it of a Class A Preferred Share, up to the paid-up capital thereof, will be treated as proceeds of disposition. Any amount paid by the Company on the redemption or acquisition of a Class A Preferred Share which is in excess of the paid-up capital of such Class A Preferred Share will be deemed to be a dividend and will be included in the income of a holder of Class A Preferred Shares, in accordance with the rules described above.

Fifty percent of any capital gain realized by a shareholder (including capital gains deemed to be realized as a result of a receipt of a capital gains dividend) will be included in the shareholder's income under the Tax Act as a taxable capital gain. Subject to certain specific rules in the Tax Act, one-half of any capital loss realized in a taxation year may be deducted against any taxable capital gains realized by the shareholder in such year, in the three preceding taxation years or in any subsequent taxation year.

The taxable capital gains realized by a shareholder that is an individual may give rise to alternative minimum tax depending upon the shareholder's circumstances. A shareholder that is a "Canadian Controlled Private Corporation" (as defined in the Income Tax Act) may be subject to an additional refundable tax on certain investment income, including amounts received in respect of interest and taxable capital gains. CCPCs or substantive CCPCs acquiring or holding Class A Preferred Shares should consult their tax advisors with respect to the implications of the refundable tax as it relates to the acquisition, holding and disposition of the Class A Preferred Shares.

### 6.3 Eligibility for Investment

This outline of the eligibility for investment by registered plans is prepared and provided entirely by the management of the Company for the circumstances of the Company. The Class A Preferred Shares will be qualified investments for a Registered Retirement Savings Plan ("RRSP"), Registered Educational Savings Plan ("RESP"), Deferred Profit Sharing Plan or a Registered Retirement Income Fund ("RRIF"), a Tax Free Saving Account ("TFSA"), First Home Savings Account ("FHSA") (collectively the "**Registered Plans**") at a particular time if the Company qualifies as a mortgage investment corporation under the Tax Act at such particular time and if, throughout the calendar year in which the particular time occurs, the Company does not hold as part of its property any indebtedness, whether by way of mortgage or otherwise, of a person who is an annuitant, a beneficiary, an employer or a subscriber, as the case may be, under the relevant Registered Plans or of any other person who does not deal at arm's length with that person. Registered Plans will generally not be liable for tax in respect of any dividends received from the Company.

If the Company ceases to qualify as a mortgage investment corporation throughout any period of time, the Class A Preferred Shares of the Company will cease to qualify as investments for Registered Plans throughout such period. The Registered Plans will be subject to a penalty tax if it holds any non-qualified investments at the end of a month. The tax is equal to 1% of the fair market value at the time of acquisition of the non-qualified investment and is payable for each month end in which the non-qualified property is held.

If an RRSP or RRIF holds a non-qualified investment at any time during a particular year, the RRSP or RRIF will be subject to a tax under Part I of the Tax Act on income attributable to the non-qualified investment. RESPs which hold non-qualified investments can have their registration revoked by the Canada Revenue Agency.

Notwithstanding that the Class A Preferred Shares may be qualified investments for the Registered Plans, the annuitant of an RRSP or RRIF, the holder of a TFSA or FHSA, or subscriber of a RESP, as the case may be, which acquires Class A Preferred Shares will be subject to a penalty tax under the Tax Act if such securities are a "**prohibited investment**" (within the meaning of the Tax Act) for the particular Registered Plan. The Class A Preferred Shares will generally be a "prohibited investment" for a Registered Plan if the annuitant of an RRSP or RRIF, the holder of a TFSA or FHSA, or a subscriber of a RESP, does not deal at arm's length with the Company for purposes of the Tax Act or the annuitant, holder or subscriber has a "**significant interest**" (within the meaning of the Tax Act) in the Company or a corporation, partnership or trust with which the Company does not deal at arm's length for purposes of the Tax Act. A "significant interest" in a corporation generally means ownership of 10% or more of the issued shares of any class of the capital stock of the Company (or of any related corporation), either alone or together with persons with which the shareholder does not deal at arm's length, as that phrase is understood, for purposes of the Tax Act. **Annuitants of RRSPs and RRIFs, holders of TFSAs and FHSAs, and subscribers of RESPs should consult their own professional advisors in this regard.**

The penalty taxes are referred to as the "prohibited investment tax" and the "advantage tax".

The prohibited investment and advantage tax applies if the annuitant of the RRSP or RRIF, holder of the TFSA or FHSA, or subscriber of RESP, at any time, owns directly or indirectly 10% or more of any class of shares of the MIC. Shares of the MIC held by persons not dealing at arm's length with the annuitant or holder are deemed to be owned by the annuitant or holder for the purpose of determining if the annuitant or holder owns directly or indirectly 10% or more of any class of shares. Non-arm's length individuals include related individuals. In other cases, it is a question of fact as to whether a person is dealing at non-arm's length with the annuitant of an RRSP or RRIF, holder of a TFSA or FHSA, or subscriber of a RESP.

**The Company is making the foregoing tax disclosure, but it makes no other warranties or representations, implied or otherwise, with respect to taxation issues. Furthermore, the Company will not be monitoring whether the "prohibited investment tax" may be applicable to any particular shareholder.**

## **Item 7 - Compensation Paid to Sellers and Finders**

The Offered Shares will only be able to be sold by a registered securities dealer or exempt market dealer registered with the securities regulatory authority in the applicable jurisdiction.

On April 2, 2020, the Company engaged Kite Financial Solutions Ltd. as its exempt market dealer for the distribution of the Offered Shares on a best effort basis in consideration of a fixed fee of \$17,000 paid monthly.

Kite Financial Solutions Ltd. is a registered "exempt market dealer" (as such term is defined in National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations*) in British Columbia and Alberta

and is a selling agent in respect of the Offering. As a result, the Company is a connected issuer and a related issuer (as those terms are defined in National Instrument 33-105 *Underwriting Conflicts*) to Kite Financial Solutions Ltd.

In addition to Kite Financial Solutions Ltd., the Company may engage and pay fees to one or more other arm's length exempt market dealers and/or dealers regulated by and members of Canadian Investment Regulatory Organization or any successor organization, which fees will be paid from the gross proceeds of the Offering.

## **Item 8 - Risk Factors**

**In addition to factors set forth elsewhere in this Offering Memorandum, potential subscribers should carefully consider the following factors, many of which are inherent to the ownership of the Class A Preferred Shares. The following is a summary only of the risk factors involved in an investment in the Class A Preferred Shares. Investors should consult with their own professional advisors to assess the income tax, legal and other aspects of an investment in the Class A Preferred Shares.**

### **8.1 Investment Risk**

#### Speculative Investment

The purchase of Offered Shares is a speculative investment. You should buy them only if you can make a long term investment, have no need for immediate liquidity in your investment and are aware of the risk factors involved in such an investment. Real estate lending contains elements of risk and is subject to uncertainties such as the borrowers' costs of operation and financing and fluctuating demand for developed real estate.

#### Marketability

While the Offered Shares have certain retraction and redemption rights, there is no market for resale of the Class A Preferred Shares and consequently, it may be difficult or even impossible for you to sell them. In addition, the Class A Preferred Shares may not be readily acceptable as collateral for loans. See Item 5.1 – "Terms of Securities" and Item 5.1.4 – "Redemption Practices and Rights – Holder".

There are restrictions on resale of the Offered Shares by you and the Offered Shares are subject to an indefinite hold period. As we do not intend presently to qualify our securities for sale to the public by way of a prospectus or to become a reporting issuer, these resale restrictions might never expire and you should consult your own professional advisors in respect of resale of the Class A Preferred Shares. See Item 10 – "Resale Restrictions".

#### Right to Redeem Not Absolute

The Offered Shares have retraction rights and redemption rights, meaning that holders of Offered Shares have the right to require the Company to redeem the Class A Preferred Shares and the Company has the right to redeem the Class A Preferred Shares, in each case subject to the terms, limitations and exceptions set out in the Company's articles. Redemption of the Class A Preferred Shares will not occur if such redemption will result in the Company not qualifying as a mortgage investment company under the Tax Act or if there are reasonable grounds for

believing that after the redemption requested the Company would be unable to pay its liabilities as they become due or the realizable value of the Company's assets would thereby be less than the aggregate of its liabilities. Accordingly, investment in the Company's Offered Shares is unsuitable for those prospective investors who may require liquidity. See Item 5.1 – "Terms of Securities" and Item 5.1.4 – "Redemption Practices and Rights – Holder".

#### No Voting Rights

The Offered Shares being offered for sale pursuant to this Offering Memorandum have limited voting rights, and consequently a shareholder's investment in Offered Shares does not carry with it an absolute right to take part in the control or management of the Company's business, including the election of Directors. In assessing the risks and rewards of an investment in Offered Shares, potential investors should appreciate that they are relying solely on the good faith, judgement and ability of the directors, officers and employees of the Company and the Manager to make appropriate decisions with respect to the management of the Company, and that they will be bound by the decisions of the Company's and Manager's directors, officers and employees. It would be inappropriate for investors unwilling to rely, to this extent, on these individuals to purchase Offered Shares.

#### Tax Designation

If, for any reason, the Company fails to maintain its qualification as a MIC under the Tax Act, dividends paid by the Company on the Offered Shares will cease to be deductible from the Company's income and the Offered Shares, unless listed on a prescribed stock exchange for the purposes of the Tax Act, may cease to be qualified investments for Registered Plans. The Tax Act imposes penalties for the acquisition or holding of non-qualified or ineligible investments in Registered Plans. *There can be no assurance that the Company will be able to meet the Income Tax Act's MIC qualifications at all material times.* See Item 6 – "Income Tax Consequences".

The normal gross-up and dividend tax credit rules do not apply to dividends paid on securities of the Company and corporate holders of the Offered Shares will not be entitled to deduct the amount of any dividends paid on their Offered Shares from their taxable income. See Item 6 – "Income Tax Consequences".

#### No Guaranteed Return

There is no guarantee that an investment in Offered Shares will earn any positive return or any return at all in the short or long term. Moreover, the interest rates being charged for mortgages reflect the general level of interest rates and, as interest rates fluctuate, management of the Company expects that the aggregate yield on mortgage investments will also change.

## **8.2 Company Risk**

#### Risk of Leverage

Successful utilization of leverage, as contemplated by any bank line of credit or other financing, as discussed in Item 2.3 – "Development of the Business", depends on our ability to borrow funds from outside sources and to use those

funds to make loans and other investments at rates of return in excess of the cost to us of the borrowed funds. Leverage increases exposure to loss.

#### Availability of Investments

Because the source of the Company's investments is through itself, the Company is exposed to adverse developments in the business and affairs of itself, to its management and financial strength, to its ability to operate its businesses profitably and to its ability to retain the mortgage broker licenses issued to it under applicable legislation.

The ability of the Company to make investments in accordance with its objectives and investment policies depends upon the availability of suitable investments and the amount of funds available. There can be no assurance that the yields on the mortgages currently invested in by the Company will be representative of yields to be obtained on future mortgage investments of the Company.

#### Composition of the Mortgage Portfolio

The composition of the Company's mortgage portfolio may vary widely from time to time and may be concentrated by type of security, industry or geography, resulting in the mortgage portfolio being less diversified than anticipated. A lack of diversification may result in the Company being exposed to economic downturns or other events that have an adverse and disproportionate effect on particular types of security, industry or geography. Until the aggregate funds under management of the Company grows large enough, similar lending concentrations may occur from time to time if the Company is presented with larger size investments of high returns if the Manager determines that there is acceptably low enough risk. See Item 2.3 – "Development of the Business".

#### Conflicts of Interest

The Directors and officers of the Company are also directors, officers and shareholders of the Manager and may be directors, officers and shareholders of other companies engaged in similar businesses. Consequently, conflicts may arise between the investors in the Offered Shares of the Company and the directors and officers of the Manager. There is no assurance that any conflicts of interest that may arise will be resolved in a manner most favourable to the investors. Persons considering a purchase of Offered Shares pursuant to this Offering must rely on the judgement and good faith of the directors and officers of the Manager and the Company in resolving such conflicts of interest as they arise.

The Directors of the Company may vary the Company's Investment Guidelines. The Directors are also entitled to terminate the Management Agreement. It may be difficult for some of the Directors to exercise independent judgment about these and other matters.

#### Lack of Separate Legal Counsel

Investors in the Offered Shares, as a group, have not been represented by separate legal counsel. Legal counsel for the Company and counsel for the Manager or any of their affiliates have not conducted any review or engagement on the behalf of such investors.

### 8.3 Industry Risk

#### General Nature of Mortgage Loans

The Company's investments in mortgage loans will be secured by real estate. All real property investments are subject to elements of risk. Real property value is affected by general economic conditions, local real estate markets, the attractiveness of a property to purchasers or tenants, competition from other available properties and other factors. While independent appraisals are generally required before the Company makes any mortgage investments, the appraised values provided therein, even where reported on an "as is" basis are not necessarily reflective of the market value of the underlying real property, which may fluctuate. In addition, the appraised values reported in independent appraisals may be subject to certain conditions, including the completion, rehabilitation or lease-up improvements on the real property providing security for the investment. There can be no guarantee that these conditions will be satisfied and if, and to the extent, they are not satisfied, the appraised value may not be achieved. Even if such conditions are satisfied, the appraised value may not necessarily reflect the market value of the real property at the time the conditions are satisfied.

The value of income producing real property may also depend on the credit worthiness and financial stability of the borrowers. The Company's income and funds available for distribution to security holders would be adversely affected if a significant number of borrowers were unable to pay their obligations to the Company or if the Company were unable to invest its funds in mortgages on economically favourable terms. On default by a borrower, the Company may experience delays in enforcing its rights as lender and may incur substantial costs in protecting its investment.

Certain significant expenditures, including property taxes, capital repair and replacement costs, maintenance costs, mortgage payments, insurance costs and related charges must be made through the period of ownership of real property regardless of whether the property is producing income. The Company may be required to incur such expenditures to protect its investment, even if the borrower is not making debt service required of it under the mortgage.

Real property mortgage investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and for the perceived desirability of the investment. Such illiquidity may limit the Company's ability to vary its portfolio promptly in response to changing economic or investment conditions. If the Company were required to liquidate its real property mortgage investments, the proceeds to the Company might be significantly less than the total value of its investment.

The Company will be subject to the risks associated with debt financing, including the risk that mortgage indebtedness secured by the properties of the Company will not be able to be refinanced or that the terms of re-financing will not be as favourable as the terms of existing indebtedness.

The Company is also subject to the risks associated with general economic and market conditions, including interest rate fluctuation, inflation rates, tariffs and economic uncertainty.

### Risks Associated with Mortgage Loans

You also should consider the following more specific risks in connection with our mortgage loans:

- i. *Insurance.* Our mortgage loans will not usually be insured by Canada Mortgage and Housing Corporation or any private mortgage insurer, either in whole or in part.
- ii. *Priority.* In the event of default under a mortgage, it may be necessary for us, in order to protect the investment, to engage in foreclosure or sale proceedings and to make further outlays to complete an unfinished project or to pay off or maintain prior encumbrances in good standing.
- iii. *Default.* Financial charges funded by first mortgage lenders may, in some cases, rank in priority to our mortgages. If there is an event of default by the borrower under any prior financing charge, we may be required to arrange a new first mortgage or pay out the first mortgage from our own assets in order to avoid adverse financial consequences to the Company.
- iv. *Credit Risk.* As with most mortgage investment companies, we provide financing to borrowers who may not meet financing criteria for conventional mortgages from institutional sources and, as a result, these investments generally earn a higher rate of return than what institutional lenders may receive. Credit risk is the risk that the mortgagor will fail to discharge the obligation, causing the Company to incur a financial loss. We minimize our credit risk primarily by ensuring that the collateral value of the security fully protects the advances, that there is a viable exit strategy for each loan and that loans are made to experienced developers and owners. In addition, we limit concentration risk by diversifying our mortgage portfolio by way of location, property type, maximum size of loan on any one property and maximum advances to any one borrower or connection.
- v. *Impaired Loans.* The Company may have from time to time one or more impaired loans in its investment portfolio, details of which are reported in the Company's financial statements. A loan is impaired where full recovery is considered to be in doubt based on a current evaluation of the security held by the Company and for which either a write-down has been taken or a specific loss provision has been established.
- vi. *Liquidity Risk.* Liquidity risk is the risk that we will encounter difficulty in raising funds to meet commitments associated with financial instruments. We control liquidity risk through cash flow projections used to forecast funding requirements on mortgage proposals, and anticipated redemption of Class A Preferred Shares.

In addition, in recognition of the risks which may be involved in our loans, we establish reserves against potential losses in amounts that we anticipate being deductible for income tax purposes under the Tax Act as determined in consultation with the Company's auditors.

### Competition for Mortgage Loans

Our earnings depend on the availability of suitable opportunities for the investment of our funds and on the yields available from time to time on mortgages as well as the cost of borrowings. A wide variety of competing lenders and investors are active in the areas of lending in which we operate. Our yields on real estate loans, including mortgages, depend on many factors including economic conditions, the level of risk assumed, conditions in the real

estate industry, opportunities for other types of investments, legislation, governmental regulation and tax laws. We cannot predict the effect which those factors will have on our Business.

