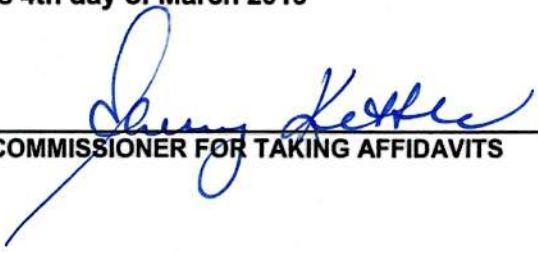


**This is Exhibit "E" referred to in the affidavit
of MATTHEW MCBRIDE, SWORN BEFORE ME
this 4th day of March 2019**


A COMMISSIONER FOR TAKING AFFIDAVITS

WITHOUT RE COURSE ASSIGNMENT OF DEBT AND SECURITY

THIS WITHOUT RE COURSE ASSIGNMENT OF DEBT AND SECURITY (the "Assignment") dated as of the 26th day of February, 2019,

BETWEEN:

ROYAL BANK OF CANADA
(the "Assignor")

AND:

MATTHEW MCBRIDE ENTERPRISES CORP. and BECKSTETTE ENTERPRISES CORP.

(collectively, the "Assignee" and, together with the Assignor, the "Parties" and, individually, each a "Party")

RECITALS:

- A. **WHEREAS** Green Earth Stores Ltd., as Borrower (the "Debtor"), and the Assignor, as Lender (the "Lender"), most recently entered into a credit agreement dated August 28, 2018 (the "Credit Agreement") pursuant to which the Assignor made available to the Debtor certain credit facilities (the "Credit Facilities").
- B. **AND WHEREAS** the outstanding amount owing by the Debtor to the Assignor under the Credit Facilities, inclusive of accrued interest, fees, expenses, including legal fees, and other amount is \$3,254,740.85 Cdn as of February 26, 2019, which amount continues to accrue per diem interest in the amount of \$264.61 (collectively, the "Debt").
- C. **AND WHEREAS** the Assignee wishes to purchase and assume, and the Assignor wishes to assign, transfer, convey all of its rights, title and interest in and to the Assigned Interest (as defined below) to the Assignee, pursuant to the terms and conditions hereof.

NOW THEREFORE in consideration of the promises and the mutual covenants, agreements, representations and warranties expressed herein and other good and valuable consideration, the sufficiency of which is hereby irrevocably acknowledged by each of the parties hereto, the parties hereto mutually covenant and agree as follows:

1. Assignment

In consideration of payment by the Assignee to the Assignor of the Debt owing as of the date hereof, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, as of the date hereof, on an absolute without recourse basis, subject to the terms of this Agreement (a) the Debt, (b) all of the Assignor's right, interest and obligations as Lender under the Credit Agreement, all loan and security documents and any other documents or instruments delivered to the Assignor pursuant thereto, including without limitation, all loan and security documents set out at Schedule "A" to this Assignment (collectively, the "Loan and Security Documents"), and (c) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor against any person, whether known or unknown, arising under or in connection with the Credit Agreement, any of the other Loan and Security Documents or the

transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clauses (a) and (b) above (the rights and obligations sold and assigned pursuant to clauses (a), (b) and (c) of this Section 1 being referred to herein collectively as, the “**Assigned Interest**”); provided that, any rights, remedies, claims, suits, causes of action or other benefits forming part of the Assigned Interest may be enforced by the Assignee in the name of the Assignee only and not in the name of the Assignor.

2. Non-Recourse

Such sale and assignment of the Assigned Interest is without recourse to the Assignor and, except as set forth in Section 4 below, without representation or warranty by the Assignor.

3. Hold in Trust

If, after the date hereof and following the payment of the Debt to the Assignor in full, any principal or interest in respect of the Debt is paid to the Assignor, the Assignor shall forthwith notify the Assignee in writing and hold the same in trust for the benefit of the Assignee and pay the same over to the Assignee within 10 business days.

4. Representations and Warranties of the Assignor

(a) The Assignor represents and warrants that: (i) it is the legal and beneficial owner of the Assigned Interest; (ii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby; and (iii) the Assignor has not transferred, assigned, pledged or granted participation interests in the Assigned Interest.

(b) The Assignor assumes no responsibility with respect to: (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan and Security Documents (other than the Assignor’s statements, representations and warranties made in this Agreement); (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreements or any collateral thereunder; or, (iii) the performance or observance by the Debtor, any of its subsidiaries or affiliates or any other person or entity of any of their respective obligations under any Credit Agreement; (iv) the right, title or interest of the Lender under or by virtue of the Assigned Interest or any part thereof is or will be enforceable, or as to any matter in relation to the existence, attachment, priority, adequacy, value, marketability, quantum, location, condition, fitness, status of repair, validity, or enforceability of the Assigned Interest or any property charged thereunder, or the availability of any documents, chattels, inventory, receivables, accounts, property or collateral referred to or described in or in any way contemplated by all or any part of the Assigned Interest; or that, (v) the Debt is collectible

5. Representations and Warranties of the Assignee

(a) The Assignee represents and warrants that: (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby; (ii) from and after the date hereof, it shall be bound by the provisions of the Credit Agreement as the Lender thereunder and shall have the obligations of the Lender thereunder; and, (iii) it has received copies of the Loan and Security Documents listed in the Credit Agreement and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Assignor.

(b) The Assignee agrees that: (i) it will, independently and without reliance on the Assignor, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan and Security Documents; and, (ii) it will perform in accordance with their terms and in its own name all of the obligations which by the terms of the Loan and Security Documents are required to be performed by it as the Lender thereunder.