#### Renewal of Mortgages

There can be no assurances that any of the mortgages comprising the Company's mortgage portfolio from time to time can or will be renewed at the same interest rates and terms, or in the same amounts as are currently in effect. With respect to each mortgage comprising the mortgage portfolio, it is possible that the mortgagor, the mortgagee or both, will not elect to renew such mortgage. In addition, if the mortgages in the mortgage portfolio are renewed, the principal balance of such renewals, the interest rates and the other terms and conditions of such mortgages will be subject to negotiations between the mortgagors and the mortgagees at the time of renewal.

#### Failure to Meet Commitments

The Company may commit to making future mortgage investments in anticipation of repayment of principal outstanding under existing mortgage investments. In the event that such repayments of principal are not made in contravention of the borrowers' obligations, the Company may be unable to advance some or all of the funds required to be advanced pursuant to the terms of its commitments and may face liability in connection with its failure to make such advances.

#### Environmental and Other Regulatory Matters

Although the Company generally obtains an evaluation of the property to be subject to the mortgage in the form of a "Phase I Environmental Audit", environmental legislation and policies have become an increasingly important feature of property ownership and management in recent years. Under various laws, the Company could become liable for the costs of effecting remedial work necessitated by the release, deposit or presence of certain materials, including hazardous or toxic substances and wastes at or from a property, or disposed of at another location. The failure to effect remedial work may adversely affect an owner's ability to sell real estate or to borrow using the real estate as collateral and could result in claims against the owner.

The Company follows an environmental program, which includes policies and procedures to review and monitor environmental matters associated with its properties. This environmental policy usually includes a Phase I Environmental Audit when warranted, conducted by an independent and experienced environmental consultant, before advancing a loan or acquiring a mortgage.

#### Changes in Legislation and Government Regulation

There can be no assurance that income tax laws and government incentive programs relating to the real estate industry will not be changed in a manner which adversely affects the Company or distributions received by its security holders.

## **Item 9 - Reporting Obligations**

### **9.1 Documents Provided to Shareholders Annually or on an On-going Basis**

The Company is not a reporting issuer in any province or territory of Canada. The Company will comply with the reporting requirements imposed on the Company under the *Business Corporations Act* (British Columbia). In addition, audited financial statements with fiscal year-end reports will be made available to our shareholders within 120 days after the fiscal year-end.

### **9.2 Information About the Company**

As provided under the *Business Corporations Act* (British Columbia), you may obtain certain information about the Company's incorporation, amendments to our constating documents, Directors, officers, annual corporate filings and other corporate information either from the British Columbia Registrar of Companies, 2nd Floor – 940 Blanshard Street (PO Box 9431 Stn. Prov. Govt), Victoria, BC, V8W 9V3 (telephone number 250-356-8658, fax 250-356-9422, website [www.fin.gov.bc.ca/registries/corppg](http://www.fin.gov.bc.ca/registries/corppg)) or the registered office of the Company at 2600 – 1066 West Hastings Street, Vancouver, BC, V6E 3X1 (telephone number 604-682-7737, fax 604-682-7131, website [www.mltaikins.com](http://www.mltaikins.com)). Information about the Company's status and filing under the *Securities Act* (British Columbia) can be obtained from the British Columbia Securities Commission (telephone number (604) 899-6500, toll-free 1-800 373-6393, fax 604-899-6506, website [www.bcsc.bc.ca](http://www.bcsc.bc.ca)) and under the applicable securities legislation of certain other jurisdictions from the securities regulators in such jurisdictions.

## **Item 10 - Resale Restrictions**

### **10.1 General**

The Offered Shares are subject to a number of resale restrictions, including transfer restrictions under the Company's articles and an indefinite hold period under applicable securities legislation. You will not be able to trade the securities unless you comply with an exemption from the prospectus and registration requirements under applicable securities legislation and the Board consents to the transfer of the securities. See Item 5.1 – "Terms of Securities".

### **10.2 Restricted Period**

Unless permitted under applicable securities legislation, in all jurisdictions in Canada other than Manitoba, the Offered Shares of the Company offered hereunder cannot be traded before the date that is 4 months and a day after the later of (i) the date of distribution of the Offered Share and (ii) the date the Company becomes a reporting issuer (as defined under applicable securities legislation) in any province or territory of Canada. The certificates evidencing Offered Shares of the Company will bear the following legend evidencing such restriction:

*"Unless permitted under securities legislation, the holder of this security must not trade the security before the date that is 4 months and a day after the later of (i) [insert the distribution date], and (ii) the date the issuer became a reporting issuer in any province or territory."*

The offering of securities hereunder will not result in the Company becoming a reporting issuer in any jurisdiction. In addition, the Company presently does not anticipate ever becoming a reporting issuer. Accordingly, the resale restriction on the Offered Shares may never expire. Prospective Subscribers are advised to seek independent legal advice prior to the purchase or resale of any Offered Shares of the Company.

### **10.3 Manitoba Resale Restrictions**

Unless permitted under applicable securities legislation, you must not trade the Offered Shares without the prior written consent of the regulator in Manitoba, unless:

- (a) the Company has filed a prospectus with the regulator in Manitoba with respect to the securities you have purchased and the regulator in Manitoba has issued a receipt for that prospectus;
- (b) you have held the securities for at least 12 months; or
- (c) the trade is made under an exemption from the dealer registration requirements, and in the case of a trade that would be subject to the prospectus requirement, is made under an exemption from the prospectus requirement.

The regulator in Manitoba will consent to your trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

The Company presently does not anticipate filing of a prospectus with the regulator of Manitoba. Should the Company file a prospectus with the regulator of Manitoba in the future, there can be no guarantee that the Offered Shares purchased by any prospective Subscriber will be qualified thereunder.

## **Item 11 - Subscriber's Rights**

If you purchase these securities you will have certain rights, some of which are described below.

The following summaries are subject to any express provisions of the applicable securities legislation of each Selling Province. Please refer to that applicable securities legislation for the complete text of such provisions. The rights of action described herein are in addition to and without derogation from any other right or remedy that a Subscriber may have at law.

*For information about your rights you should consult a lawyer.*

### **11.1 Two-Day Cancellation Right**

You can cancel your agreement to purchase the Offered Shares. To do so, you must send a notice to us by midnight on the 2nd business day after you sign the agreement to buy the Offered Shares.

### **11.2 Statutory Rights of Action in the Event of a Misrepresentation**

Any Offering Memorandum marketing materials related to this Offering which are delivered or made reasonably available to a Subscriber before the closing of that Subscriber's subscription for Offered Shares are deemed to be incorporated by reference in this Offering Memorandum. As used herein, "Offering Memorandum marketing materials" has the same meaning as "OM marketing materials" has in NI 45-106.

The marketing materials delivered or made reasonably available to a prospective Subscriber before the termination of the distribution, related to each distribution under this Offering Memorandum, are incorporated by reference in this Offering Memorandum. The Company reserves the right to modify these marketing materials in a nonmaterial way without re-delivering or without making reasonably available such modified marketing materials to a prospective Subscriber.

Securities legislation in certain of the provinces and territories of Canada provides Subscribers or requires Subscribers to be provided with a remedy for rescission or damages where an offering memorandum and any amendment to it contain a Misrepresentation. As used herein, "Misrepresentation" means: (a) in the case of all jurisdictions except Québec, an untrue statement of a material fact, or an omission to state a material fact that is required to be stated, or that is necessary to make a statement not misleading in the light of the circumstances in which it was made; and (b) in the case of Québec, any misleading information on a material fact as well as any omission of a material fact. These remedies, or notice with respect thereto, must be exercised, or delivered, as the case may be, by the Subscriber within the time limit prescribed by the applicable securities legislation. Each Subscriber should refer to provisions of the applicable securities legislation for the particulars of these rights or consult with a legal advisor.

### **11.3 Rights for Subscribers in Ontario**

The Ontario Act provides that a Subscriber resident in Ontario who purchases Offered Shares pursuant to this Offering Memorandum during the period of distribution will have, subject certain limitations and statutory defences, a statutory right of action for damages or, while still the owner of the Offered Shares, for rescission against the Company in the event that the Offering Memorandum contains a misrepresentation (as defined in the Ontario Act), without regard to whether the Subscriber relied on the misrepresentation.

In Ontario, the rights of action pursuant to Section 130.1 of Ontario Act are applicable, except with respect of an offering memorandum delivered to prospective purchasers in connection with a distribution made in reliance on the Accredited Investor Exemption, to the following purchasers who, pursuant to Ontario Securities Commission Rule 45-501 *Ontario Prospectus and Registration Exemptions* ("**OSC Rule 45-501**"), are not entitled to such right of action:

- (a) a Canadian financial institution or an authorized foreign bank under Schedule III to the *Bank Act* (Canada), each as defined in OSC Rule 45-501;
- (b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada); or
- (c) a subsidiary of any person referred to in paragraphs (a) and (b) above, if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary.

The right of action for damages is exercisable not later than the earlier of 180 days from the date the Subscriber first has knowledge of the facts giving rise to the cause of action and three years from the date on which payment is made for the Offered Shares. The right of action for rescission is exercisable not later than 180 days from the date on which payment is made for the Offered Shares. If a Subscriber elects to exercise the right of action for rescission, the Subscriber will have no right of action for damages. In no case will the amount recoverable in any action exceed the price at which the offered Shares were offered to the Subscriber and if the purchaser is shown to have purchased the Offered Shares with knowledge of the misrepresentation, no person will be liable. In the case of an action for damages, the Company will not be liable for all or any portion of the damages that are proven to not represent the depreciation in value of the Offered Shares as a result of the misrepresentation relied upon.

The foregoing rights are subject to the following limitations:

- (a) the Company will not be liable if it proves that the Subscriber purchased the Offered Shares with knowledge of the misrepresentation;
- (b) in the case of an action for damages, the Company will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Offered Shares as a result of the misrepresentation relied upon; and
- (c) in no case will the amount recoverable in any action exceed the price at which the Offered Shares were sold to the Subscriber.

#### **11.4 Rights of Subscribers in British Columbia and Alberta**

A Subscriber of Offered Shares pursuant to this Offering Memorandum who is a resident in Alberta or British Columbia has, in addition to any other rights the subscriber may have at law, a right of action for damages or rescission against the Company if this Offering Memorandum, together with any amendments hereto, contains a Misrepresentation. A Subscriber has additional statutory rights of action for damages against every Director of the Company at the date of this Offering Memorandum, every person whose consent to the disclosure of information in this Offering Memorandum was filed, and every person who signed this Offering Memorandum.

If this Offering Memorandum contains a Misrepresentation, the Subscriber will be deemed to have relied upon the Misrepresentation if it was a Misrepresentation at the time the Offered Shares were purchased and will, as provided

below, have a right of action against the Company for damages or alternatively, if still the owner of any of the Offered Shares purchased by that subscriber, for rescission, in which case, if the Subscriber elects to exercise the right of rescission, the Subscriber will have no right of action for damages against the Company, provided that: (a) no person will be liable if it proves that the Subscriber purchased the securities with knowledge of the Misrepresentation; (b) in the case of an action for damages, the defendant will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities as a result of the misrepresentation; (c) in no case will the amount recoverable in any action exceed the price at which the securities were purchased by the Subscriber under this Offering Memorandum; and (d) in the case of a Subscriber resident in Alberta, no person or company, other than the Company, will be liable if such person or company is entitled to rely upon certain statutory provisions set out in subsections 204(3)(b)-(e) of the *Securities Act* (Alberta).

No action may be commenced (a) in the case of an action for rescission, more than 180 days after the date of the transaction that gave rise to the cause of action; or (b) in the case of any other action, other than an action for rescission, more than the earlier of (i) 180 days after the subscriber first had knowledge of the facts giving rise to the cause of action; or (ii) three years after the date of the transaction that gave rise to the cause of action.

In the case of a Subscriber resident in Alberta, where this Offering Memorandum is delivered, but the distribution is made in reliance on the exemption from the prospectus requirements contained under section 2.3 of NI 45-106 (the "**accredited investor exemption**"), the rights referred to in section 204 of the *Securities Act* (Alberta) do not apply in respect of an offering memorandum (such as this Offering Memorandum) delivered to a prospective Subscriber in connection with a distribution made in reliance on the accredited investor exemption.

### **11.5 Rights for Subscribers in Saskatchewan**

*The Securities Act, 1988* (Saskatchewan) provides statutory rights to Subscribers of Offered Shares in Saskatchewan as described in *The Securities Act, 1988* (Saskatchewan). Such Act provides that, subject to certain limitations, in the event that this Offering Memorandum and any amendment to this Offering Memorandum contain a Misrepresentation, a Subscriber who purchases Offered Shares under this Offering Memorandum or an amendment to this Offering Memorandum, has a right of action for damages against the Company, every promoter of the Company, every person who signed this Offering Memorandum or the amendment to this Offering Memorandum and every person who or company that sells securities on behalf of the Company under this Offering Memorandum or amendment to this Offering Memorandum. Alternatively, where the Subscriber purchased Offered Shares, the Subscriber may elect to exercise a right of rescission against the Company.

*The Securities Act, 1988* (Saskatchewan) also provides that, subject to certain limitations, where any advertising or sales literature (as such terms are defined in *The Securities Act, 1988* (Saskatchewan)) disseminated in connection with the Offering contains a Misrepresentation, a Subscriber who purchases Offered Shares referred to in that advertising or sales literature has a right of action against the Company, every promoter of the Company and every person who or company that sells Offered Shares under the Offering with respect to which the advertising or sales literature was disseminated.

In addition, subject to certain limitations, where an individual makes a verbal statement to a prospective Subscriber that contains a Misrepresentation relating to the Offered Shares of the Company and the verbal statement is made either before or contemporaneously with the purchase of Offered Shares of the Company, the Subscriber has a right of action for damages against the individual who made the verbal statement.

Section 141(1) of *The Securities Act, 1988* (Saskatchewan) provides a purchaser with the right to void the purchase agreement and to recover all money and other consideration paid by the purchaser for the securities if the securities are sold by a vendor who is trading in Saskatchewan in contravention of *The Securities Act, 1988* (Saskatchewan), the regulations to *The Securities Act, 1988* (Saskatchewan) or a decision of the Financial and Consumer Affairs Authority of Saskatchewan.

Section 141(2) of *The Securities Act, 1988* (Saskatchewan) also provides a right of action for rescission or damages to a purchaser of securities to whom an offering memorandum or any amendment to it was not sent or delivered prior to or at the same time as the purchaser enters into an agreement to purchase the securities, as required by Section 80.1 of *The Securities Act, 1988* (Saskatchewan).

No action shall be commenced to enforce the foregoing rights: (a) in the case of an action for rescission, more than 180 days after the date of the transaction that gave rise to the cause of action; or (b) in the case of any action, other than an action for rescission, more than the earlier of (i) one year after the Subscriber first had knowledge of the facts giving rise to the cause of action, or six years after the date of the transaction that gave rise to the cause of action.

*The Securities Act, 1988* (Saskatchewan) also provides that a purchaser who has received an amended offering memorandum delivered in accordance with subsection 80.1(3) of *The Securities Act, 1988* (Saskatchewan) has a right to withdraw from the agreement to purchase the securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser's intention not to be bound by the purchase agreement, provided such notice is delivered by the purchaser within two business days of receiving the amended offering memorandum.

#### **11.6 Rights for Subscribers in Manitoba**

The *Securities Act* (Manitoba) provides Subscribers of Offered Shares under a private placement who receive this Offering Memorandum with certain statutory rights in the event there is a Misrepresentation in this Offering Memorandum. In such event, Subscribers would have a statutory right to sue: (a) to cancel the agreement to buy Offered Shares; or (b) for damages against the Company, every person who is a Director of the Company at the date of the Offering Memorandum, and every person or company who signed the Offering Memorandum. The statutory right to sue is available to a Subscriber whether or not the Subscriber relied on the Misrepresentation. If a Subscriber chooses to rescind a purchase, the Subscriber cannot then sue for damages. In addition, in an action for damages, a person will not be liable for all or any portion of damages that the person proves do not represent the depreciation in value of the Offered Shares as a result of the Misrepresentation. Furthermore, the amount recoverable in an action for damages will not exceed the price at which the Offered Shares were offered. There are various defenses available to the persons that a Subscriber has a right to sue. For example, a person has a defense if the Subscriber

knew of the Misrepresentation when the Subscriber purchased the Offered Shares. If a Subscriber intends to rely on the rights described above in paragraph (a) or (b), the Subscriber must do so within strict time limitations. A Subscriber must commence an action to cancel the agreement within 180 days after the transaction or commence action for damages within the earlier of (i) 180 days after the Subscriber first had knowledge of the facts giving rise to the cause of action; or (ii) two years after the day of the transaction.

#### **11.7 Rights for Subscribers in New Brunswick**

In the event that this Offering Memorandum, together with any amendments hereto used in connection herewith, delivered to a Subscriber of Offered Shares resident in New Brunswick, or in any other information provided pursuant to the Offering, contains a

Misrepresentation and it was a Misrepresentation at the time of purchase of Offered Shares by such Subscriber, the Subscriber will be deemed to have relied upon the Misrepresentation and will, as provided below, have a right of action against the Company for damages; or, while still the owner of the Offered Shares purchased by that Subscriber, for rescission against the Company, in which case, if the Subscriber elects to exercise the right of rescission, the Subscriber will have no right of action for damages against the Company, provided that: (a) the right of action for rescission or damages must be exercisable by the Subscriber not later than, i. in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or ii. to cancel your agreement to buy these securities, or in the case of any action, other than an action for rescission, the earlier of (A) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action, or (B) six years after the date of the transaction that gave rise to the cause of action; (b) the defendant will not be liable if it proves that the Subscriber purchased the Offered Shares with knowledge of the Misrepresentation; (c) in the case of an action for damages, the defendant will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Offered Shares as a result of the Misrepresentation relied upon; and (d) in no case will the amount recoverable in any action exceed the price at which the Offered Shares were sold to the Subscriber.

#### **11.8 Rights for Subscribers in Nova Scotia**

In the event that this Offering Memorandum, together with any amendments hereto used in connection herewith, delivered to a Subscriber of Offered Shares resident in Nova Scotia, or in any advertising and sales literature provided with respect to the Offering, contains a Misrepresentation and it was a Misrepresentation at the time of purchase of Offered Shares by such Subscriber, the Subscriber will be deemed to have relied upon the Misrepresentation and will, as provided below, have a right of action against the Company, the Trustees and any person executing the certificate to this Offering Memorandum or any amendment hereto for damages; or, while still the owner of the Offered Shares purchased by that Subscriber, for rescission against the Company, in which case, if the Subscriber elects to exercise the right of rescission, the Subscriber will have no right of action for damages against the Company, the Trustees or any person executing the certificate to this Offering, provided that: (a) the right of action for rescission or damages must be exercisable by the Subscriber not later than, i. in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or ii. in the case of any action, other than an action for rescission, the earlier of, (A) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or (B) three years after the date of the transaction that

gave rise to the cause of action; (b) the defendant will not be liable if it proves that the Subscriber purchased the Offered Shares with knowledge of the Misrepresentation; (c) in the case of an action for damages, the defendant will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Offered Shares as a result of the Misrepresentation relied upon; and (d) in no case will the amount recoverable in any action exceed the price at which the Offered Shares were sold to the Subscriber.

#### **11.9 Rights for Subscribers in Newfoundland and Labrador**

In the event that this Offering Memorandum, together with any amendments hereto used in connection herewith, delivered to a Subscriber of Offered Shares resident in Newfoundland contains a Misrepresentation and it was a Misrepresentation at the time of purchase of Offered Shares by such Subscriber, the Subscriber will be deemed to have relied upon the Misrepresentation and will, as provided below, have a contractual right of action against the Company, every Trustee at the date of the Offering Memorandum, and every person who signed the Offering Memorandum, for damages; or, while still the owner of the Offered Shares purchased by that Subscriber, for rescission against the Company, in which case, if the Subscriber elects to exercise the right of rescission, the Subscriber will have no right of action for damages against the Company, provided that: (a) the right of action for rescission or damages must be exercisable by the Subscriber not later than, i. in the case of an action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or ii. in the case of any action, other than an action for rescission, the earlier of, (A) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or (B) three years after the date of the transaction that gave rise to the cause of action; (b) the defendant will not be liable if it proves that the Subscriber purchased the Offered Shares with knowledge of the Misrepresentation; (c) in the case of an action for damages, the defendant will not be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the Offered Shares as a result of the Misrepresentation relied upon; and (d) in no case will the amount recoverable in any action exceed the price at which the Offered Shares were sold to the Subscriber.

#### **11.10 Rights of Subscribers in Prince Edward Island**

Securities legislation in Prince Edward Island provides that, where an offering memorandum (such as this Offering Memorandum) contains a Misrepresentation, a Subscriber resident in that province who purchases securities offered by the offering memorandum has a right of action for damages against the issuer, the selling security holder on whose behalf the distribution is made, every director of the issuer at the date of the offering memorandum, and every person who signed the offering memorandum, or the Subscriber may exercise a right of action for rescission against the issuer or selling security holder, in which case the Subscriber will have no right of action for damages against any of the persons listed above.

The foregoing statutory rights are subject to various defences available to a defendant. In particular, the Subscriber shall have no right of action for damages or rescission if the defendant proves that the Subscriber purchased the securities with knowledge of the misrepresentation, and in an action for damages, the defendant will not be liable for any damages that the defendant proves do not represent the depreciation in value of the securities resulting from the misrepresentation. Moreover, in no event will the amount recoverable by a Subscriber exceed the price at

which the securities were offered. If a Subscriber intends to rely on the rights described above, they must do so within strict time limitations contained in the applicable securities legislation of Prince Edward Island.

**11.11 General**

The foregoing summaries are subject to any express provisions of the applicable securities legislation of each Offering Provinces and the regulations, rules and policy statements thereunder and reference is made thereto for the complete text of such provisions. The rights of action described herein are in addition to and without derogation from any other right or remedy that the Subscriber may have at law.

**Item 12 - Financial Statements**

The following financial statements of the Company are attached as Appendix B of this Offering Memorandum:

- (1) audited financial statements for the year ending December 31, 2025.

### **Item 13 - Date and Certificate**

**DATED** this 25<sup>th</sup> day of April 2026.

**This Offering Memorandum does not contain a misrepresentation.**

**CANGUARD MORTGAGE INVESTMENT CORPORATION**

**Per:**

*(signed) "Mohammad Eskandarpour"*

MOHAMMAD ESKANDARPOUR  
President and Chief Executive Officer

*(signed) "Jessie Dusangh"*

JESSIE DUSANGH  
Chief Financial Officer

**ON BEHALF OF THE DIRECTORS OF THE COMPANY:**

*(signed) "Mohammad Eskandarpour"*

MOHAMMAD ESKANDARPOUR

*(signed) "Meetra Eskandarpour"*

MEETRA ESKANDARPOUR

*(signed) "Henry Yong"*

HENRY YONG

*(signed) "Jessie Dusangh"*

JESSIE DUSANGH

**THE PROMOTERS OF THE COMPANY:**

*(signed) "Mohammad Eskandarpour"*

MOHAMMAD ESKANDARPOUR

*(signed) "Meetra Eskandarpour"*

MEETRA ESKANDARPOUR

*(signed) "Henry Yong"*

HENRY YONG

*(signed) "Jessie Dusangh"*

JESSIE DUSANGH

**Appendix A; Class A Preferred Shares – Prior Sales**

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price Per Security	Total Funds Received
26-Apr-25	Class A Preferred Shares	29,000	\$ 1.00	\$ 29,000
28-Apr-25	Class A Preferred Shares	4,000	\$ 1.00	\$ 4,000
28-Apr-25	Class A Preferred Shares	4,000	\$ 1.00	\$ 4,000
28-Apr-25	Class A Preferred Shares	30,000	\$ 1.00	\$ 30,000
28-Apr-25	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
28-Apr-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
29-Apr-25	Class A Preferred Shares	34,688	\$ 1.00	\$ 34,688
29-Apr-25	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
29-Apr-25	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
29-Apr-25	Class A Preferred Shares	30,000	\$ 1.00	\$ 30,000
29-Apr-25	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
29-Apr-25	Class A Preferred Shares	70,000	\$ 1.00	\$ 70,000
29-Apr-25	Class A Preferred Shares	130,000	\$ 1.00	\$ 130,000
29-Apr-25	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
30-Apr-25	Class A Preferred Shares	14,000	\$ 1.00	\$ 14,000
30-Apr-25	Class A Preferred Shares	6,000	\$ 1.00	\$ 6,000
30-Apr-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
30-Apr-25	Class A Preferred Shares	55,000	\$ 1.00	\$ 55,000
1-May-25	Class A Preferred Shares	250,000	\$ 1.00	\$ 250,000
1-May-25	Class A Preferred Shares	2,000	\$ 1.00	\$ 2,000
1-May-25	Class A Preferred Shares	2,000	\$ 1.00	\$ 2,000
1-May-25	Class A Preferred Shares	12,500	\$ 1.00	\$ 12,500
1-May-25	Class A Preferred Shares	100	\$ 1.00	\$ 100
1-May-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
2-May-25	Class A Preferred Shares	63,700	\$ 1.00	\$ 63,700
2-May-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
5-May-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
5-May-25	Class A Preferred Shares	113,000	\$ 1.00	\$ 113,000
5-May-25	Class A Preferred Shares	113,000	\$ 1.00	\$ 113,000
6-May-25	Class A Preferred Shares	29,500	\$ 1.00	\$ 29,500
6-May-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
6-May-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
7-May-25	Class A Preferred Shares	2,500	\$ 1.00	\$ 2,500
7-May-25	Class A Preferred Shares	600,000	\$ 1.00	\$ 600,000
7-May-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
8-May-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
8-May-25	Class A Preferred Shares	4,500,000	\$ 1.00	\$ 4,500,000
8-May-25	Class A Preferred Shares	500,000	\$ 1.00	\$ 500,000
8-May-25	Class A Preferred Shares	12,000	\$ 1.00	\$ 12,000
8-May-25	Class A Preferred Shares	2,000	\$ 1.00	\$ 2,000
8-May-25	Class A Preferred Shares	2,000	\$ 1.00	\$ 2,000
12-May-25	Class A Preferred Shares	8,000	\$ 1.00	\$ 8,000
12-May-25	Class A Preferred Shares	4,000	\$ 1.00	\$ 4,000
12-May-25	Class A Preferred Shares	126,650	\$ 1.00	\$ 126,650

13-May-25	Class A Preferred Shares	402,000	\$ 1.00	\$ 402,000
13-May-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
13-May-25	Class A Preferred Shares	80,530	\$ 1.00	\$ 80,530
14-May-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
14-May-25	Class A Preferred Shares	2,200	\$ 1.00	\$ 2,200
14-May-25	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
15-May-25	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
15-May-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
15-May-25	Class A Preferred Shares	37,870	\$ 1.00	\$ 37,870
15-May-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
16-May-25	Class A Preferred Shares	500,000	\$ 1.00	\$ 500,000
20-May-25	Class A Preferred Shares	76,000	\$ 1.00	\$ 76,000
20-May-25	Class A Preferred Shares	62,500	\$ 1.00	\$ 62,500
20-May-25	Class A Preferred Shares	60,000	\$ 1.00	\$ 60,000
21-May-25	Class A Preferred Shares	35,000	\$ 1.00	\$ 35,000
21-May-25	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
22-May-25	Class A Preferred Shares	340,000	\$ 1.00	\$ 340,000
22-May-25	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
22-May-25	Class A Preferred Shares	65,000	\$ 1.00	\$ 65,000
22-May-25	Class A Preferred Shares	29,509	\$ 1.00	\$ 29,509
22-May-25	Class A Preferred Shares	35,000	\$ 1.00	\$ 35,000
23-May-25	Class A Preferred Shares	5,000	\$ 1.00	\$ 5,000
23-May-25	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
23-May-25	Class A Preferred Shares	24,400	\$ 1.00	\$ 24,400
23-May-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
23-May-25	Class A Preferred Shares	84,706	\$ 1.00	\$ 84,706
26-May-25	Class A Preferred Shares	5,000	\$ 1.00	\$ 5,000
27-May-25	Class A Preferred Shares	160,000	\$ 1.00	\$ 160,000
27-May-25	Class A Preferred Shares	49,875	\$ 1.00	\$ 49,875
27-May-25	Class A Preferred Shares	5,000	\$ 1.00	\$ 5,000
27-May-25	Class A Preferred Shares	11,000	\$ 1.00	\$ 11,000
27-May-25	Class A Preferred Shares	44,000	\$ 1.00	\$ 44,000
27-May-25	Class A Preferred Shares	6,000	\$ 1.00	\$ 6,000
27-May-25	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
27-May-25	Class A Preferred Shares	11,000	\$ 1.00	\$ 11,000
27-May-25	Class A Preferred Shares	120,000	\$ 1.00	\$ 120,000
27-May-25	Class A Preferred Shares	111,000	\$ 1.00	\$ 111,000
27-May-25	Class A Preferred Shares	32,000	\$ 1.00	\$ 32,000
28-May-25	Class A Preferred Shares	3,839	\$ 1.00	\$ 3,839
28-May-25	Class A Preferred Shares	107,000	\$ 1.00	\$ 107,000
28-May-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
28-May-25	Class A Preferred Shares	8,000	\$ 1.00	\$ 8,000
28-May-25	Class A Preferred Shares	350	\$ 1.00	\$ 350
29-May-25	Class A Preferred Shares	47,326	\$ 1.00	\$ 47,326
1-Jun-25	Class A Preferred Shares	100	\$ 1.00	\$ 100
2-Jun-25	Class A Preferred Shares	300,000	\$ 1.00	\$ 300,000
2-Jun-25	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000

2-Jun-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
3-Jun-25	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
3-Jun-25	Class A Preferred Shares	150,000	\$ 1.00	\$ 150,000
3-Jun-25	Class A Preferred Shares	250,000	\$ 1.00	\$ 250,000
3-Jun-25	Class A Preferred Shares	600,000	\$ 1.00	\$ 600,000
4-Jun-25	Class A Preferred Shares	135,000	\$ 1.00	\$ 135,000
5-Jun-25	Class A Preferred Shares	4,900	\$ 1.00	\$ 4,900
5-Jun-25	Class A Preferred Shares	58,000	\$ 1.00	\$ 58,000
6-Jun-25	Class A Preferred Shares	400,000	\$ 1.00	\$ 400,000
9-Jun-25	Class A Preferred Shares	22,000	\$ 1.00	\$ 22,000
10-Jun-25	Class A Preferred Shares	2,500	\$ 1.00	\$ 2,500
10-Jun-25	Class A Preferred Shares	91,000	\$ 1.00	\$ 91,000
11-Jun-25	Class A Preferred Shares	2,000	\$ 1.00	\$ 2,000
12-Jun-25	Class A Preferred Shares	490,000	\$ 1.00	\$ 490,000
13-Jun-25	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
13-Jun-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
13-Jun-25	Class A Preferred Shares	31,000	\$ 1.00	\$ 31,000
16-Jun-25	Class A Preferred Shares	800,000	\$ 1.00	\$ 800,000
17-Jun-25	Class A Preferred Shares	4,300	\$ 1.00	\$ 4,300
17-Jun-25	Class A Preferred Shares	30,000	\$ 1.00	\$ 30,000
17-Jun-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
17-Jun-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
17-Jun-25	Class A Preferred Shares	400,000	\$ 1.00	\$ 400,000
18-Jun-25	Class A Preferred Shares	600	\$ 1.00	\$ 600
18-Jun-25	Class A Preferred Shares	107,300	\$ 1.00	\$ 107,300
18-Jun-25	Class A Preferred Shares	1,100,000	\$ 1.00	\$ 1,100,000
19-Jun-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
20-Jun-25	Class A Preferred Shares	36,539	\$ 1.00	\$ 36,539
20-Jun-25	Class A Preferred Shares	1,200,000	\$ 1.00	\$ 1,200,000
20-Jun-25	Class A Preferred Shares	65,100	\$ 1.00	\$ 65,100
23-Jun-25	Class A Preferred Shares	8,500	\$ 1.00	\$ 8,500
23-Jun-25	Class A Preferred Shares	80,000	\$ 1.00	\$ 80,000
23-Jun-25	Class A Preferred Shares	102,000	\$ 1.00	\$ 102,000
23-Jun-25	Class A Preferred Shares	284,367	\$ 1.00	\$ 284,367
23-Jun-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
24-Jun-25	Class A Preferred Shares	17,000	\$ 1.00	\$ 17,000
25-Jun-25	Class A Preferred Shares	13,000	\$ 1.00	\$ 13,000
25-Jun-25	Class A Preferred Shares	12,000	\$ 1.00	\$ 12,000
25-Jun-25	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
27-Jun-25	Class A Preferred Shares	2,057	\$ 1.00	\$ 2,057
27-Jun-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
27-Jun-25	Class A Preferred Shares	1,000,000	\$ 1.00	\$ 1,000,000
30-Jun-25	Class A Preferred Shares	500,000	\$ 1.00	\$ 500,000
30-Jun-25	Class A Preferred Shares	0	\$ 1.00	\$ 0
1-Jul-25	Class A Preferred Shares	100	\$ 1.00	\$ 100
1-Jul-25	Class A Preferred Shares	2,344	\$ 1.00	\$ 2,344
1-Jul-25	Class A Preferred Shares	2,341	\$ 1.00	\$ 2,341