6. **Service and Registration**

The Assignee shall have the right at any time to serve the present Assignment or notice thereof on any one or more of the other parties to the Loan and Security Documents. The Assignee shall also have the right at any time and without notice to the Assignor to cause the present Assignment or notice thereof to be registered or filed in any place or office where the Assignee or its counsel deem advisable or necessary.

7. **Attorney of the Assignor**

The Assignee is hereby appointed an irrevocable attorney of the Assignor as Lender (with full power of substitution from time to time) to endorse and/or transfer any of the Assigned Interest and to exercise all rights and powers of the Assignor as Lender in respect of the Assigned Interest and the Assignee and its nominees are hereby empowered to exercise all rights, powers and discretions and to perform all acts of ownership in respect of the Assigned Interest to the same extent as the Assignor as Lender might have done. The Assignor as Lender hereby ratifies and agrees to ratify all acts that such attorney has taken or done in accordance with this Section 7.

8. **Rights of Assignee**

Without limiting the rights of the Assignee under or pursuant to this Agreement, any other agreement between the Parties or otherwise provided by law, the Assignee shall be entitled (but is in no way obligated to), upon any default by the Debtor in respect of any of the Credit Facilities or upon any demand for payment by the Assignee to the Debtor of any of the Debt:

- (a) to amend, cancel, discharge, postpone, settle or compromise all or any part of the obligations under, or otherwise deal with, the Loan and Security Documents for such consideration and on such terms as it may deem appropriate, all in the name of the Assignor;
- (b) to perform all or any part of the obligations or covenants of the Assignor under the Loan and Security Documents and to enforce performance by the other parties to the Loan and Security Documents of all or any part of their obligations, covenants and agreements thereunder, including by exercising all or any of the rights and remedies of the Assignor under the Loan and Security Documents, all in the name of the Assignor;
- (c) to deal with the Assigned Interest as the absolute owner thereof including, without limitation, either directly or through its agents or any receiver, to collect, demand, sue on, recover, receive, release, settle, postpone, compromise, realize or enforce all or any part of the Assigned Interest and for that purpose to give valid and binding receipts and discharges therefore and in respect thereof to take any proceedings in the name of the Assignee or the Assignor or otherwise as the Assignee or its agents or receiver may deem expedient;
- (d) to pay all charges, the payment of which may be necessary to preserve and protect the Assigned Interest;

- (e) by instrument in writing appoint any person, whether an officer or employee of the Assignee or not, as agent of the Assignee to exercise any of the powers, rights and discretions granted to the Assignee by the Assignor under this Assignment or otherwise;
- (f) whether or not the Assignee has taken possession of the Assigned Interest, to sell, assign, grant or convey interests in, or otherwise dispose of, the Assigned Interest either as a whole or in separate parcels at public auction, by public tender or by private sale, either for cash or upon credit or partly for cash and partly for credit and at such time or times and upon such terms and conditions as the Assignee may determine, with or without notice, advertising or any other formality; and the Assignee may also rescind or vary any contract of sale, assignment, grant, conveyance or other disposition that may have been entered into and re-sell, re-assign, re-grant, re-convey or otherwise re-dispose of the Assigned Interest with or under any of the powers conferred hereunder without being answerable for any loss and may adjourn any such proceedings or transactions from time to time; and the Assignee may execute and deliver to any purchaser, assignee or grantee of the Assigned Interest good and sufficient deeds and documents for the same; and
- (g) in addition to those rights granted herein, exercise any other rights the Assignee may have at law, in equity or otherwise as the assignee of the Assigned Interest hereunder, including all the rights and remedies of a secured party under applicable personal property security law

10. No Obligation to Exercise

The Assignee shall not be bound to exercise any of the rights and remedies provided hereunder and nothing herein contained shall have or be deemed to have the effect of making the Assignee responsible for the performance of the obligations of the Assignor under the Loan and Security Documents. In addition, the Assignee need not demand, present, protest, give any notice in connection with, prevent outlawry of, collect, enforce or realize any of the Loan and Security Documents and need not protect or preserve them from, and is hereby released from all responsibility for, any depreciation in or loss of value which the Loan and Security Documents (or any of the property or assets subject thereto) may suffer. For greater certainty, the Assignee need not take any necessary steps to preserve rights against prior parties. The Assignee shall be bound to exercise, in the keeping of the originals of the documents evidencing or comprising Loan and Security Documents or any documentation delivered in connection therewith, only the same degree of care as if they were the property of the Assignee and it was keeping them at their offices.

11. Further Assurances

The Parties shall execute and deliver all further documents and perform all other acts as may be necessary to give effect to the terms of this Assignment.

12. Enurement

This Assignment shall enure to the benefit of and shall be binding upon the Assignor and the Assignee and each of their successors and assigns.

13. Beneficiaries

None of the provisions of this Assignment is intended to provide any rights or remedies to any person or entity other than the Parties and their respective successors and assigns.

14. **Amendments**

This Assignment may not be amended, modified, altered or supplemented other than by means of a written instrument duly executed and delivered by the Parties.

15. **Indemnity**

The Assignee and the Debtor agree to indemnify the Assignor from and to all costs, charges, damages, assessments and claims of any kind asserted by any third party (including but not limited to any statutory or trust claims advanced by Canada Revenue Agency or any government authority) whose claim would rank in priority to the Assignor as at the date hereof, in relation to the Assigned Interest and this Agreement, or otherwise in connection with them.

16. **Counterparts**

This Assignment may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together constitute one agreement. Delivery by a Party of an executed counterpart of this Assignment by facsimile or transmitted electronically in legible form, including without limitation in portable document format (PDF), shall be equally effective as delivery by that Party of an original manually executed counterpart of this Assignment.