1-Jul-25	Class A Preferred Shares	1,139	\$ 1.00	\$ 1,139
1-Jul-25	Class A Preferred Shares	508	\$ 1.00	\$ 508
3-Jul-25	Class A Preferred Shares	2,000,000	\$ 1.00	\$ 2,000,000
3-Jul-25	Class A Preferred Shares	1,000	\$ 1.00	\$ 1,000
3-Jul-25	Class A Preferred Shares	200,000	\$ 1.00	\$ 200,000
3-Jul-25	Class A Preferred Shares	80,000	\$ 1.00	\$ 80,000
3-Jul-25	Class A Preferred Shares	35,000	\$ 1.00	\$ 35,000
4-Jul-25	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
4-Jul-25	Class A Preferred Shares	130,000	\$ 1.00	\$ 130,000
4-Jul-25	Class A Preferred Shares	6,500	\$ 1.00	\$ 6,500
4-Jul-25	Class A Preferred Shares	6,500	\$ 1.00	\$ 6,500
4-Jul-25	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
7-Jul-25	Class A Preferred Shares	32,000	\$ 1.00	\$ 32,000
7-Jul-25	Class A Preferred Shares	31,000	\$ 1.00	\$ 31,000
7-Jul-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
8-Jul-25	Class A Preferred Shares	29,000	\$ 1.00	\$ 29,000
8-Jul-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
9-Jul-25	Class A Preferred Shares	63,500	\$ 1.00	\$ 63,500
9-Jul-25	Class A Preferred Shares	400,000	\$ 1.00	\$ 400,000
11-Jul-25	Class A Preferred Shares	11,200	\$ 1.00	\$ 11,200
11-Jul-25	Class A Preferred Shares	102,000	\$ 1.00	\$ 102,000
12-Jul-25	Class A Preferred Shares	17,422	\$ 1.00	\$ 17,422
14-Jul-25	Class A Preferred Shares	4,200	\$ 1.00	\$ 4,200
15-Jul-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
15-Jul-25	Class A Preferred Shares	1,000	\$ 1.00	\$ 1,000
15-Jul-25	Class A Preferred Shares	1,000	\$ 1.00	\$ 1,000
16-Jul-25	Class A Preferred Shares	52,500	\$ 1.00	\$ 52,500
16-Jul-25	Class A Preferred Shares	79,000	\$ 1.00	\$ 79,000
17-Jul-25	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
17-Jul-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
17-Jul-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
17-Jul-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
17-Jul-25	Class A Preferred Shares	30,000	\$ 1.00	\$ 30,000
17-Jul-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
17-Jul-25	Class A Preferred Shares	47,500	\$ 1.00	\$ 47,500
17-Jul-25	Class A Preferred Shares	36,250	\$ 1.00	\$ 36,250
17-Jul-25	Class A Preferred Shares	23,500	\$ 1.00	\$ 23,500
18-Jul-25	Class A Preferred Shares	5,000	\$ 1.00	\$ 5,000
18-Jul-25	Class A Preferred Shares	150,000	\$ 1.00	\$ 150,000
18-Jul-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
18-Jul-25	Class A Preferred Shares	140,000	\$ 1.00	\$ 140,000
18-Jul-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
18-Jul-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
18-Jul-25	Class A Preferred Shares	1,000	\$ 1.00	\$ 1,000
18-Jul-25	Class A Preferred Shares	1,000	\$ 1.00	\$ 1,000
18-Jul-25	Class A Preferred Shares	31,500	\$ 1.00	\$ 31,500
21-Jul-25	Class A Preferred Shares	650,000	\$ 1.00	\$ 650,000

21-Jul-25	Class A Preferred Shares	7,500	\$ 1.00	\$ 7,500
21-Jul-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
21-Jul-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
22-Jul-25	Class A Preferred Shares	2,500	\$ 1.00	\$ 2,500
22-Jul-25	Class A Preferred Shares	3,800	\$ 1.00	\$ 3,800
22-Jul-25	Class A Preferred Shares	150,000	\$ 1.00	\$ 150,000
22-Jul-25	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
22-Jul-25	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
23-Jul-25	Class A Preferred Shares	450	\$ 1.00	\$ 450
23-Jul-25	Class A Preferred Shares	230,000	\$ 1.00	\$ 230,000
23-Jul-25	Class A Preferred Shares	4,000	\$ 1.00	\$ 4,000
24-Jul-25	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
25-Jul-25	Class A Preferred Shares	800,000	\$ 1.00	\$ 800,000
25-Jul-25	Class A Preferred Shares	163,560	\$ 1.00	\$ 163,560
25-Jul-25	Class A Preferred Shares	450,000	\$ 1.00	\$ 450,000
25-Jul-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
25-Jul-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
28-Jul-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
28-Jul-25	Class A Preferred Shares	5,500	\$ 1.00	\$ 5,500
28-Jul-25	Class A Preferred Shares	1,989	\$ 1.00	\$ 1,989
29-Jul-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
29-Jul-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
30-Jul-25	Class A Preferred Shares	68,041	\$ 1.00	\$ 68,041
30-Jul-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
30-Jul-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
31-Jul-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
31-Jul-25	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
31-Jul-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
31-Jul-25	Class A Preferred Shares	2,500	\$ 1.00	\$ 2,500
31-Jul-25	Class A Preferred Shares	26,500	\$ 1.00	\$ 26,500
1-Aug-25	Class A Preferred Shares	145,000	\$ 1.00	\$ 145,000
1-Aug-25	Class A Preferred Shares	37,000	\$ 1.00	\$ 37,000
1-Aug-25	Class A Preferred Shares	5,000	\$ 1.00	\$ 5,000
1-Aug-25	Class A Preferred Shares	24,000	\$ 1.00	\$ 24,000
1-Aug-25	Class A Preferred Shares	500,000	\$ 1.00	\$ 500,000
1-Aug-25	Class A Preferred Shares	100	\$ 1.00	\$ 100
1-Aug-25	Class A Preferred Shares	58,500	\$ 1.00	\$ 58,500
1-Aug-25	Class A Preferred Shares	2,500	\$ 1.00	\$ 2,500
1-Aug-25	Class A Preferred Shares	2,500	\$ 1.00	\$ 2,500
1-Aug-25	Class A Preferred Shares	75,000	\$ 1.00	\$ 75,000
5-Aug-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
6-Aug-25	Class A Preferred Shares	65,000	\$ 1.00	\$ 65,000
6-Aug-25	Class A Preferred Shares	55,000	\$ 1.00	\$ 55,000
6-Aug-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
6-Aug-25	Class A Preferred Shares	65,608	\$ 1.00	\$ 65,608
7-Aug-25	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
7-Aug-25	Class A Preferred Shares	36,400	\$ 1.00	\$ 36,400

8-Aug-25	Class A Preferred Shares	4,100	\$ 1.00	\$ 4,100
8-Aug-25	Class A Preferred Shares	9,100	\$ 1.00	\$ 9,100
11-Aug-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
11-Aug-25	Class A Preferred Shares	600	\$ 1.00	\$ 600
11-Aug-25	Class A Preferred Shares	600	\$ 1.00	\$ 600
11-Aug-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
11-Aug-25	Class A Preferred Shares	51,000	\$ 1.00	\$ 51,000
11-Aug-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
11-Aug-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
11-Aug-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
12-Aug-25	Class A Preferred Shares	5,000	\$ 1.00	\$ 5,000
12-Aug-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
13-Aug-25	Class A Preferred Shares	31,709	\$ 1.00	\$ 31,709
13-Aug-25	Class A Preferred Shares	700	\$ 1.00	\$ 700
13-Aug-25	Class A Preferred Shares	700	\$ 1.00	\$ 700
14-Aug-25	Class A Preferred Shares	6,000	\$ 1.00	\$ 6,000
14-Aug-25	Class A Preferred Shares	6,000	\$ 1.00	\$ 6,000
14-Aug-25	Class A Preferred Shares	22,000	\$ 1.00	\$ 22,000
14-Aug-25	Class A Preferred Shares	250,000	\$ 1.00	\$ 250,000
14-Aug-25	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
15-Aug-25	Class A Preferred Shares	95,000	\$ 1.00	\$ 95,000
15-Aug-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
18-Aug-25	Class A Preferred Shares	19,000	\$ 1.00	\$ 19,000
18-Aug-25	Class A Preferred Shares	40,000	\$ 1.00	\$ 40,000
18-Aug-25	Class A Preferred Shares	400	\$ 1.00	\$ 400
18-Aug-25	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
19-Aug-25	Class A Preferred Shares	2,500	\$ 1.00	\$ 2,500
19-Aug-25	Class A Preferred Shares	12,000	\$ 1.00	\$ 12,000
19-Aug-25	Class A Preferred Shares	140,000	\$ 1.00	\$ 140,000
19-Aug-25	Class A Preferred Shares	135,600	\$ 1.00	\$ 135,600
19-Aug-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
19-Aug-25	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
19-Aug-25	Class A Preferred Shares	53,200	\$ 1.00	\$ 53,200
19-Aug-25	Class A Preferred Shares	2,000	\$ 1.00	\$ 2,000
19-Aug-25	Class A Preferred Shares	2,000	\$ 1.00	\$ 2,000
19-Aug-25	Class A Preferred Shares	30,000	\$ 1.00	\$ 30,000
19-Aug-25	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
19-Aug-25	Class A Preferred Shares	470,000	\$ 1.00	\$ 470,000
20-Aug-25	Class A Preferred Shares	4,900	\$ 1.00	\$ 4,900
20-Aug-25	Class A Preferred Shares	55,000	\$ 1.00	\$ 55,000
20-Aug-25	Class A Preferred Shares	12,000	\$ 1.00	\$ 12,000
20-Aug-25	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
20-Aug-25	Class A Preferred Shares	40,000	\$ 1.00	\$ 40,000
21-Aug-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
22-Aug-25	Class A Preferred Shares	30,000	\$ 1.00	\$ 30,000
22-Aug-25	Class A Preferred Shares	150,000	\$ 1.00	\$ 150,000
22-Aug-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000

22-Aug-25	Class A Preferred Shares	14,000	\$ 1.00	\$ 14,000
22-Aug-25	Class A Preferred Shares	5,000	\$ 1.00	\$ 5,000
22-Aug-25	Class A Preferred Shares	8,850	\$ 1.00	\$ 8,850
22-Aug-25	Class A Preferred Shares	8,850	\$ 1.00	\$ 8,850
25-Aug-25	Class A Preferred Shares	18,000	\$ 1.00	\$ 18,000
25-Aug-25	Class A Preferred Shares	30,000	\$ 1.00	\$ 30,000
25-Aug-25	Class A Preferred Shares	98,000	\$ 1.00	\$ 98,000
25-Aug-25	Class A Preferred Shares	11,000	\$ 1.00	\$ 11,000
25-Aug-25	Class A Preferred Shares	8,000	\$ 1.00	\$ 8,000
25-Aug-25	Class A Preferred Shares	80,000	\$ 1.00	\$ 80,000
26-Aug-25	Class A Preferred Shares	24,000	\$ 1.00	\$ 24,000
26-Aug-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
26-Aug-25	Class A Preferred Shares	8,000	\$ 1.00	\$ 8,000
27-Aug-25	Class A Preferred Shares	150,000	\$ 1.00	\$ 150,000
28-Aug-25	Class A Preferred Shares	300,000	\$ 1.00	\$ 300,000
28-Aug-25	Class A Preferred Shares	80,000	\$ 1.00	\$ 80,000
28-Aug-25	Class A Preferred Shares	250,000	\$ 1.00	\$ 250,000
29-Aug-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
29-Aug-25	Class A Preferred Shares	2,600	\$ 1.00	\$ 2,600
29-Aug-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
29-Aug-25	Class A Preferred Shares	6,500	\$ 1.00	\$ 6,500
1-Sep-25	Class A Preferred Shares	100	\$ 1.00	\$ 100
2-Sep-25	Class A Preferred Shares	5,300	\$ 1.00	\$ 5,300
2-Sep-25	Class A Preferred Shares	139,000	\$ 1.00	\$ 139,000
2-Sep-25	Class A Preferred Shares	139,000	\$ 1.00	\$ 139,000
2-Sep-25	Class A Preferred Shares	278,000	\$ 1.00	\$ 278,000
3-Sep-25	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
3-Sep-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
3-Sep-25	Class A Preferred Shares	120,000	\$ 1.00	\$ 120,000
4-Sep-25	Class A Preferred Shares	21,000	\$ 1.00	\$ 21,000
4-Sep-25	Class A Preferred Shares	988,500	\$ 1.00	\$ 988,500
4-Sep-25	Class A Preferred Shares	165,000	\$ 1.00	\$ 165,000
4-Sep-25	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
4-Sep-25	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
4-Sep-25	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
4-Sep-25	Class A Preferred Shares	250,000	\$ 1.00	\$ 250,000
5-Sep-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
5-Sep-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
8-Sep-25	Class A Preferred Shares	5,000	\$ 1.00	\$ 5,000
8-Sep-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
8-Sep-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
9-Sep-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
9-Sep-25	Class A Preferred Shares	8,000	\$ 1.00	\$ 8,000
10-Sep-25	Class A Preferred Shares	8,000	\$ 1.00	\$ 8,000
10-Sep-25	Class A Preferred Shares	23,000	\$ 1.00	\$ 23,000
11-Sep-25	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
12-Sep-25	Class A Preferred Shares	22,499	\$ 1.00	\$ 22,499

12-Sep-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
15-Sep-25	Class A Preferred Shares	12,000	\$ 1.00	\$ 12,000
15-Sep-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
15-Sep-25	Class A Preferred Shares	400	\$ 1.00	\$ 400
15-Sep-25	Class A Preferred Shares	200,000	\$ 1.00	\$ 200,000
16-Sep-25	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
17-Sep-25	Class A Preferred Shares	43,750	\$ 1.00	\$ 43,750
17-Sep-25	Class A Preferred Shares	2,500	\$ 1.00	\$ 2,500
17-Sep-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
18-Sep-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
18-Sep-25	Class A Preferred Shares	5,000	\$ 1.00	\$ 5,000
19-Sep-25	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
19-Sep-25	Class A Preferred Shares	93,411	\$ 1.00	\$ 93,411
22-Sep-25	Class A Preferred Shares	250,000	\$ 1.00	\$ 250,000
22-Sep-25	Class A Preferred Shares	200,000	\$ 1.00	\$ 200,000
22-Sep-25	Class A Preferred Shares	150,000	\$ 1.00	\$ 150,000
23-Sep-25	Class A Preferred Shares	75,000	\$ 1.00	\$ 75,000
23-Sep-25	Class A Preferred Shares	360,000	\$ 1.00	\$ 360,000
24-Sep-25	Class A Preferred Shares	250,000	\$ 1.00	\$ 250,000
24-Sep-25	Class A Preferred Shares	555,000	\$ 1.00	\$ 555,000
24-Sep-25	Class A Preferred Shares	70,000	\$ 1.00	\$ 70,000
26-Sep-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
26-Sep-25	Class A Preferred Shares	60,000	\$ 1.00	\$ 60,000
26-Sep-25	Class A Preferred Shares	40,000	\$ 1.00	\$ 40,000
26-Sep-25	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
26-Sep-25	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
29-Sep-25	Class A Preferred Shares	1,000,000	\$ 1.00	\$ 1,000,000
29-Sep-25	Class A Preferred Shares	5,000	\$ 1.00	\$ 5,000
29-Sep-25	Class A Preferred Shares	270,000	\$ 1.00	\$ 270,000
29-Sep-25	Class A Preferred Shares	175	\$ 1.00	\$ 175
1-Oct-25	Class A Preferred Shares	100	\$ 1.00	\$ 100
6-Oct-25	Class A Preferred Shares	50,031	\$ 1.00	\$ 50,031
6-Oct-25	Class A Preferred Shares	350,000	\$ 1.00	\$ 350,000
6-Oct-25	Class A Preferred Shares	183,463	\$ 1.00	\$ 183,463
6-Oct-25	Class A Preferred Shares	4,000,000	\$ 1.00	\$ 4,000,000
7-Oct-25	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
7-Oct-25	Class A Preferred Shares	220,000	\$ 1.00	\$ 220,000
8-Oct-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
9-Oct-25	Class A Preferred Shares	5,000	\$ 1.00	\$ 5,000
9-Oct-25	Class A Preferred Shares	72,000	\$ 1.00	\$ 72,000
10-Oct-25	Class A Preferred Shares	12,300	\$ 1.00	\$ 12,300
10-Oct-25	Class A Preferred Shares	9,000	\$ 1.00	\$ 9,000
10-Oct-25	Class A Preferred Shares	280,000	\$ 1.00	\$ 280,000
10-Oct-25	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
15-Oct-25	Class A Preferred Shares	60,000	\$ 1.00	\$ 60,000
15-Oct-25	Class A Preferred Shares	3,500	\$ 1.00	\$ 3,500
15-Oct-25	Class A Preferred Shares	3,500	\$ 1.00	\$ 3,500

15-Oct-25	Class A Preferred Shares	2,000,000	\$ 1.00	\$ 2,000,000
15-Oct-25	Class A Preferred Shares	4,000	\$ 1.00	\$ 4,000
15-Oct-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
15-Oct-25	Class A Preferred Shares	200,000	\$ 1.00	\$ 200,000
16-Oct-25	Class A Preferred Shares	2,000,000	\$ 1.00	\$ 2,000,000
16-Oct-25	Class A Preferred Shares	328,653	\$ 1.00	\$ 328,653
16-Oct-25	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
16-Oct-25	Class A Preferred Shares	40,000	\$ 1.00	\$ 40,000
17-Oct-25	Class A Preferred Shares	60,000	\$ 1.00	\$ 60,000
20-Oct-25	Class A Preferred Shares	5,000	\$ 1.00	\$ 5,000
20-Oct-25	Class A Preferred Shares	40,000	\$ 1.00	\$ 40,000
20-Oct-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
21-Oct-25	Class A Preferred Shares	35,000	\$ 1.00	\$ 35,000
21-Oct-25	Class A Preferred Shares	12,000	\$ 1.00	\$ 12,000
22-Oct-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
23-Oct-25	Class A Preferred Shares	36,500	\$ 1.00	\$ 36,500
23-Oct-25	Class A Preferred Shares	3,800	\$ 1.00	\$ 3,800
23-Oct-25	Class A Preferred Shares	3,800	\$ 1.00	\$ 3,800
23-Oct-25	Class A Preferred Shares	51,619	\$ 1.00	\$ 51,619
24-Oct-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
24-Oct-25	Class A Preferred Shares	800,000	\$ 1.00	\$ 800,000
24-Oct-25	Class A Preferred Shares	102,000	\$ 1.00	\$ 102,000
24-Oct-25	Class A Preferred Shares	102,000	\$ 1.00	\$ 102,000
27-Oct-25	Class A Preferred Shares	12,912	\$ 1.00	\$ 12,912
27-Oct-25	Class A Preferred Shares	250,000	\$ 1.00	\$ 250,000
28-Oct-25	Class A Preferred Shares	80,000	\$ 1.00	\$ 80,000
28-Oct-25	Class A Preferred Shares	1,300	\$ 1.00	\$ 1,300
28-Oct-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
28-Oct-25	Class A Preferred Shares	2,500	\$ 1.00	\$ 2,500
28-Oct-25	Class A Preferred Shares	32,000	\$ 1.00	\$ 32,000
28-Oct-25	Class A Preferred Shares	2,500	\$ 1.00	\$ 2,500
28-Oct-25	Class A Preferred Shares	60,000	\$ 1.00	\$ 60,000
28-Oct-25	Class A Preferred Shares	66,537	\$ 1.00	\$ 66,537
31-Oct-25	Class A Preferred Shares	400,000	\$ 1.00	\$ 400,000
31-Oct-25	Class A Preferred Shares	300,000	\$ 1.00	\$ 300,000
31-Oct-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
31-Oct-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
31-Oct-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
1-Nov-25	Class A Preferred Shares	100	\$ 1.00	\$ 100
3-Nov-25	Class A Preferred Shares	12,000	\$ 1.00	\$ 12,000
3-Nov-25	Class A Preferred Shares	2,000	\$ 1.00	\$ 2,000
3-Nov-25	Class A Preferred Shares	2,000	\$ 1.00	\$ 2,000
3-Nov-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
3-Nov-25	Class A Preferred Shares	250,000	\$ 1.00	\$ 250,000
4-Nov-25	Class A Preferred Shares	43,000	\$ 1.00	\$ 43,000
5-Nov-25	Class A Preferred Shares	5,000	\$ 1.00	\$ 5,000
5-Nov-25	Class A Preferred Shares	300,000	\$ 1.00	\$ 300,000

6-Nov-25	Class A Preferred Shares	67,000	\$ 1.00	\$ 67,000
6-Nov-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
6-Nov-25	Class A Preferred Shares	16,000	\$ 1.00	\$ 16,000
7-Nov-25	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
7-Nov-25	Class A Preferred Shares	8,000	\$ 1.00	\$ 8,000
10-Nov-25	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
10-Nov-25	Class A Preferred Shares	35,000	\$ 1.00	\$ 35,000
10-Nov-25	Class A Preferred Shares	58,500	\$ 1.00	\$ 58,500
10-Nov-25	Class A Preferred Shares	3,500	\$ 1.00	\$ 3,500
12-Nov-25	Class A Preferred Shares	3,500	\$ 1.00	\$ 3,500
13-Nov-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
13-Nov-25	Class A Preferred Shares	120,000	\$ 1.00	\$ 120,000
13-Nov-25	Class A Preferred Shares	11,000	\$ 1.00	\$ 11,000
13-Nov-25	Class A Preferred Shares	1,500	\$ 1.00	\$ 1,500
13-Nov-25	Class A Preferred Shares	1,500	\$ 1.00	\$ 1,500
14-Nov-25	Class A Preferred Shares	2,500	\$ 1.00	\$ 2,500
14-Nov-25	Class A Preferred Shares	200,000	\$ 1.00	\$ 200,000
14-Nov-25	Class A Preferred Shares	80,000	\$ 1.00	\$ 80,000
17-Nov-25	Class A Preferred Shares	4,500	\$ 1.00	\$ 4,500
17-Nov-25	Class A Preferred Shares	2,500	\$ 1.00	\$ 2,500
17-Nov-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
17-Nov-25	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
17-Nov-25	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
19-Nov-25	Class A Preferred Shares	10,500	\$ 1.00	\$ 10,500
19-Nov-25	Class A Preferred Shares	89,000	\$ 1.00	\$ 89,000
20-Nov-25	Class A Preferred Shares	260,000	\$ 1.00	\$ 260,000
21-Nov-25	Class A Preferred Shares	1,100	\$ 1.00	\$ 1,100
21-Nov-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
24-Nov-25	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
24-Nov-25	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
24-Nov-25	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
25-Nov-25	Class A Preferred Shares	39,000	\$ 1.00	\$ 39,000
25-Nov-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
25-Nov-25	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
26-Nov-25	Class A Preferred Shares	125,000	\$ 1.00	\$ 125,000
26-Nov-25	Class A Preferred Shares	43,000	\$ 1.00	\$ 43,000
26-Nov-25	Class A Preferred Shares	8,000	\$ 1.00	\$ 8,000
26-Nov-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
27-Nov-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
27-Nov-25	Class A Preferred Shares	200	\$ 1.00	\$ 200
28-Nov-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
28-Nov-25	Class A Preferred Shares	12,000	\$ 1.00	\$ 12,000
28-Nov-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
28-Nov-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
28-Nov-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
28-Nov-25	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
1-Dec-25	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000

1-Dec-25	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
1-Dec-25	Class A Preferred Shares	36,000	\$ 1.00	\$ 36,000
1-Dec-25	Class A Preferred Shares	6,000	\$ 1.00	\$ 6,000
1-Dec-25	Class A Preferred Shares	100	\$ 1.00	\$ 100
2-Dec-25	Class A Preferred Shares	1,450	\$ 1.00	\$ 1,450
2-Dec-25	Class A Preferred Shares	150,000	\$ 1.00	\$ 150,000
4-Dec-25	Class A Preferred Shares	1,000,000	\$ 1.00	\$ 1,000,000
4-Dec-25	Class A Preferred Shares	24,000	\$ 1.00	\$ 24,000
4-Dec-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
4-Dec-25	Class A Preferred Shares	247	\$ 1.00	\$ 247
4-Dec-25	Class A Preferred Shares	30,000	\$ 1.00	\$ 30,000
5-Dec-25	Class A Preferred Shares	275,000	\$ 1.00	\$ 275,000
5-Dec-25	Class A Preferred Shares	35,600	\$ 1.00	\$ 35,600
5-Dec-25	Class A Preferred Shares	18,500	\$ 1.00	\$ 18,500
5-Dec-25	Class A Preferred Shares	1,400	\$ 1.00	\$ 1,400
5-Dec-25	Class A Preferred Shares	1,400	\$ 1.00	\$ 1,400
9-Dec-25	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
9-Dec-25	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
10-Dec-25	Class A Preferred Shares	93,000	\$ 1.00	\$ 93,000
10-Dec-25	Class A Preferred Shares	8,000	\$ 1.00	\$ 8,000
10-Dec-25	Class A Preferred Shares	1,700	\$ 1.00	\$ 1,700
12-Dec-25	Class A Preferred Shares	22,000	\$ 1.00	\$ 22,000
12-Dec-25	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
12-Dec-25	Class A Preferred Shares	570,000	\$ 1.00	\$ 570,000
12-Dec-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
12-Dec-25	Class A Preferred Shares	2,500	\$ 1.00	\$ 2,500
12-Dec-25	Class A Preferred Shares	2,500	\$ 1.00	\$ 2,500
15-Dec-25	Class A Preferred Shares	1,000	\$ 1.00	\$ 1,000
15-Dec-25	Class A Preferred Shares	470,000	\$ 1.00	\$ 470,000
15-Dec-25	Class A Preferred Shares	1,500	\$ 1.00	\$ 1,500
15-Dec-25	Class A Preferred Shares	60,000	\$ 1.00	\$ 60,000
16-Dec-25	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
16-Dec-25	Class A Preferred Shares	89,000	\$ 1.00	\$ 89,000
16-Dec-25	Class A Preferred Shares	39,000	\$ 1.00	\$ 39,000
16-Dec-25	Class A Preferred Shares	19,000	\$ 1.00	\$ 19,000
16-Dec-25	Class A Preferred Shares	500,000	\$ 1.00	\$ 500,000
16-Dec-25	Class A Preferred Shares	1,000,000	\$ 1.00	\$ 1,000,000
17-Dec-25	Class A Preferred Shares	250,000	\$ 1.00	\$ 250,000
17-Dec-25	Class A Preferred Shares	73,000	\$ 1.00	\$ 73,000
17-Dec-25	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
18-Dec-25	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
19-Dec-25	Class A Preferred Shares	7,900	\$ 1.00	\$ 7,900
19-Dec-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
19-Dec-25	Class A Preferred Shares	101,780	\$ 1.00	\$ 101,780
19-Dec-25	Class A Preferred Shares	4,167	\$ 1.00	\$ 4,167
22-Dec-25	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
22-Dec-25	Class A Preferred Shares	34,000	\$ 1.00	\$ 34,000

22-Dec-25	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
22-Dec-25	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
22-Dec-25	Class A Preferred Shares	3,359	\$ 1.00	\$ 3,359
22-Dec-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
23-Dec-25	Class A Preferred Shares	30,000	\$ 1.00	\$ 30,000
23-Dec-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
23-Dec-25	Class A Preferred Shares	7,500	\$ 1.00	\$ 7,500
23-Dec-25	Class A Preferred Shares	180,000	\$ 1.00	\$ 180,000
24-Dec-25	Class A Preferred Shares	290,000	\$ 1.00	\$ 290,000
24-Dec-25	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
24-Dec-25	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
24-Dec-25	Class A Preferred Shares	550,000	\$ 1.00	\$ 550,000
29-Dec-25	Class A Preferred Shares	43,000	\$ 1.00	\$ 43,000
30-Dec-25	Class A Preferred Shares	70,000	\$ 1.00	\$ 70,000
30-Dec-25	Class A Preferred Shares	696,930	\$ 1.00	\$ 696,930
31-Dec-25	Class A Preferred Shares	510,000	\$ 1.00	\$ 510,000
2-Jan-26	Class A Preferred Shares	5,882	\$ 1.00	\$ 5,882
2-Jan-26	Class A Preferred Shares	100	\$ 1.00	\$ 100
2-Jan-26	Class A Preferred Shares	18,500	\$ 1.00	\$ 18,500
2-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
2-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
2-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
2-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
2-Jan-26	Class A Preferred Shares	21,000	\$ 1.00	\$ 21,000
2-Jan-26	Class A Preferred Shares	50,316	\$ 1.00	\$ 50,316
5-Jan-26	Class A Preferred Shares	71,500	\$ 1.00	\$ 71,500
5-Jan-26	Class A Preferred Shares	4,500	\$ 1.00	\$ 4,500
5-Jan-26	Class A Preferred Shares	4,500	\$ 1.00	\$ 4,500
5-Jan-26	Class A Preferred Shares	8,310	\$ 1.00	\$ 8,310
7-Jan-26	Class A Preferred Shares	110,000	\$ 1.00	\$ 110,000
7-Jan-26	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
7-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
7-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
7-Jan-26	Class A Preferred Shares	96,530	\$ 1.00	\$ 96,530
8-Jan-26	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
8-Jan-26	Class A Preferred Shares	1,500	\$ 1.00	\$ 1,500
8-Jan-26	Class A Preferred Shares	1,500	\$ 1.00	\$ 1,500
8-Jan-26	Class A Preferred Shares	11,000	\$ 1.00	\$ 11,000
8-Jan-26	Class A Preferred Shares	13,000	\$ 1.00	\$ 13,000
8-Jan-26	Class A Preferred Shares	90,000	\$ 1.00	\$ 90,000
8-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
9-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
9-Jan-26	Class A Preferred Shares	500,000	\$ 1.00	\$ 500,000
9-Jan-26	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
9-Jan-26	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
9-Jan-26	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
9-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000

9-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
9-Jan-26	Class A Preferred Shares	70,000	\$ 1.00	\$ 70,000
9-Jan-26	Class A Preferred Shares	11,106	\$ 1.00	\$ 11,106
12-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
12-Jan-26	Class A Preferred Shares	14,000	\$ 1.00	\$ 14,000
13-Jan-26	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
13-Jan-26	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
13-Jan-26	Class A Preferred Shares	2,000	\$ 1.00	\$ 2,000
13-Jan-26	Class A Preferred Shares	2,000	\$ 1.00	\$ 2,000
14-Jan-26	Class A Preferred Shares	65,000	\$ 1.00	\$ 65,000
14-Jan-26	Class A Preferred Shares	6,400	\$ 1.00	\$ 6,400
14-Jan-26	Class A Preferred Shares	5,600	\$ 1.00	\$ 5,600
14-Jan-26	Class A Preferred Shares	60,000	\$ 1.00	\$ 60,000
15-Jan-26	Class A Preferred Shares	13,078	\$ 1.00	\$ 13,078
15-Jan-26	Class A Preferred Shares	12,991	\$ 1.00	\$ 12,991
15-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
15-Jan-26	Class A Preferred Shares	91,409	\$ 1.00	\$ 91,409
15-Jan-26	Class A Preferred Shares	122,481	\$ 1.00	\$ 122,481
15-Jan-26	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
16-Jan-26	Class A Preferred Shares	39,000	\$ 1.00	\$ 39,000
16-Jan-26	Class A Preferred Shares	19,000	\$ 1.00	\$ 19,000
16-Jan-26	Class A Preferred Shares	89,000	\$ 1.00	\$ 89,000
16-Jan-26	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
16-Jan-26	Class A Preferred Shares	2,500	\$ 1.00	\$ 2,500
16-Jan-26	Class A Preferred Shares	2,500	\$ 1.00	\$ 2,500
16-Jan-26	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
19-Jan-26	Class A Preferred Shares	79,000	\$ 1.00	\$ 79,000
19-Jan-26	Class A Preferred Shares	79,000	\$ 1.00	\$ 79,000
19-Jan-26	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
19-Jan-26	Class A Preferred Shares	14,000	\$ 1.00	\$ 14,000
19-Jan-26	Class A Preferred Shares	23,997	\$ 1.00	\$ 23,997
20-Jan-26	Class A Preferred Shares	34,000	\$ 1.00	\$ 34,000
20-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
20-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
20-Jan-26	Class A Preferred Shares	30,000	\$ 1.00	\$ 30,000
20-Jan-26	Class A Preferred Shares	190,000	\$ 1.00	\$ 190,000
20-Jan-26	Class A Preferred Shares	250,000	\$ 1.00	\$ 250,000
21-Jan-26	Class A Preferred Shares	300,000	\$ 1.00	\$ 300,000
21-Jan-26	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
21-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
22-Jan-26	Class A Preferred Shares	500	\$ 1.00	\$ 500
22-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
22-Jan-26	Class A Preferred Shares	8,700	\$ 1.00	\$ 8,700
22-Jan-26	Class A Preferred Shares	18,000	\$ 1.00	\$ 18,000
22-Jan-26	Class A Preferred Shares	500,000	\$ 1.00	\$ 500,000
22-Jan-26	Class A Preferred Shares	12,000	\$ 1.00	\$ 12,000
22-Jan-26	Class A Preferred Shares	1,500	\$ 1.00	\$ 1,500

22-Jan-26	Class A Preferred Shares	1,500	\$ 1.00	\$ 1,500
22-Jan-26	Class A Preferred Shares	150,000	\$ 1.00	\$ 150,000
22-Jan-26	Class A Preferred Shares	4,500,000	\$ 1.00	\$ 4,500,000
23-Jan-26	Class A Preferred Shares	7,500	\$ 1.00	\$ 7,500
23-Jan-26	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
23-Jan-26	Class A Preferred Shares	17,500	\$ 1.00	\$ 17,500
23-Jan-26	Class A Preferred Shares	201,000	\$ 1.00	\$ 201,000
26-Jan-26	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
26-Jan-26	Class A Preferred Shares	146,000	\$ 1.00	\$ 146,000
26-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
26-Jan-26	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
26-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
27-Jan-26	Class A Preferred Shares	12,000	\$ 1.00	\$ 12,000
27-Jan-26	Class A Preferred Shares	1,500	\$ 1.00	\$ 1,500
27-Jan-26	Class A Preferred Shares	1,500	\$ 1.00	\$ 1,500
28-Jan-26	Class A Preferred Shares	10,744	\$ 1.00	\$ 10,744
28-Jan-26	Class A Preferred Shares	75,000	\$ 1.00	\$ 75,000
28-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
28-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
29-Jan-26	Class A Preferred Shares	1,500	\$ 1.00	\$ 1,500
30-Jan-26	Class A Preferred Shares	65,000	\$ 1.00	\$ 65,000
30-Jan-26	Class A Preferred Shares	37,000	\$ 1.00	\$ 37,000
30-Jan-26	Class A Preferred Shares	90,000	\$ 1.00	\$ 90,000
31-Jan-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
2-Feb-26	Class A Preferred Shares	35,000	\$ 1.00	\$ 35,000
2-Feb-26	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
2-Feb-26	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
2-Feb-26	Class A Preferred Shares	12,000	\$ 1.00	\$ 12,000
2-Feb-26	Class A Preferred Shares	100	\$ 1.00	\$ 100
2-Feb-26	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
2-Feb-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
2-Feb-26	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
3-Feb-26	Class A Preferred Shares	6,000	\$ 1.00	\$ 6,000
3-Feb-26	Class A Preferred Shares	185,000	\$ 1.00	\$ 185,000
3-Feb-26	Class A Preferred Shares	120,000	\$ 1.00	\$ 120,000
3-Feb-26	Class A Preferred Shares	67,000	\$ 1.00	\$ 67,000
3-Feb-26	Class A Preferred Shares	39,000	\$ 1.00	\$ 39,000
3-Feb-26	Class A Preferred Shares	40,000	\$ 1.00	\$ 40,000
4-Feb-26	Class A Preferred Shares	54,500	\$ 1.00	\$ 54,500
4-Feb-26	Class A Preferred Shares	250,000	\$ 1.00	\$ 250,000
4-Feb-26	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
4-Feb-26	Class A Preferred Shares	200,000	\$ 1.00	\$ 200,000
4-Feb-26	Class A Preferred Shares	110,000	\$ 1.00	\$ 110,000
4-Feb-26	Class A Preferred Shares	14,000	\$ 1.00	\$ 14,000
5-Feb-26	Class A Preferred Shares	1,500	\$ 1.00	\$ 1,500
5-Feb-26	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
5-Feb-26	Class A Preferred Shares	6,000	\$ 1.00	\$ 6,000