17. **Governing Law**

This Assignment shall be governed by, and interpreted and enforced in accordance with, the laws in force in the Province of Ontario and the federal laws of Canada applicable in such Province.

[INTENTIONALLY LEFT BLANK – SIGNATURE PAGE TO FOLLOW]

- S -

IN WITNESS WHEREOF the Parties have duly executed and delivered this Assignment.

Assignor:

) ROYAL BANK OF CANADA
Per: 
Name: GUS KOTSIONIS
Title: VP-CFS.
I/We have the authority to bind the corporation

Assignees:

) MATTHEW MCBRIDE ENTERPRISES
CORP.
Per: _____
Name:
Title:
I/We have the authority to bind the corporation

)
) BECKSTETTE ENTERPRISES CORP.
Per: _____
Name:
Title:
I/We have the authority to bind the corporation

[ACKNOWLEDGMENT PAGE TO FOLLOW]

- S -

IN WITNESS WHEREOF the Parties have duly executed and delivered this Assignment.

Assignor:

) ROYAL BANK OF CANADA
)
) Per: _____
) Name: _____
) Title: _____
) I/We have the authority to bind the
corporation

Assignees:

) MATTHEW MCBRIDE ENTERPRISES
CORP. A.
) Per: _____
) Name: Matthew McBride
) Title: Authorized Signing Officer
) I/We have the authority to bind the
corporation

)
) BECKSTETTE ENTERPRISES CORP.
) Per: P.B.
) Name: Petra Beckstette
) Title: President
) I/We have the authority to bind the
corporation

[ACKNOWLEDGMENT PAGE TO FOLLOW]

The undersigned hereby acknowledges receipt of a copy of this Assignment of Debt and Security and agrees that from and after the date of the Assignment of Debt and Security, the Assignee will pay the Debt to the Assignee (without set-off or counterclaim whatsoever), will deal with the Debtor with respect to the Assigned Interest and agrees that the Assignee shall be entitled to exercise all of the rights, powers and discretions granted to it under this Agreement with respect to the Assigned Interest.

The Borrower:

GREEN EARTH STORES LTD.
Per: Matthew McBride

The Guarantors:

**GREEN EARTH ENVIRONMENTAL
PRODUCTS by its partners**

MATTHEW MCBRIDE HOLDINGS INC.

Per: Matthew McBride
Name: Matthew McBride
Title: Authorized Signing Officer
I/We have the authority to bind the
corporation

BECKSTETTE HOLDINGS INC.

Per: _____
Name: _____
Title: _____
I/We have the authority to bind the
corporation

MATTHEW MCBRIDE ENTERPRISES
CORP. 
Per: _____
Name: Matthew McBride
Title: Authorized Signing Officer
I/We have the authority to bind the
corporation

The undersigned hereby acknowledges receipt of a copy of this Assignment of Debt and Security and agrees that from and after the date of the Assignment of Debt and Security, the Assignee will pay the Debt to the Assignee (without set-off or counterclaim whatsoever), will deal with the Debtor with respect to the Assigned Interest and agrees that the Assignee shall be entitled to exercise all of the rights, powers and discretions granted to it under this Agreement with respect to the Assigned Interest.

The Borrower:

GREEN EARTH STORES LTD.

Per

Name: Petra Beckstette
Title: President
We have the authority to bind the

I/We have the authority to bind the corporation

The Guarantors:

GREEN EARTH ENVIRONMENTAL PRODUCTS by its partners

MATTHEW MCBRIDE HOLDINGS INC.

Per-

Name: Matthew McBride

Title: Authorized Signing Officer
I/We have the authority to bind the
corporation

BECKSTETTE HOLDINGS INC.

Per:

Name: Petra Beckstette

Title: President

I/We have the authority to bind the corporation

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MATTHEW MCBRIDE ENTERPRISES
CORP.

) Per:

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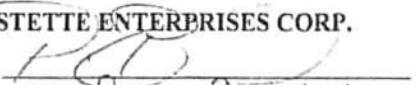
Name: Matthew McBride

Title: Authorized Signing Officer

I/We have the authority to bind the corporation

BECKSTETTE ENTERPRISES CORP.

Per:


Name: Petra Beckstette

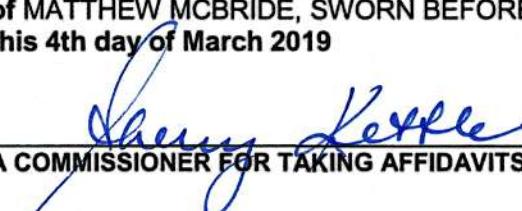
Title: President

I/We have the authority to bind the
corporation

Schedule "A" – Loan and Security Documents

1. General security agreement on the Assignor's form 924 signed by the Debtor constituting a first ranking security interest in all personal property of the Debtor;
2. Collateral mortgage in the amount of \$3,425,000.00 signed by the Debtor constituting a first ranking fixed charge on the lands and improvements located at 19-23 Buchanan Court, London, Ontario;
3. Guarantee and postponement of claim on the Assignor's form 812 in the amount of \$633,148.00 signed by Matthew McBride Enterprises Corp;
4. Guarantee and postponement of claim on the Assignor's form 812 in the amount of \$633,148.00 signed by Beckstette Enterprises Corp;
5. Guarantee and postponement of claim on the Assignor's form 812 in the amount of \$1,150,000.00 signed by Green Earth Environmental Products;
6. Guarantee and postponement of claim on the Assignor's form 812 in the amount of \$4,575,000.00 signed by Green Earth Environmental Products;
7. General security agreement on the Assignor's form 924 signed by Green Earth Environmental Products constituting a first ranking security interest in all personal property of Green Earth Environmental Products;
8. Postponement and assignment of claim on the Assignor's form 918 signed by Matthew McBride Enterprises Corp.; and
9. Postponement and assignment of claim on the Assignor's form 918 signed by Beckstette Enterprises Corp.

**This is Exhibit "F" referred to in the affidavit
of MATTHEW MCBRIDE, SWORN BEFORE ME
this 4th day of March 2019**


A COMMISSIONER FOR TAKING AFFIDAVITS

GENERAL SECURITY AGREEMENT

TO: **MATTHEW McBRIDE ENTERPRISES CORP.**
75 Midpark Crescent
London, Ontario
N6N 1A9

(“Secured Party”)

BACKGROUND:

- (A) **Green Earth Environmental Products (“Debtor”)** is indebted to Secured Party.
- (B) As general and continuing security for the repayment of the indebtedness, Debtor has agreed to provide security to Secured Party.

1. SECURITY INTEREST

For value received, Debtor hereby grants, assigns, transfers and sets over to Secured Party a security interest (“**Security Interest**”) in all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (a) all goods that are held by Debtor for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process or materials used or consumed in the business of Debtor (“**Inventory**”), and all Proceeds thereof;
- (b) all equipment (other than Inventory and including all parts, accessories, attachments, additions and accessions thereto) including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind and wherever situate (“**Equipment**”), and all Proceeds thereof;
- (c) all monetary obligations owed to Debtor including, without limitation, all book accounts, book debts, accounts, debts, dues, claims, choses in action and demands of every nature and kind and howsoever arising or secured which are due or accruing or growing due to Debtor or owned by Debtor (“**Accounts**”), and all Proceeds thereof; and
- (d) all of the undertaking and property of Debtor (in addition to Inventory, Equipment and Accounts), including, without limitation, leasehold interests, chattel paper, documents of title, instruments, shares, stock, warrants, bonds, debentures, debenture stock or other securities, money, letters of credit, advices of credit and cheques and all Proceeds thereof; all present and future securities held by Debtor, including shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or

other interest of Debtor in property or in an enterprise or which constitute evidence of an obligation of the issuer; including, without limitation, all “**Certificated Securities**”, “**Financial Assets**”, “**Security Certificates**”, “**Securities Accounts**”, “**Security Entitlements**” and “**Uncertificated Securities**” as such terms are defined in the *Securities Transfer Act, 2006* (Ontario) (the “STA”) and all substitutions therefor and, subject to paragraph 2, dividends and income derived therefrom,

(collectively “**Collateral**”); except that Collateral does not include (i) the last day of the term of any lease (but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term) or (ii) any Consumer Goods. Debtor agrees that title to Inventory and Equipment supplied by Secured Party is reserved by Secured Party and remains in Secured Party until fully paid for by Debtor, notwithstanding the terms of any other written or oral agreement, terms of sale or understanding between Secured Party and Debtor.

In this security agreement, “**Consumer Goods**” means goods that are used or acquired for use primarily for personal, family or household purposes, and “**Proceeds**” means identifiable or traceable personal property in any form derived directly or indirectly from any dealing with Collateral or the proceeds therefrom, and includes any payment representing indemnity or compensation for loss of or damage to Collateral or proceeds therefrom.

2. UNCERTIFICATED SECURITIES

The undersigned will permit Secured Party from time to time and at the request of Secured Party to cause the appropriate issuers (and, if held with a securities intermediary, such securities intermediary) of Uncertificated Securities which are Collateral to mark their books and records with the numbers and face amounts of all such Uncertificated Securities and all rollovers and replacements therefor to reflect Secured Party as the Entitlement Holder (as defined in the STA) thereof. The undersigned will take any actions within its power to cause the issuers of Uncertificated Securities which are Collateral to cause Secured Party, at the request of Secured Party, to be named as Entitlement Holder over such Securities.

Prior to an event of default, all interest, cash dividends, income and revenue from Securities included in the Collateral (but not the proceeds of disposition of such Securities) shall be collected by and payable to Debtor (and not Secured Party) and such Securities shall be voted by Debtor, and all non-cash dividends paid on such Securities, and all interest, income and revenue from such Securities, if received by Debtor, shall be paid to Secured Party, and Secured Party shall be entitled to vote or not to vote such Securities as Secured Party sees fit.

Debtor will not consent to:

- (a) the entering into by any issuer of any Uncertificated Securities included in or relating to the Collateral of a control agreement in respect of such Uncertificated Securities with any person other than Secured Party or such nominee or agent as it may direct; or
- (b) the entering into by any securities intermediary (as defined in the STA) for any Securities Accounts or any Security Entitlements included in or relating to the Collateral of a control agreement with respect to such Securities Accounts or Security Entitlements with any person other than Secured Party or such nominee or agent as it may direct.

3. **OBLIGATIONS**

The Security Interest secures payment and performance of all debts, liabilities and obligations of Debtor to Secured Party, present or future, direct or indirect, absolute or contingent, oral or written, matured or not (collectively the "Obligations").