6-Feb-26	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
6-Feb-26	Class A Preferred Shares	6,000	\$ 1.00	\$ 6,000
9-Feb-26	Class A Preferred Shares	482,771	\$ 1.00	\$ 482,771
10-Feb-26	Class A Preferred Shares	30,000	\$ 1.00	\$ 30,000
10-Feb-26	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
10-Feb-26	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
11-Feb-26	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
11-Feb-26	Class A Preferred Shares	550,000	\$ 1.00	\$ 550,000
12-Feb-26	Class A Preferred Shares	600,000	\$ 1.00	\$ 600,000
12-Feb-26	Class A Preferred Shares	600,000	\$ 1.00	\$ 600,000
12-Feb-26	Class A Preferred Shares	31,500	\$ 1.00	\$ 31,500
12-Feb-26	Class A Preferred Shares	32,000	\$ 1.00	\$ 32,000
12-Feb-26	Class A Preferred Shares	2,000	\$ 1.00	\$ 2,000
12-Feb-26	Class A Preferred Shares	2,000	\$ 1.00	\$ 2,000
13-Feb-26	Class A Preferred Shares	16,000	\$ 1.00	\$ 16,000
13-Feb-26	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
13-Feb-26	Class A Preferred Shares	1,900	\$ 1.00	\$ 1,900
17-Feb-26	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
17-Feb-26	Class A Preferred Shares	89,000	\$ 1.00	\$ 89,000
17-Feb-26	Class A Preferred Shares	19,000	\$ 1.00	\$ 19,000
17-Feb-26	Class A Preferred Shares	200,000	\$ 1.00	\$ 200,000
17-Feb-26	Class A Preferred Shares	6,000	\$ 1.00	\$ 6,000
17-Feb-26	Class A Preferred Shares	109,000	\$ 1.00	\$ 109,000
17-Feb-26	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
18-Feb-26	Class A Preferred Shares	22,000	\$ 1.00	\$ 22,000
19-Feb-26	Class A Preferred Shares	6,400	\$ 1.00	\$ 6,400
19-Feb-26	Class A Preferred Shares	5,200	\$ 1.00	\$ 5,200
19-Feb-26	Class A Preferred Shares	5,252	\$ 1.00	\$ 5,252
19-Feb-26	Class A Preferred Shares	4,277	\$ 1.00	\$ 4,277
19-Feb-26	Class A Preferred Shares	268,687	\$ 1.00	\$ 268,687
19-Feb-26	Class A Preferred Shares	83,194	\$ 1.00	\$ 83,194
20-Feb-26	Class A Preferred Shares	5,105	\$ 1.00	\$ 5,105
20-Feb-26	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
23-Feb-26	Class A Preferred Shares	23,500	\$ 1.00	\$ 23,500
23-Feb-26	Class A Preferred Shares	1,000	\$ 1.00	\$ 1,000
23-Feb-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
23-Feb-26	Class A Preferred Shares	1,000	\$ 1.00	\$ 1,000
23-Feb-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
23-Feb-26	Class A Preferred Shares	27,726	\$ 1.00	\$ 27,726
24-Feb-26	Class A Preferred Shares	1,250	\$ 1.00	\$ 1,250
24-Feb-26	Class A Preferred Shares	32,542	\$ 1.00	\$ 32,542
24-Feb-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
24-Feb-26	Class A Preferred Shares	28,500	\$ 1.00	\$ 28,500
24-Feb-26	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
24-Feb-26	Class A Preferred Shares	300,000	\$ 1.00	\$ 300,000
25-Feb-26	Class A Preferred Shares	6,350	\$ 1.00	\$ 6,350
25-Feb-26	Class A Preferred Shares	57,000	\$ 1.00	\$ 57,000

25-Feb-26	Class A Preferred Shares	6,350	\$ 1.00	\$ 6,350
25-Feb-26	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
25-Feb-26	Class A Preferred Shares	109,000	\$ 1.00	\$ 109,000
26-Feb-26	Class A Preferred Shares	32,000	\$ 1.00	\$ 32,000
26-Feb-26	Class A Preferred Shares	17,000	\$ 1.00	\$ 17,000
26-Feb-26	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
26-Feb-26	Class A Preferred Shares	19,681	\$ 1.00	\$ 19,681
26-Feb-26	Class A Preferred Shares	13,000	\$ 1.00	\$ 13,000
26-Feb-26	Class A Preferred Shares	5,000	\$ 1.00	\$ 5,000
27-Feb-26	Class A Preferred Shares	15,500	\$ 1.00	\$ 15,500
27-Feb-26	Class A Preferred Shares	2,500	\$ 1.00	\$ 2,500
27-Feb-26	Class A Preferred Shares	400	\$ 1.00	\$ 400
27-Feb-26	Class A Preferred Shares	16,000	\$ 1.00	\$ 16,000
28-Feb-26	Class A Preferred Shares	31,490	\$ 1.00	\$ 31,490
2-Mar-26	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
2-Mar-26	Class A Preferred Shares	100	\$ 1.00	\$ 100
2-Mar-26	Class A Preferred Shares	1,000	\$ 1.00	\$ 1,000
2-Mar-26	Class A Preferred Shares	1,000	\$ 1.00	\$ 1,000
2-Mar-26	Class A Preferred Shares	11,000	\$ 1.00	\$ 11,000
2-Mar-26	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
2-Mar-26	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
3-Mar-26	Class A Preferred Shares	194,000	\$ 1.00	\$ 194,000
3-Mar-26	Class A Preferred Shares	82,000	\$ 1.00	\$ 82,000
3-Mar-26	Class A Preferred Shares	63,500	\$ 1.00	\$ 63,500
3-Mar-26	Class A Preferred Shares	51,000	\$ 1.00	\$ 51,000
3-Mar-26	Class A Preferred Shares	76,500	\$ 1.00	\$ 76,500
3-Mar-26	Class A Preferred Shares	20,000	\$ 1.00	\$ 20,000
3-Mar-26	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
6-Mar-26	Class A Preferred Shares	3,500	\$ 1.00	\$ 3,500
6-Mar-26	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
6-Mar-26	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
9-Mar-26	Class A Preferred Shares	140,000	\$ 1.00	\$ 140,000
10-Mar-26	Class A Preferred Shares	50,000	\$ 1.00	\$ 50,000
10-Mar-26	Class A Preferred Shares	8,000	\$ 1.00	\$ 8,000
10-Mar-26	Class A Preferred Shares	24,000	\$ 1.00	\$ 24,000
10-Mar-26	Class A Preferred Shares	8,500	\$ 1.00	\$ 8,500
10-Mar-26	Class A Preferred Shares	45,000	\$ 1.00	\$ 45,000
10-Mar-26	Class A Preferred Shares	743,000	\$ 1.00	\$ 743,000
11-Mar-26	Class A Preferred Shares	14,000	\$ 1.00	\$ 14,000
11-Mar-26	Class A Preferred Shares	137,000	\$ 1.00	\$ 137,000
11-Mar-26	Class A Preferred Shares	70,000	\$ 1.00	\$ 70,000
11-Mar-26	Class A Preferred Shares	19,000	\$ 1.00	\$ 19,000
12-Mar-26	Class A Preferred Shares	175,000	\$ 1.00	\$ 175,000
12-Mar-26	Class A Preferred Shares	378,000	\$ 1.00	\$ 378,000
13-Mar-26	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
13-Mar-26	Class A Preferred Shares	70,000	\$ 1.00	\$ 70,000
14-Mar-26	Class A Preferred Shares	40,000	\$ 1.00	\$ 40,000

16-Mar-26	Class A Preferred Shares	19,000	\$ 1.00	\$ 19,000
16-Mar-26	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
16-Mar-26	Class A Preferred Shares	89,000	\$ 1.00	\$ 89,000
16-Mar-26	Class A Preferred Shares	5,000	\$ 1.00	\$ 5,000
16-Mar-26	Class A Preferred Shares	550,000	\$ 1.00	\$ 550,000
16-Mar-26	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
16-Mar-26	Class A Preferred Shares	5,000	\$ 1.00	\$ 5,000
16-Mar-26	Class A Preferred Shares	80,000	\$ 1.00	\$ 80,000
17-Mar-26	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
17-Mar-26	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
17-Mar-26	Class A Preferred Shares	1,600	\$ 1.00	\$ 1,600
17-Mar-26	Class A Preferred Shares	13,000	\$ 1.00	\$ 13,000
17-Mar-26	Class A Preferred Shares	32,358	\$ 1.00	\$ 32,358
17-Mar-26	Class A Preferred Shares	1,300	\$ 1.00	\$ 1,300
17-Mar-26	Class A Preferred Shares	13,000	\$ 1.00	\$ 13,000
18-Mar-26	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
19-Mar-26	Class A Preferred Shares	800,000	\$ 1.00	\$ 800,000
19-Mar-26	Class A Preferred Shares	22,500	\$ 1.00	\$ 22,500
20-Mar-26	Class A Preferred Shares	40,329	\$ 1.00	\$ 40,329
20-Mar-26	Class A Preferred Shares	2,000	\$ 1.00	\$ 2,000
25-Mar-26	Class A Preferred Shares	1,350	\$ 1.00	\$ 1,350
26-Mar-26	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
26-Mar-26	Class A Preferred Shares	3,500	\$ 1.00	\$ 3,500
27-Mar-26	Class A Preferred Shares	1,000,000	\$ 1.00	\$ 1,000,000
27-Mar-26	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
30-Mar-26	Class A Preferred Shares	53,000	\$ 1.00	\$ 53,000
30-Mar-26	Class A Preferred Shares	900	\$ 1.00	\$ 900
30-Mar-26	Class A Preferred Shares	34,000	\$ 1.00	\$ 34,000
30-Mar-26	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
31-Mar-26	Class A Preferred Shares	7,796	\$ 1.00	\$ 7,796
31-Mar-26	Class A Preferred Shares	6,000	\$ 1.00	\$ 6,000
31-Mar-26	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
1-Apr-26	Class A Preferred Shares	100	\$ 1.00	\$ 100
2-Apr-26	Class A Preferred Shares	80,000	\$ 1.00	\$ 80,000
2-Apr-26	Class A Preferred Shares	35,000	\$ 1.00	\$ 35,000
2-Apr-26	Class A Preferred Shares	34,925	\$ 1.00	\$ 34,925
2-Apr-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
6-Apr-26	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
6-Apr-26	Class A Preferred Shares	450,000	\$ 1.00	\$ 450,000
7-Apr-26	Class A Preferred Shares	9,900	\$ 1.00	\$ 9,900
7-Apr-26	Class A Preferred Shares	168,355	\$ 1.00	\$ 168,355
8-Apr-26	Class A Preferred Shares	109,000	\$ 1.00	\$ 109,000
9-Apr-26	Class A Preferred Shares	21,500	\$ 1.00	\$ 21,500
9-Apr-26	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
10-Apr-26	Class A Preferred Shares	200,000	\$ 1.00	\$ 200,000
10-Apr-26	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
10-Apr-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000

13-Apr-26	Class A Preferred Shares	180,000	\$ 1.00	\$ 180,000
14-Apr-26	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
14-Apr-26	Class A Preferred Shares	100,000	\$ 1.00	\$ 100,000
14-Apr-26	Class A Preferred Shares	90,000	\$ 1.00	\$ 90,000
15-Apr-26	Class A Preferred Shares	10,000	\$ 1.00	\$ 10,000
15-Apr-26	Class A Preferred Shares	215,000	\$ 1.00	\$ 215,000
15-Apr-26	Class A Preferred Shares	85,000	\$ 1.00	\$ 85,000
15-Apr-26	Class A Preferred Shares	1,000,000	\$ 1.00	\$ 1,000,000
15-Apr-26	Class A Preferred Shares	250,000	\$ 1.00	\$ 250,000
16-Apr-26	Class A Preferred Shares	1,000	\$ 1.00	\$ 1,000
16-Apr-26	Class A Preferred Shares	85,000	\$ 1.00	\$ 85,000
16-Apr-26	Class A Preferred Shares	3,000	\$ 1.00	\$ 3,000
16-Apr-26	Class A Preferred Shares	19,000	\$ 1.00	\$ 19,000
16-Apr-26	Class A Preferred Shares	89,000	\$ 1.00	\$ 89,000
16-Apr-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
16-Apr-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
17-Apr-26	Class A Preferred Shares	2,000	\$ 1.00	\$ 2,000
20-Apr-26	Class A Preferred Shares	2,250	\$ 1.00	\$ 2,250
21-Apr-26	Class A Preferred Shares	8,300	\$ 1.00	\$ 8,300
21-Apr-26	Class A Preferred Shares	15,000	\$ 1.00	\$ 15,000
21-Apr-26	Class A Preferred Shares	280,000	\$ 1.00	\$ 280,000
21-Apr-26	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
21-Apr-26	Class A Preferred Shares	40,000	\$ 1.00	\$ 40,000
22-Apr-26	Class A Preferred Shares	39,950	\$ 1.00	\$ 39,950
22-Apr-26	Class A Preferred Shares	7,000	\$ 1.00	\$ 7,000
23-Apr-26	Class A Preferred Shares	25,000	\$ 1.00	\$ 25,000
24-Apr-26	Class A Preferred Shares	300,000	\$ 1.00	\$ 300,000
24-Apr-26	Class A Preferred Shares	200,000	\$ 1.00	\$ 200,000
24-Apr-26	Class A Preferred Shares	240,000	\$ 1.00	\$ 240,000

## **Appendix B; Financial Statements**

**CANGUARD MORTGAGE INVESTMENT CORPORATION  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2025**

**(Presented in Canadian Dollars)**

To the Shareholders of Canguard Mortgage Investment Corporation:

## Opinion

We have audited the financial statements of Canguard Mortgage Investment Corporation (the "Company"), which comprise the statements of financial position as at December 31, 2025, and the statements of net income and other comprehensive income, changes in equity and cash flows for the years then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and , and its financial performance and its cash flows for the years then ended in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board.

## Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

Surrey, British Columbia

March 27, 2026

*MNP LLP*

Chartered Professional Accountants

**CANGUARD MORTGAGE INVESTMENT CORPORATION**  
**STATEMENTS OF FINANCIAL POSITION**  
AS AT DECEMBER 31, 2025  
(Presented in Canadian Dollars)

	2025	2024
<b>ASSETS</b>		
Cash and cash equivalents	\$ -	\$ -
Other receivables (note 9)	490,986	84,455
Mortgage investments (note 6)	324,014,900	269,173,079
Investment property (note 7)	2,769,000	-
	\$ 327,274,886	\$ 269,257,534
<b>LIABILITIES AND EQUITY</b>		
Bank indebtedness (note 8)	\$ 6,263,750	\$ 2,189,433
Credit facility (note 8)	28,080,724	26,125,534
Accounts payable and accrued liabilities (note 9)	109,903	230,064
<b>Total liabilities</b>	<b>34,454,377</b>	<b>28,545,031</b>
Common shares (note 10)	180	180
Preferred shares (note 11)	292,820,329	240,712,323
<b>Total equity</b>	<b>292,820,509</b>	<b>240,712,503</b>
	\$ 327,274,886	\$ 269,257,534

e-Signed by Jessie Dusangh  
2026-03-27 12:05:11:11 PDT  


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Jessie Dusangh, Director

e-Signed by Mohammad Eskandarpour  
2026-03-27 11:33:49:49 PDT  


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Mohammad Eskandarpour, Director

The accompanying notes are an integral part of these financial statements.

**CANGUARD MORTGAGE INVESTMENT CORPORATION**  
**STATEMENTS OF NET INCOME AND COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**  
(Presented in Canadian Dollars)

	2025	2024
<b>Revenue</b>		
Mortgage interest	\$ 31,761,668	\$ 28,854,376
Lending and administration fees	3,701,353	2,935,201
Bank interest income	105,909	291,741
Less: interest expense	(1,141,481)	(1,437,549)
	34,427,449	30,643,769
<b>Expenses</b>		
Lender fees (note 9)	3,676,514	2,907,576
Management fees (note 9)	3,673,135	3,830,608
Provision for mortgage losses (note 6, note 7)	2,362,716	540,697
Property expense	91,866	-
Professional fees	74,107	83,969
Business taxes, licenses and memberships	28,071	21,836
Insurance	12,551	12,551
Mortgage losses	1,847	446,894
	(9,920,807)	(7,844,131)
Net income	\$ 24,506,642	\$ 22,799,638

The accompanying notes are an integral part of these financial statements.

**CANGUARD MORTGAGE INVESTMENT CORPORATION**  
**STATEMENTS OF CHANGES IN EQUITY**  
**AS AT DECEMBER 31, 2025**  
(Presented in Canadian Dollars)

	Class A Preferred shares	Class B Common shares	Retained earnings	Total
Balance, December 31, 2023	\$ 188,121,408	\$ 180	\$ -	\$ 188,121,588
Net income and comprehensive income	-	-	22,799,638	22,799,638
Proceeds from issuance of shares	107,544,912	-	-	107,544,912
Redemption of shares	(65,448,492)	-	-	(65,448,492)
Dividends issued as shares (note 13)	10,494,495	-	(10,494,495)	-
Dividends paid in cash (note 13)	-	-	(12,305,143)	(12,305,143)
Balance, December 31, 2024	\$ 240,712,323	\$ 180	\$ -	\$ 240,712,503
Net income and comprehensive income	-	-	24,506,642	24,506,642
Proceeds from issuance of shares	100,140,687	-	-	100,140,687
Redemption of shares	(60,218,465)	-	-	(60,218,465)
Dividends issued as shares (note 13)	12,185,784	-	(12,185,784)	-
Dividends paid in cash (note 13)	-	-	(12,320,858)	(12,320,858)
Balance, December 31, 2025	\$ 292,820,329	\$ 180	\$ -	\$ 292,820,509

The accompanying notes are an integral part of these financial statements.

**CANGUARD MORTGAGE INVESTMENT CORPORATION**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**  
(Presented in Canadian Dollars)

	2025	2024
<b>CASH FLOW PROVIDED BY (USED IN)</b>		
<b>OPERATING ACTIVITIES</b>		
Net income	\$ 24,506,642	\$ 22,799,638
Adjustment for non-cash items		
Net non-cash gain on foreclosure and remeasurement	(468,883)	-
Provision for mortgage losses	2,362,716	605,600
	26,400,475	23,405,238
Change in operating activities		
Other receivables	(406,531)	210,403
Mortgages advances	(181,867,240)	(167,497,094)
Mortgages repayments	121,577,398	101,842,715
Accrued interest receivable	785,188	(657,010)
Accounts payable and accrued liabilities	(120,161)	(102,656)
Accrued interest payable	(44,810)	113,198
	(33,675,681)	(42,685,206)
<b>FINANCING ACTIVITIES</b>		
Advances of credit facility	66,000,000	61,200,000
Repayments of credit facility	(64,000,000)	(62,000,000)
Proceeds from issuance of preferred shares	100,140,687	107,544,912
Bank indebtedness	4,074,317	2,189,433
Amounts paid on redemption of preferred shares	(60,218,465)	(65,448,492)
Dividends paid	(12,320,858)	(12,305,143)
	33,675,681	31,180,710
<b>INCREASE (DECREASE) IN CASH</b>	<b>-</b>	<b>(11,504,496)</b>
Cash, beginning	-	11,504,496
<b>Cash, ending</b>	<b>\$ -</b>	<b>\$ -</b>
Cash flows from operating activities include:		
Interest received	\$ 27,649,835	\$ 29,179,328
Interest paid	\$ 1,171,704	\$ 1,369,351

The accompanying notes are an integral part of these financial statements.

**CANGUARD MORTGAGE INVESTMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**  
(Presented in Canadian dollars)

**1. ORGANIZATION OF CORPORATION**

Canguard Mortgage Investment Corporation (the "Corporation") was incorporated under the BC Business Corporations Act on February 24, 2011, under its previous name Vanguard Mortgage Investment Corporation, and is a Mortgage Investment Corporation ("MIC") under the Income Tax Act (Canada).

The head office, principal address and the registered and records office of the Corporation are located at 1205 – 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9.

The Corporation's primary objective is to generate a reliable stream of income by investing its corporate funds in a portfolio of mortgages.

**2. BASIS OF PRESENTATION**

**Statement of compliance**

These financial statements of the Corporation have been prepared in accordance with International Financial Reporting Standards ("IFRS®"), as issued by the International Accounting Standards Board ("IASB").

The financial statements were approved in accordance with a resolution of the Board of Directors on March 27, 2026.

**Basis of measurement**

These financial statements have been prepared on the historical cost basis, modified where applicable. The material accounting policies are set out in Note 3.

**Functional and presentation currency**

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

**Use of estimates and judgments**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, equities, income and expenses. Actual amounts may differ from these estimates.

The most significant estimates that the Corporation is required to make relate to:

- (a) the measurement of impairment of the mortgage investments (note 6). The Company is required to make assessments of the future expected losses on mortgage investments, in particular, the measurement of credit risk to determine significant changes. The estimation of future cash flows and expected losses includes assumptions about local real estate market conditions, market interest rates, availability and terms of financing, underlying value of the security and various other factors. The assumptions used in the assessment of impairment are

**CANGUARD MORTGAGE INVESTMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**  
(Presented in Canadian dollars)

**2. BASIS OF PRESENTATION** (continued)

limited by the availability of reliable comparable data, economic uncertainty, ongoing geopolitical concerns and the uncertainty of predictions concerning future events. Illiquid credit markets and volatile equity markets have increased the uncertainty inherent in such estimates and assumptions.

These estimates of impairment are subjective and do not necessarily result in precise determinations. Should the underlying assumptions change, the estimated allowance for impairment losses could vary by a material amount.

(b) The company classifies preferred shares between equity and liability in accordance with the substance of the contractual terms of the instruments. As such, Class A preferred shares, which are redeemable on demand of the holder, meet the exceptions of IAS 32 16(A) where the holder is entitled to a pro rata share of the entity's net assets in the event of the entity's liquidation and 16(B) the entity does not have any other financial instruments which a financial obligation exists. These exceptions allow the company to recognize preferred shares as equity on the financial statement (note 11).

Management believes that its estimates are appropriate; however, actual results could differ from the amounts estimated. Estimates and underlying assumptions are reviewed each quarter. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

**CANGUARD MORTGAGE INVESTMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**  
(Presented in Canadian dollars)

**3. MATERIAL ACCOUNTING POLICIES INFORMATION**

The following principal accounting policies have been adopted in the preparation of these financial statements.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits and short-term highly liquid investments with maturities of three months or less.

**Revenue recognition**

Interest and fee income is recognized in profit or loss using the effective interest rate method. See interest policy for further details.

Lending fees charged to the Borrowers for lender's commitment to fund the mortgage contract are recognized once the mortgage is funded. Administration fees charged on servicing the mortgages are recognized when services are rendered.

**Income taxes**

The Corporation is a MIC, as defined in Section 130.1(6) of the Canadian Income Tax Act and as such is not subject to income taxes provided that all income is distributed to preferred shareholders by way of dividends, which are subject to income taxes by the recipient. It is the Corporation's policy to distribute all income to shareholders by way of dividends to remain non-taxable. As such, no provision for current or deferred taxes is required.

**Recognition and measurement of financial instruments**

Initial measurement

The Corporation classifies its financial instruments in the following categories: measured at amortized cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL).

Upon initial recognition, all financial instruments are recognized at fair value. Each financial asset will be classified as either FVTPL, amortized cost, or FVOCI. A debt instrument is recorded at amortized cost only if the entity is holding the instrument to collect contractual cash flows and the cash flows represent solely principal and interest ("SPPI"). A debt instrument is measured at FVOCI if it is held in a business model to both collect contractual cash flows and sell financial assets and meets the SPPI criterion. Otherwise, it is recorded at FVTPL.

Classification and subsequent measurement

Subsequent to initial recognition, with exception of cash and cash equivalents, all financial assets, are classified and subsequently measured at amortized cost. Mortgage interest is recognized using the effective interest method. Provision for mortgage losses are recognized in profit or loss based on expected credit losses.

Subsequent to initial recognition, all financial liabilities are measured at amortized cost using the effective interest rate method.

**CANGUARD MORTGAGE INVESTMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**  
(Presented in Canadian dollars)

**3. MATERIAL ACCOUNTING POLICIES (continued)**

**Reclassification**

The Corporation reclassifies debt instruments only when its business model for managing those financial assets has changed. Reclassifications are applied prospectively from the reclassification date and any previous recognized gains, losses or interest are not restated.

**Impairment**

The Corporation recognizes a loss allowance for the expected credit losses associated with its financial assets, other than debt instruments measured at fair value through profit or loss and equity investments. Expected credit losses are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions.

The Corporation assesses at each reporting date whether the credit risk on a financial asset has increased significantly since initial recognition. Where there has been a significant increase in credit risk, the Corporation recognizes a loss allowance based on lifetime expected credit losses rather than 12-month expected credit losses.

In determining whether a significant increase in credit risk has occurred, the Corporation considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information. Indicators include changes in the borrower's financial condition, delinquency status, and changes in the value of underlying collateral. Regular indicators that a financial instrument is credit-impaired include a borrower's failure to make regular payments under the mortgage contracts and a decline in the estimated net realizable value of the underlying security.

The Corporation applies a rebuttable presumption that a significant increase in credit risk has occurred when contractual payments are more than 30 days past due, unless there is reasonable and supportable information demonstrating that credit risk has not increased significantly.

Provision for mortgage losses are presented in the statement of financial position for assets measured at amortized cost, as a deduction from the gross carrying amount of the financial asset.

**Derecognition**

Financial assets are derecognized when the rights to receive cash flows expire or when substantially all risks and rewards are transferred.

The Corporation derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expire. Where an existing financial liability is replaced or modified and the terms are substantially different, the original liability is derecognized and a new liability is recognized, with any resulting gain or loss recognized in profit or loss.

**CANGUARD MORTGAGE INVESTMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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(Presented in Canadian dollars)

**3. MATERIAL ACCOUNTING POLICIES (continued)**

Real estate acquired through the enforcement of security on defaulted mortgage investments is recognized when the Corporation obtains control of the asset. Upon foreclosure, the mortgage investment is derecognized and the property is initially measured at fair value, with any difference from the carrying amount of the mortgage recognized in profit or loss.

Foreclosed properties are classified as held for sale when their carrying amount is expected to be recovered principally through sale. Such assets are measured at the lower of carrying amount and fair value less costs to sell and are not depreciated.

Properties not classified as held for sale are classified as investment property and accounted for in accordance with IAS 40 Investment Property. The Corporation applies the cost model, under which investment property is carried at cost less accumulated depreciation and impairment losses in accordance with IAS 36 Impairment of Assets. Depreciation commences when the asset is available for its intended use.

**Interest**

Interest income and expense are recognized in profit or loss using the effective interest method.

The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments over the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortized cost of the financial liability. The effective interest rate is calculated considering all contractual terms of the financial instruments, except for the expected credit losses of financial assets.

Interest income and expense is calculated by applying the effective interest rate to the gross carrying amount of the financial asset (when the asset is not credit-impaired) or the amortized cost of the financial liability.

Where a financial asset has become credit-impaired subsequent to initial recognition, interest income is calculated in subsequent periods by applying the effective interest method to the amortized cost of the financial asset. If the asset subsequently ceases to be credit-impaired, calculation of interest income reverts to the gross basis.

**Fair value of financial instruments**

The Corporation classifies fair value measurements recognized in the statement of financial position using a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value (note 5).

Fair value measurements are classified in the fair value hierarchy based on the lowest level input that is significant to that fair value measurement. This assessment requires judgment, considering factors specific to an asset or a liability and may affect placement within the fair value hierarchy.

**CANGUARD MORTGAGE INVESTMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**  
(Presented in Canadian dollars)

**4. RECENT ACCOUNTING PRONOUNCEMENTS**

Various pronouncements have been issued by the International Accounting Standards Board (IASB) or IFRS Interpretations Committee that will be effective for future accounting periods. The Corporation closely monitors new accounting standards as well as amendments to existing standards and assesses what impact, if any, they will have on the financial statements.

***Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures)***

Amendments to IFRS 9 and IFRS 7, issued in May 2024, clarify the date of recognition and derecognition of some financial assets and liabilities, and add further guidance for assessing whether a financial asset meets the solely payment of principal and interest criterion. The amendments also add new disclosures for certain instruments with contractual terms that can change cash flows (on occurrence or non-occurrence of a contingent event) and update the disclosures for investments in equity instruments designated at fair value through other comprehensive income.

The amendments are effective for annual periods beginning on or after January 1, 2026. The Company is currently assessing the impact of these amendments on its financial statements. The Company expects to apply the amendments for its financial statements dated December 31, 2026.

***IFRS 18 Presentation and Disclosure in Financial Statements***

IFRS 18, issued in April 2024, replaces IAS 1 Presentation of Financial Statements and establishes the overall requirements for presentation and disclosures in the financial statements, including a new defined structure for the Statement of Profit or Loss and specific disclosure requirements related to management-defined performance measures. IFRS 18 also enhances guidance on how to group information within the financial statements.

IFRS 18 is effective for annual periods beginning on or after January 1, 2027, including for interim financial statements. The Company is currently assessing the impact of these amendments on its financial statements. The Company expects to apply the standard for its financial statements dated December 31, 2027.

**CANGUARD MORTGAGE INVESTMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**  
(Presented in Canadian dollars)

**5. FINANCIAL INSTRUMENTS**

The Corporation classifies fair value measurements recognized in the statement of financial position using a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1: Unadjusted quoted prices are available in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices in active markets that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Unobservable inputs in which there is little or no market data, which require the Corporation to develop its own assumptions.

Fair value measurements are classified in the fair value hierarchy based on the lowest level input that is significant to that fair value measurement. This assessment requires judgment, considering factors specific to an asset or a liability and may affect placement within the fair value hierarchy.

The Corporation measures its financial instruments at amortized cost. The fair values of cash and cash equivalents, other receivables, bank indebtedness, credit facility and accounts payable and accrued liabilities approximate their carrying amounts due to their short-term nature. Mortgage investments approximate their fair value due to their relatively short-term maturities and because market interest rates have not fluctuated significantly since the date at which the loan were entered into. The fair value of mortgage investments would be established by Level 3 inputs.

**6. MORTGAGE INVESTMENTS**

A summary of the Corporation's mortgage portfolio as of December 31, 2025 and 2024 is set out below:

Mortgage type	2025			2024		
	No.	Principal	%	No.	Principal	%
First	117	\$ 301,118,964	92%	109	\$ 243,015,142	91%
Second	31	24,828,889	8%	36	25,342,869	9%
	148	\$ 325,947,853	100%	145	\$ 268,358,011	100%

Mortgages are secured by real property and bear interest at the weighted average rate of 10.90% (2024 – 12.26%) and mature within the next 12-month period, with the exception of \$111,219,835 (2024 – \$62,114,094) in mortgages that mature subsequent to the next 12-month period. Borrowers who have open mortgages have the option to repay principal at any time prior to the maturity date.

**CANGUARD MORTGAGE INVESTMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**  
(Presented in Canadian dollars)

**6. MORTGAGE INVESTMENTS (continued)**

Under certain mortgage agreements, the Corporation has included an interest reserve which is shown net of the mortgage investments for financial statement purposes. This reserve is a prepayment of interest which is drawn down over the mortgage period covered by the reserves, using the effective interest rate method.

As at December 31, 2025, ten mortgage loans with total principal amount of \$29,695,000 representing 9.11% of the Corporation's total mortgage loans are subject to foreclosure proceedings (2024 – nine mortgage loans, \$17,326,106, 6.46%). As at December 31, 2025, management expects full repayment of its outstanding indebtedness balances net of expected credit losses, aside from interest income not recognized from these properties totaling \$1,372,278 (2024 – \$603,325).

During the year, a loan was reclassified from Stage 3 to Stage 1 following an improvement in credit risk. During the year, the Corporation had also reduced interest income by \$249,167 to reflect the credit-impaired status..

Mortgage investments are assessed for impairment at the end of each reporting period in accordance with IFRS 9 – *Financial Instruments* as outlined below with any provision recorded as a reduction of the reported mortgage investments on the statement of financial position and reported separately in the statement of income and comprehensive income.

The amount of any expected credit loss (“ECL”) is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

IFRS 9 uses an ECL model to determine the provision for credit losses. The ECL model is forward-looking and results in a provision for mortgage losses being recorded on the financial statements regardless if there has been a loss event. ECLs are the difference between the present value of all contractual cash flows that are due under the original terms of the loan and the present value of all of the cash flows expected to be received.

**CANGUARD MORTGAGE INVESTMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**  
(Presented in Canadian dollars)

**6. MORTGAGE INVESTMENTS (continued)**

The ECL model uses a three-stage impairment approach based on changes in the credit risk of the financial asset since initial recognition. The three stages are as follows:

- Stage 1: financial assets that have not experienced a significant increase in credit risk since initial recognition;
- Stage 2: financial assets that have experienced a significant increase in credit risk between initial recognition and the reporting date;
- Stage 3: financial assets for which there is objective evidence of impairment at the reporting date.