4. **RESPONSIBILITIES OF DEBTOR**

Debtor shall:

- (a) keep Collateral free from any other security interest, encumbrance or claim ranking or capable of being enforced equally with, or in priority to, the Security Interest;
- (b) not sell, lease or otherwise dispose of Collateral without the prior written consent of Secured Party, except that, until default, Debtor may in the ordinary course of Debtor's business, sell or lease Inventory;
- (c) keep Collateral in good order and condition and shall carry on and conduct its business in a proper and efficient manner so as to preserve and protect the Collateral and the earnings, income, rents, issues and profits thereof;
- (d) cause the Collateral to be insured and kept insured to the full insurable value thereof, in amounts commensurate with industry standards with reputable insurers against loss or damage by fire and such other risks as Secured Party may reasonably require and shall maintain such insurance with loss, if any, payable to Secured Party and shall lodge copies of such policies with Secured Party;
- (e) pay all rents, taxes, levies, assessments and government fees or dues lawfully levied, assessed or imposed in respect of the Collateral or any part thereof as and when the same shall become due and payable, and shall exhibit to Secured Party, when required, the receipts and vouchers establishing such payment;

- (f) keep accurate and complete books of accounts with respect to the Collateral in accordance with sound accounting practices and shall furnish to Secured Party such financial information and statements and such information and statements relating to the Collateral as Secured Party may from time to time require;
- (g) notify Secured Party promptly of any change in the name or address of Debtor or in the locations at which Collateral is or will be located as described in Schedule "A" or of any loss of, or damage to, Collateral;
- (h) notify Secured Party promptly in writing of any event which occurs that would have a material adverse effect upon the Collateral or upon the financial condition of Debtor;
- (i) give Secured Party reasonable access to all places where Collateral is located; and
- (j) provide all information concerning Collateral, Debtor and Debtor's business that Secured Party may reasonably require.

Until an event of default occurs, Debtor may use the Collateral in any lawful manner not inconsistent with this Agreement, but Secured Party shall have the right at any time during a business day in Ontario and during customary business hours and from time to time to verify the existence and state of the Collateral in any manner Secured Party may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as Secured Party may reasonably request in connection therewith, and, for such purpose, shall permit Secured Party or its agents access to all places where the Collateral may be located and to all premises occupied by Debtor to examine and inspect the Collateral and related records and documents.

5. **EVENTS OF DEFAULT**

Each of the following events shall constitute default under this Agreement:

- (a) the failure to pay when due, observe or perform any Obligation;
- (b) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an authorized assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee of all or part of the business and undertaking of Debtor or of any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the *Bankruptcy and Insolvency Act* (Canada) or otherwise;
- (c) if Debtor takes advantage of provisions for relief under the *Companies and Creditors Arrangement Act* (Canada) or any other legislation for the benefit of insolvent debtors or

transfers all or substantially all of its assets, or proposes a compromise or arrangement with its creditors, or otherwise;

- (d) if any proceeding is taken with respect to a compromise or arrangement, or to have Debtor declared bankrupt or wound up, or if any proceeding is taken, whether in court or under the terms of any agreement or appointment in writing, to have a receiver appointed of any Collateral or if any encumbrance becomes enforceable against any Collateral including the institution by or against Debtor of any proceeding for the dissolution or liquidation of, settlement of claims against, winding-up of the affairs, of Debtor;
- (e) if Debtor enters into any reconstruction, reorganization, amalgamation, merger or other similar arrangement without the prior written consent of Secured Party, such consent not to be unreasonably withheld;
- (f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets;
- (g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if a distress or analogous process is levied upon Collateral;
- (h) if any information or representation furnished by Debtor to Secured Party proves to be incorrect or incomplete in any material respect; or
- (i) if Secured Party in good faith, based on commercially reasonable grounds, believes that the prospect of payment or performance of any Obligation is or is about to be impaired or that Collateral is or is about to be in danger of being lost, damaged, confiscated or placed in jeopardy.

6. **REMEDIES**

On default:

- (a) Secured Party in their sole discretion may declare all or any part of the Obligations to be immediately due and payable without demand or notice;
- (b) Secured Party may appoint, remove and reappoint in writing, any person or persons, including an employee of Secured Party, to be a receiver (the “**Receiver**”) which term includes a receiver and manager, of all or any part of Collateral. Any Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of Debtor and not of Secured Party, and Secured Party shall not in any way be responsible for any misconduct, negligence or non-feasance of Receiver, his employees or agents. Subject to the terms of his appointment, Receiver may take possession of Collateral, preserve Collateral or its

value, carry on the business of Debtor, sell, lease or otherwise dispose of Collateral and concur in any of the foregoing. In addition, Receiver may, to the exclusion of Debtor, enter, use and occupy all premises in which Collateral is situate, maintain Collateral upon such premises, borrow money and use Collateral directly or indirectly in carrying on Debtor's business or as security for loans or advances for any purpose, as Receiver shall, in his sole discretion, determine. Except as otherwise directed by Secured Party, all money received by Receiver shall be received in trust for and paid to Secured Party. Secured Party may vest any of its other rights and powers in every Receiver, may appoint more than one Receiver or may itself exercise the foregoing rights and powers;

- (c) Secured Party may take possession of, enforce, recover and receive Collateral, give valid and binding receipts therefor, demand, collect, compromise and sue on Collateral in either Debtor's or Secured Party's name and endorse Debtor's name on instruments pertaining to or constituting Collateral;
- (d) Debtor shall upon request of Secured Party assemble and deliver possession of Collateral at such place or places as directed;
- (e) Secured Party may grant extensions of time and other indulgences, take and give up security, accept compositions, grant releases and discharges, and otherwise deal with Debtor, debtors of Debtor, sureties and others as Secured Party may see fit without prejudice to the liability of Debtor or Secured Party's right to hold and realize the Security Interest;
- (f) Debtor shall pay all costs, charges and expenses reasonably incurred by Secured Party or any Receiver, whether directly or for services rendered (including solicitors costs on a solicitor and his own client basis, auditors costs, other legal expenses and Receiver remuneration), in enforcing this security agreement and in enforcing or collecting Obligations and all such expenses together with any money owing as a result of any borrowing permitted hereby shall be a charge on the proceeds of realization and shall be secured hereby; and
- (g) Debtor shall remain liable to Secured Party for payment of any deficiency after realization.

In addition to all other rights and remedies however arising, Secured Party shall have, before and after default, all rights and remedies of a secured party under the personal property security legislation, as amended from time to time, of the Province in which Collateral is located. Secured Party shall not be liable for any negligence in the exercise of or any failure to exercise its rights against any other parties.

7. **GENERAL**

- (a) **Trust:** Any Proceeds received by Debtor shall be, to the extent of the then current indebtedness owing by Debtor to Secured Party, received and held by Debtor in trust for Secured Party and shall be turned over to Secured Party on request.
- (b) **Attachment:** The Security Interest is intended to attach when this security agreement is signed by Debtor.
- (c) **No Credit Extension:** Nothing in this security agreement shall obligate Secured Party to make any extension of credit to Debtor.
- (d) **Not in Substitution:** This security agreement and the security afforded by it is in addition to and not in substitution for any other security now or hereafter held by Secured Party and is continuing security.
- (e) **Headings:** The division of this security agreement into sections and the insertion of headings are for convenience of reference only and are not to affect the construction or interpretation of this security agreement.
- (f) **Governing Law:** This security agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of Ontario and the laws of Canada applicable in the Province of Ontario.
- (g) **Severability:** If any provision of this security agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect (i) the legality, validity or enforceability of the remaining provisions of this Agreement or (ii) the legality, validity or enforceability of that provision in any other jurisdiction.
- (h) **Assignment and Enurement:** This security agreement enures to the benefit of Secured Party and Secured Party's heirs, administrators, estate trustees, personal and legal representatives, successors and assigns and binds Debtor and Debtor's heirs, administrators, estate trustees, personal and legal representatives, successors and assigns.
- (i) **Notice:** Each notice or other communication to a party must be given in writing and delivered personally or by courier, sent by prepaid registered mail or transmitted by fax or by such other electronic transmission means to the party as follows:

If to Debtor:

75 Midpark Crescent
London, Ontario
N6N 1A9

Fax: (519) 668-5627

If to Secured Party:

75 Midpark Crescent
London, Ontario
N6N 1A9

Fax: (519) 668-5627

or to any other address or fax number or person that the party designates. Any notice or other communication, if delivered personally or by courier or by electronic means, will be deemed to have been given when actually received, if transmitted by fax before 3:00 p.m. on a business day, will be deemed to have been given on that business day, and if transmitted by fax after 3:00 p.m. on a business day, will be deemed to have been given on the business day after the date of the transmission

- (j) **Waivers:** No waiver of any provision of this security agreement is binding unless it is in writing and signed by Secured Party. No failure by Secured Party to exercise, and no delay in exercising, any right or remedy will be deemed to be a waiver of that right or remedy. No waiver of any breach of any provision of this security agreement will be deemed to be a waiver of any subsequent breach of that provision.
- (k) **Further Assurances:** Debtor shall from time to time promptly at the request of Secured Party execute and deliver all further documents and take all further action necessary or appropriate to give effect to the provisions of this security agreement.
- (l) **Amendment:** No amendment, supplement, restatement or termination of any provision of this security agreement is binding unless it is in writing and signed by Secured Party.
- (m) **Language:** The parties confirm that it is their wish that this security agreement, as well as any other documents relating to this Agreement, including notices, schedules and authorizations, have been and shall be drawn up in the English language only. Les parties aux présentes confirment leur volonté que cette convention, de même que tous les documents, y compris tous avis, cédules et autorisations s'y rattachant, soient rédigés en langue anglaise seulement.

(n) **Copies of Security Agreement and Financing Statement:** Debtor acknowledges receipt of a copy of this security agreement. Debtor expressly waives the right to receive a copy of any financing statement or financing change statement which may be registered by Secured Party in connection with this Agreement or any verification statement issued with respect thereto where such waiver is not otherwise prohibited by law.

IN WITNESS WHEREOF Debtor has executed this security agreement this 19th day of June , 2009.

GREEN EARTH ENVIRONMENTAL PRODUCTS, by its general partners:

MATTHEW McBRIDE HOLDINGS INC.

By: 

*Authorized Signature
Matthew McBride, President*

I have the authority to bind this corporation.

BECKSTETTE HOLDINGS INC.

By: 

*Authorized Signature
Petra Beckstette, President*

I have the authority to bind this corporation.

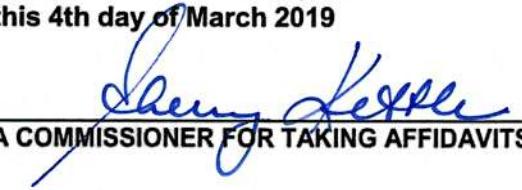
Schedule "A"
to
GENERAL SECURITY AGREEMENT

1. PRINCIPAL ADDRESS OF DEBTOR:

75 Midpark Crescent
London, Ontario
N6N 1A9

2. OTHER LOCATIONS WHERE COLLATERAL IS OR WILL BE LOCATED:

**This is Exhibit "G" referred to in the affidavit
of MATTHEW MCBRIDE, SWORN BEFORE ME
this 4th day of March 2019**


A COMMISSIONER FOR TAKING AFFIDAVITS

GENERAL SECURITY AGREEMENT

TO: **BECKSTETTE ENTERPRISES CORP.**
75 Midpark Crescent
London, Ontario
N6N 1A9

(“Secured Party”)

BACKGROUND:

- (A) **Green Earth Environmental Products (“Debtor”)** is indebted to Secured Party.
- (B) As general and continuing security for the repayment of the indebtedness, Debtor has agreed to provide security to Secured Party.