The Corporation considers a number of factors when assessing if there has been a significant increase in credit risk. These factors include past events, current conditions and forward-looking information to assess if there has been a significant increase or subsequent decrease in credit risk. The ECL model requires the recognition of credit losses equal to the 12-month ECLs for Stage 1 financial assets and ECLs for the remaining life of the financial assets for Stage 2 and 3 financial assets.

IFRS 9 indicates credit risk increases if contractual payments are more than 30 days past due. However, based on historical experience, overdue payments of 30 days are not uncommon and this does not indicate a significant change in credit risk in the Corporation's experience, as payments past due could be often brought up to date with later payments. Therefore, this factor is not used to determine an increase in credit risk. The Corporation identifies mortgage loans in Stage 2 and above if there are overdue payments of 60 days with one or more risk factors.

The Corporation considers evidence of impairment for mortgage investments in Stage 3 at a specific level on a per file basis, and specific allowances are recorded if management determines that the mortgage investment is impaired. In such cases, a specific provision is established to write down the loan to the estimated future cash flows from the loan discounted at the loan's original effective interest rate. In cases where it is impractical to estimate the future cash flows, the carrying amount of the loan is reduced to its fair value calculated based on an observable market price.

**CANGUARD MORTGAGE INVESTMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2025**  
(Presented in Canadian dollars)

**6. MORTGAGE INVESTMENTS (continued)**

Total mortgage investments are carried at the unpaid principal amount and interest receivable less provisions for mortgage losses. Mortgage investments consist of the following:

	2025				2024
	Stage 1	Stage 2	Stage 3	Total	Total
Mortgage investments					
Alberta	\$ 14,417,500	\$ -	\$ -	\$ 14,417,500	\$ 14,597,094
East Kootenay	378,750	-	-	378,750	375,000
Fraser Valley	92,593,869	9,760,000	10,600,000	112,953,869	106,229,369
Metro Vancouver	71,790,235	4,400,000	-	76,190,235	46,243,500
North Shore / Sea to Sky	60,765,000	2,500,000	-	63,265,000	49,334,000
Northern BC	2,200,000	-	750,000	2,950,000	3,500,000
Okanagan	20,696,209	3,964,690	-	24,660,899	14,454,811
Sunshine Coast	3,367,000	4,200,000	-	7,567,000	5,317,000
Tri-Cities / Anmore	15,060,000	2,500,000	-	17,560,000	20,535,000
Vancouver Island	5,413,100	591,500	-	6,004,600	7,772,237
Total mortgage investments	286,681,663	27,916,190	11,350,000	325,947,853	268,358,011
Provisions for mortgage losses	(618,000)	(493,000)	(2,008,000)	(3,119,000)	(907,000)
Loss provision adjustment (note 7)	249,167	-	-	249,167	-
Mortgage interest receivable	2,827,628	3,460,427	456,497	6,744,552	5,028,275
Mortgage interest reserve	(5,807,672)	-	-	(5,807,672)	(3,306,207)
	<u>\$ 283,332,786</u>	<u>\$ 30,883,617</u>	<u>\$ 9,798,497</u>	<u>\$ 324,014,900</u>	<u>\$ 269,173,079</u>

The following table presents a continuity of the provision for mortgage losses:

	2025				2024
	Stage 1	Stage 2	Stage 3	Total	Total
Beginning balance	\$ 347,000	\$ 177,000	\$ 383,000	\$ 907,000	\$ 301,400
Advances <sup>(1)</sup>	-	380,000	751,000	1,131,000	475,000
Transfer between stages <sup>(2)</sup>	114,000	(54,000)	(60,000)	-	-
Net remeasurement <sup>(3)</sup>	157,000	46,000	997,000	1,200,000	351,000
Repayments <sup>(4)</sup>	-	(56,000)	(63,000)	(119,000)	(220,400)
Ending balance	<u>\$ 618,000</u>	<u>\$ 493,000</u>	<u>\$ 2,008,000</u>	<u>\$ 3,119,000</u>	<u>\$ 907,000</u>

<sup>(1)</sup> Advances represents the expected credit loss for existing mortgages or mortgages advanced during the period.

<sup>(2)</sup> Transfer between stages which are presumed to occur before any corresponding remeasurement of the provision.

<sup>(3)</sup> Net remeasurement represents the change in the expected credit loss related to change in model inputs or assumptions, including changes in macroeconomic conditions, and change in measurement following a transfer between stages.

<sup>(4)</sup> Repayments represent the expected credit loss removed due to mortgage discharged or paid out during the period.

**CANGUARD MORTGAGE INVESTMENT CORPORATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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(Presented in Canadian dollars)

**7. FORECLOSED PROPERTY AND CLASSIFICATION TO INVESTMENT PROPERTY**

During the year ended December 31, 2025, the Corporation secured an order absolute in respect of a defaulted mortgage loan receivable for the underlying property. As a result, the mortgage loan receivable of \$2,700,000 was derecognized with a loss on derecognition on the financial asset of \$335,883, and the foreclosed property was classified as a non-current asset held for sale in accordance with IFRS 5.

As of December 31, 2025, management determined that the property no longer meets the criteria for classification as an asset held for sale under IFRS 5. The Corporation is no longer actively marketing the property for sale and instead intends to hold the property for sale upon market improvements. Accordingly, the property has been reclassified to investment property in accordance with IAS 40.

Immediately prior to reclassification, the property was measured as its carrying value of \$2,833,000. Management has assessed the recoverable amount of the property at \$2,769,000, resulting in a \$64,000 impairment loss, which has been recognized in the statements of net income and comprehensive income. Management will continue to assess the property for indicators of changes in fair value or impairment in accordance with IAS 40 and IAS 36, as applicable.

		2025		2024
Balance, beginning of the year	\$	-	\$	-
Addition		2,769,000		-
Disposition		-		-
Balance, end of the year	\$	2,769,000	\$	-

**8. BANK INDEBTEDNESS AND CREDIT FACILITY**

The Corporation has a revolving facility with a syndicate of financial institutions led by National Bank of Canada (as successor by amalgamation to Canadian Western Bank) for a total commitment of \$60,000,000 (2024 - \$45,000,000) for the purpose of providing leverage against the Corporation’s portfolio of real estate mortgages. The facilities consist of:

- \$7,000,000 (2024 - \$5,000,000) operating facility available for overdraft and general working capital purposes
- \$53,000,000 (2024 - \$40,000,000) revolving facility secured by, and used to provide leverage against the Corporation’s portfolio of mortgages

The credit facility, subject to the Borrowing Base, is available by multiple draws and amounts repaid may be re-drawn. The credit facility is a revolving term facility by way of a Canadian Prime Rate based loan (“Prime Rate loan”) at Prime plus 0.90%, a Canadian Overnight Repo Rate Average based loans (“CORRA”) at CORRA plus 2.35% and Term CORRA Adjustment (one month – 0.29547% and three months – 0.32138%), and Letters of Credit at CORRA plus 2.35%. The Corporation pays a floating rate of interest for the facility. The interest is dependent on the bank prime rate or the CORRA or a combination thereof, as chosen by the management.

The credit facility includes provisions in the agreement that allow the Corporation to choose to convert all or a portion of the Prime Rate Loan into a CORRA loan or vice versa with written notice in accordance with the provisions of the loan agreement. The credit facility is secured by a credit agreement covering all of the Corporation’s present and future property and assets.

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**8. BANK INDEBTEDNESS AND CREDIT FACILITY (continued)**

As at December 31, 2025, the principal amount of \$28,000,000 was outstanding on the Prime Rate Loan bearing aggregated interest rate of 5.35% (2024 – \$11,000,000 bearing aggregated interest rate of 6.35%) and \$nil was outstanding on the CORRA loan (2024 - \$15,000,000 bearing aggregated interest rate of 5.94%).

The terms of the credit facility require the Corporation to comply with various financial and non-financial covenants, including but not limited to

- Minimum capital ratios;
- Leverage ratios; and,
- Minimum liquidity requirements.

As at December 31, 2025 and 2024, the Corporation was in compliance with all financial covenants. Based on managements forecasts, the Corporation expects to remain in compliance with these covenants for at least twelve months following the report date.

As at December 31, 2025, the National Bank of Canada (as successor by amalgamation to Canadian Western Bank), ICICI Bank, and Servus Credit Union term loan balances totalling \$28,000,000 (2024 - \$26,000,000) are due on November 28, 2026:

	<u>2025</u>	<u>2024</u>
National Bank of Canada (as successor by amalgamation to Canadian Western Bank)	\$ 14,792,453	\$ 19,500,000
ICICI Bank	5,283,019	6,500,000
Servus Credit Union	7,924,528	-
Total	<u>\$ 28,000,000</u>	<u>\$ 26,000,000</u>

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**8. BANK INDEBTEDNESS AND CREDIT FACILITY (continued)**

The breakdown based on interest rates for the credit facility consists of the following:

	<u>2025</u>	<u>2024</u>
Term CORRA loan	\$ -	\$ 15,000,000
Prime Rate loan	28,000,000	11,000,000
	<hr/> 28,000,000	<hr/> 26,000,000
Accrued interest payable	136,562	166,784
Less financing costs	(55,838)	(41,250)
Net carrying value	<hr/> <u>\$ 28,080,724</u>	<hr/> <u>\$ 26,125,534</u>

Financing costs include:

	<u>2025</u>	<u>2024</u>
Balance at beginning of period	\$ 41,250	\$ 86,250
Commitment fees	91,371	-
Amortization	(76,783)	(45,000)
Balance at end of period	<hr/> <u>\$ 55,838</u>	<hr/> <u>\$ 41,250</u>

Commitment fees are transaction costs for the credit facility and are included in the cost of the credit facility on initial recognition. These transaction costs are amortized over the expected term of the credit facility.

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**9. RELATED PARTY TRANSACTIONS**

The Corporation invests in mortgages arranged by Quantum Pacific Management Ltd. (“Quantum”) under an agreement with Quantum. Quantum is related by virtue of common officers and directors. Under this agreement, Quantum is entitled to a management fee of 1.5% per annum of the total assets of the Corporation, calculated at the beginning of each month and paid monthly. Quantum is also entitled to all of the lender fees.

For the year ended December 31, 2025, the Corporation paid lender fees of \$3,676,514 (2024 – \$2,907,576) and management fees, net of waived fees, of \$3,673,135 (2024 – \$3,830,608) to Quantum.

As at December 31, 2025, accounts receivable includes \$344,000 (2024 - \$nil) due from Quantum. As at December 31, 2025, accounts payable includes \$19,780 (2024 – \$nil) due to Quantum. These balances are unsecured, non-interest bearing, and are expected to be settled in the short term.

During the year ended December 31, 2025, no beneficial interest of a mortgage investment was assigned to Quantum (2024 – a potentially distressed Stage 2 second mortgage for the principal amount of \$1,890,000 plus accrued interest of \$215,228 was assigned).

As at December 31, 2025, the Corporation holds two mortgage investments in the total amount of \$4,500,000 (2024 – two mortgage investments, \$4,500,000) provided to affiliates of two of the directors. Subsequent to the year ended December 31, 2025, \$200,000 of the related party mortgage investments was repaid.

*Directors*

As at December 31, 2025, four directors of the Corporation along with their related parties own \$8,156,057 (2024 – \$7,937,283) of the Class A preferred shares.

**10. COMMON SHARES**

Authorized	10,000	Class B shares without par value
Issued and fully paid	180	Class B shares

The rights and restrictions attached to the Class B shares are as follows:

- (i) Class B shares are not entitled to dividends;
- (ii) Class B shareholders are entitled to vote; and
- (iii) In the event of liquidation, dissolution or winding up of the Corporation the Class B shareholders shall be entitled receive rateably on a pro rata basis an amount equal to the remaining property or assets of the Corporation.

During the year ended December 31, 2025, the Corporation issued no Class B shares (2024 – nil).

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**11. PREFERRED SHARES**

Authorized	Unlimited Class A preferred with a par value of \$1 each
Issued and fully paid	292,820,329 Class A preferred shares (2024 – 240,712,323)

As of December 31, 2025, the rights and restrictions attached to the Class A preferred shares were as follows:

- (i) Class A shares are entitled to dividends from the profits of the preceding quarter distributed in the following quarterly period when declared and authorized by the board of directors;
- (ii) The voting rights of the Class A shareholders are subject to restrictions;
- (iii) Class A shares are redeemable at par value, at the option of the holder at an amount equal to: (A) the net book value (NBV) of the Corporation multiplied by a fraction, the numerator of which is the aggregate number of shares to be redeemed and the denominator of which is the aggregate number of shares outstanding in the capital of the Corporation (regardless of class); plus (B) any dividends declared but unpaid on the shares to be redeemed including any dividends declared after notice of the redemption but payable after redemption in which case the amount payable shall be prorated by the following fraction the denominator of which is the number of days before the Class A shares are redeemed and the denominator is the number of days before the dividend is payable;
- (iv) The Company shall not be required to redeem or retract more than ten percent (10%) of its outstanding Class A Preferred Shares in any 12 month period; and
- (v) In the event of liquidation, dissolution or winding up of the Corporation, the Class A shareholders shall be entitled to receive rateably on a pro rata basis an amount equal to the remaining property or assets of the Corporation.

For the year ended December 31, 2025, the Corporation issued 100,140,687 Class A preferred shares (2024 – 107,544,912) for cash consideration of \$100,140,687 (2024 – \$107,544,912). For the year ended December 31, 2025, 60,218,465 Class A preferred shares (2024 – 65,448,492) for cash consideration of \$60,218,465 (2024 – \$65,448,492) were redeemed.

As of December 31, 2025, 116,000 Class A preferred shares (2024 – 2,987,000) for cash consideration of \$116,000 (2024 – \$2,987,000) were scheduled for redemption in January 2026.

**12. INCOME TAX**

There are no loss carry forwards and dividends of \$24,506,642 were distributed within 90 days after quarter ended December 31, 2025 (2024 – \$22,799,638). As such, there is no taxable income or taxes payable.

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**13. DIVIDENDS**

The Corporation intends to make dividend payments to the preferred shareholders on a quarterly basis. The operating policies of the Corporation set out that the Corporation intends to distribute 100% of the net income of the Corporation as determined in accordance with the *Income Tax Act (Canada)*, subject to certain adjustments. Dividends were \$0.0916 per preferred share for the year ended December 31, 2025 (2024 – \$0.1033) based on a weighted average of 267,571,891 (2024 – 220,774,845) preferred shares outstanding.

**14. RISK MANAGEMENT**

**Interest rate risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation's operations are subject to interest rate fluctuations. Interest rates on mortgage investments are mostly set at a variable rate subject to a minimum rate, and the Corporation is subject to interest rate changes as these instruments typically have maturities of less than twelve months. A 1.0% change in interest rates would impact the Corporation's interest income by approximately \$3,259,479 (2024 – \$2,683,580).

The Corporation is also exposed to interest rate risk on its credit facility which incurs interest at a variable rate. Based on the outstanding principal balance of \$28,000,000 as at December 31, 2025 (2024 – \$26,000,000), a 0.5% increase in the bank's interest rate, keeping other variables constant, would result in an annual decrease in net income of \$140,000 (2024 – \$130,000) as a result of higher interest payable on the credit facility. A 0.5% decrease in the bank's interest rate would have an equal but opposite effect on the net income of the Corporation.

**Credit and operational risks**

Any instability in the real estate sector and an adverse change in economic conditions in Alberta and especially British Columbia could result in declines in the value of real property securing the Corporation's mortgage investments. The Corporation mitigates this risk by adhering to its investment and operating policies.

The Corporation's maximum exposure to credit risk is represented by the carrying values of mortgage investments, including accrued interest receivables, which totals \$328,491,721 (2024 - \$270,965,370).

**Liquidity risk**

Liquidity risk is managed by ensuring that the sum of (i) availability in the Corporation's bank, (ii) the sourcing of other borrowing facilities, and (iii) projected repayments under the existing mortgage portfolio, exceeds projected needs.

The Corporation's mortgages are short-term in nature, and as such, the continual repayment by borrowers of existing mortgage investments creates liquidity for ongoing mortgage investments and funding commitments.

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**14. RISK MANAGEMENT (continued)**

**Capital risk management**

The Corporation defines capital as being the funds raised through the issuance of preferred shares of the Corporation. The Corporation's objectives when managing capital/equity are to safeguard the Corporation's ability to continue as a going concern, so that it can continue to provide returns for shareholders.

The Corporation manages the capital/equity structure and makes adjustments to it in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Corporation may issue new preferred shares or retract them.

The Corporation's investment guidelines incorporate various guideline restrictions and investment operating policies. The Corporation's guideline states that the Corporation (i) will generally not invest more than 5% of the amount of its capital in any single conventional first or second mortgage, and (ii) will generally only invest in mortgage investments in amounts up to 75% loan to value of conventional first, second and third mortgages in British Columbia and Alberta.

The corporation is also subject to externally imposed capital requirements to maintain the Corporation's eligibility as a MIC. These guidelines state that:

- At least 50% of the Corporation assets must be in residential mortgages and/or cash and insured deposits at Canada Deposit Insurance Corporation member financial institutions;
- No more than 25% of its assets shall be real property; and
- That all investments be within Canada

For the year ended December 31, 2025 and 2024, the Corporation complied with these requirements.