1. SECURITY INTEREST

For value received, Debtor hereby grants, assigns, transfers and sets over to Secured Party a security interest (“**Security Interest**”) in all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (a) all goods that are held by Debtor for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process or materials used or consumed in the business of Debtor (“**Inventory**”), and all Proceeds thereof;
- (b) all equipment (other than Inventory and including all parts, accessories, attachments, additions and accessions thereto) including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind and wherever situate (“**Equipment**”), and all Proceeds thereof;
- (c) all monetary obligations owed to Debtor including, without limitation, all book accounts, book debts, accounts, debts, dues, claims, choses in action and demands of every nature and kind and howsoever arising or secured which are due or accruing or growing due to Debtor or owned by Debtor (“**Accounts**”), and all Proceeds thereof; and
- (d) all of the undertaking and property of Debtor (in addition to Inventory, Equipment and Accounts), including, without limitation, leasehold interests, chattel paper, documents of title, instruments, shares, stock, warrants, bonds, debentures, debenture stock or other securities, money, letters of credit, advices of credit and cheques and all Proceeds thereof; all present and future securities held by Debtor, including shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or

other interest of Debtor in property or in an enterprise or which constitute evidence of an obligation of the issuer; including, without limitation, all “**Certificated Securities**”, “**Financial Assets**”, “**Security Certificates**”, “**Securities Accounts**”, “**Security Entitlements**” and “**Uncertificated Securities**” as such terms are defined in the *Securities Transfer Act, 2006* (Ontario) (the “STA”) and all substitutions therefor and, subject to paragraph 2, dividends and income derived therefrom,

(collectively “**Collateral**”); except that Collateral does not include (i) the last day of the term of any lease (but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term) or (ii) any Consumer Goods. Debtor agrees that title to Inventory and Equipment supplied by Secured Party is reserved by Secured Party and remains in Secured Party until fully paid for by Debtor, notwithstanding the terms of any other written or oral agreement, terms of sale or understanding between Secured Party and Debtor.

In this security agreement, “**Consumer Goods**” means goods that are used or acquired for use primarily for personal, family or household purposes, and “**Proceeds**” means identifiable or traceable personal property in any form derived directly or indirectly from any dealing with Collateral or the proceeds therefrom, and includes any payment representing indemnity or compensation for loss of or damage to Collateral or proceeds therefrom.

2. **UNCERTIFICATED SECURITIES**

The undersigned will permit Secured Party from time to time and at the request of Secured Party to cause the appropriate issuers (and, if held with a securities intermediary, such securities intermediary) of Uncertificated Securities which are Collateral to mark their books and records with the numbers and face amounts of all such Uncertificated Securities and all rollovers and replacements therefor to reflect Secured Party as the Entitlement Holder (as defined in the STA) thereof. The undersigned will take any actions within its power to cause the issuers of Uncertificated Securities which are Collateral to cause Secured Party, at the request of Secured Party, to be named as Entitlement Holder over such Securities.

Prior to an event of default, all interest, cash dividends, income and revenue from Securities included in the Collateral (but not the proceeds of disposition of such Securities) shall be collected by and payable to Debtor (and not Secured Party) and such Securities shall be voted by Debtor, and all non-cash dividends paid on such Securities, and all interest, income and revenue from such Securities, if received by Debtor, shall be paid to Secured Party, and Secured Party shall be entitled to vote or not to vote such Securities as Secured Party sees fit.

Debtor will not consent to:

- (a) the entering into by any issuer of any Uncertificated Securities included in or relating to the Collateral of a control agreement in respect of such Uncertificated Securities with any person other than Secured Party or such nominee or agent as it may direct; or
- (b) the entering into by any securities intermediary (as defined in the STA) for any Securities Accounts or any Security Entitlements included in or relating to the Collateral of a control agreement with respect to such Securities Accounts or Security Entitlements with any person other than Secured Party or such nominee or agent as it may direct.

3. **OBLIGATIONS**

The Security Interest secures payment and performance of all debts, liabilities and obligations of Debtor to Secured Party, present or future, direct or indirect, absolute or contingent, oral or written, matured or not (collectively the “**Obligations**”).

4. **RESPONSIBILITIES OF DEBTOR**

Debtor shall:

- (a) keep Collateral free from any other security interest, encumbrance or claim ranking or capable of being enforced equally with, or in priority to, the Security Interest;
- (b) not sell, lease or otherwise dispose of Collateral without the prior written consent of Secured Party, except that, until default, Debtor may in the ordinary course of Debtor's business, sell or lease Inventory;
- (c) keep Collateral in good order and condition and shall carry on and conduct its business in a proper and efficient manner so as to preserve and protect the Collateral and the earnings, income, rents, issues and profits thereof;
- (d) cause the Collateral to be insured and kept insured to the full insurable value thereof, in amounts commensurate with industry standards with reputable insurers against loss or damage by fire and such other risks as Secured Party may reasonably require and shall maintain such insurance with loss, if any, payable to Secured Party and shall lodge copies of such policies with Secured Party;
- (e) pay all rents, taxes, levies, assessments and government fees or dues lawfully levied, assessed or imposed in respect of the Collateral or any part thereof as and when the same shall become due and payable, and shall exhibit to Secured Party, when required, the receipts and vouchers establishing such payment;

- (f) keep accurate and complete books of accounts with respect to the Collateral in accordance with sound accounting practices and shall furnish to Secured Party such financial information and statements and such information and statements relating to the Collateral as Secured Party may from time to time require;
- (g) notify Secured Party promptly of any change in the name or address of Debtor or in the locations at which Collateral is or will be located as described in Schedule "A" or of any loss of, or damage to, Collateral;
- (h) notify Secured Party promptly in writing of any event which occurs that would have a material adverse effect upon the Collateral or upon the financial condition of Debtor;
- (i) give Secured Party reasonable access to all places where Collateral is located; and
- (j) provide all information concerning Collateral, Debtor and Debtor's business that Secured Party may reasonably require.

Until an event of default occurs, Debtor may use the Collateral in any lawful manner not inconsistent with this Agreement, but Secured Party shall have the right at any time during a business day in Ontario and during customary business hours and from time to time to verify the existence and state of the Collateral in any manner Secured Party may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as Secured Party may reasonably request in connection therewith, and, for such purpose, shall permit Secured Party or its agents access to all places where the Collateral may be located and to all premises occupied by Debtor to examine and inspect the Collateral and related records and documents.

5. **EVENTS OF DEFAULT**

Each of the following events shall constitute default under this Agreement:

- (a) the failure to pay when due, observe or perform any Obligation;
- (b) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an authorized assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee of all or part of the business and undertaking of Debtor or of any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the *Bankruptcy and Insolvency Act* (Canada) or otherwise;
- (c) if Debtor takes advantage of provisions for relief under the *Companies and Creditors Arrangement Act* (Canada) or any other legislation for the benefit of insolvent debtors or

transfers all or substantially all of its assets, or proposes a compromise or arrangement with its creditors, or otherwise;

- (d) if any proceeding is taken with respect to a compromise or arrangement, or to have Debtor declared bankrupt or wound up, or if any proceeding is taken, whether in court or under the terms of any agreement or appointment in writing, to have a receiver appointed of any Collateral or if any encumbrance becomes enforceable against any Collateral including the institution by or against Debtor of any proceeding for the dissolution or liquidation of, settlement of claims against, winding-up of the affairs, of Debtor;
- (e) if Debtor enters into any reconstruction, reorganization, amalgamation, merger or other similar arrangement without the prior written consent of Secured Party, such consent not to be unreasonably withheld;
- (f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets;
- (g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if a distress or analogous process is levied upon Collateral;
- (h) if any information or representation furnished by Debtor to Secured Party proves to be incorrect or incomplete in any material respect; or
- (i) if Secured Party in good faith, based on commercially reasonable grounds, believes that the prospect of payment or performance of any Obligation is or is about to be impaired or that Collateral is or is about to be in danger of being lost, damaged, confiscated or placed in jeopardy.

6. **REMEDIES**

On default:

- (a) Secured Party in their sole discretion may declare all or any part of the Obligations to be immediately due and payable without demand or notice;
- (b) Secured Party may appoint, remove and reappoint in writing, any person or persons, including an employee of Secured Party, to be a receiver (the “**Receiver**”) which term includes a receiver and manager, of all or any part of Collateral. Any Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of Debtor and not of Secured Party, and Secured Party shall not in any way be responsible for any misconduct, negligence or non-feasance of Receiver, his employees or agents. Subject to the terms of his appointment, Receiver may take possession of Collateral, preserve Collateral or its

value, carry on the business of Debtor, sell, lease or otherwise dispose of Collateral and concur in any of the foregoing. In addition, Receiver may, to the exclusion of Debtor, enter, use and occupy all premises in which Collateral is situate, maintain Collateral upon such premises, borrow money and use Collateral directly or indirectly in carrying on Debtor's business or as security for loans or advances for any purpose, as Receiver shall, in his sole discretion, determine. Except as otherwise directed by Secured Party, all money received by Receiver shall be received in trust for and paid to Secured Party. Secured Party may vest any of its other rights and powers in every Receiver, may appoint more than one Receiver or may itself exercise the foregoing rights and powers;

- (c) Secured Party may take possession of, enforce, recover and receive Collateral, give valid and binding receipts therefor, demand, collect, compromise and sue on Collateral in either Debtor's or Secured Party's name and endorse Debtor's name on instruments pertaining to or constituting Collateral;
- (d) Debtor shall upon request of Secured Party assemble and deliver possession of Collateral at such place or places as directed;
- (e) Secured Party may grant extensions of time and other indulgences, take and give up security, accept compositions, grant releases and discharges, and otherwise deal with Debtor, debtors of Debtor, sureties and others as Secured Party may see fit without prejudice to the liability of Debtor or Secured Party's right to hold and realize the Security Interest;
- (f) Debtor shall pay all costs, charges and expenses reasonably incurred by Secured Party or any Receiver, whether directly or for services rendered (including solicitors costs on a solicitor and his own client basis, auditors costs, other legal expenses and Receiver remuneration), in enforcing this security agreement and in enforcing or collecting Obligations and all such expenses together with any money owing as a result of any borrowing permitted hereby shall be a charge on the proceeds of realization and shall be secured hereby; and
- (g) Debtor shall remain liable to Secured Party for payment of any deficiency after realization.

In addition to all other rights and remedies however arising, Secured Party shall have, before and after default, all rights and remedies of a secured party under the personal property security legislation, as amended from time to time, of the Province in which Collateral is located. Secured Party shall not be liable for any negligence in the exercise of or any failure to exercise its rights against any other parties.

7. **GENERAL**

- (a) **Trust:** Any Proceeds received by Debtor shall be, to the extent of the then current indebtedness owing by Debtor to Secured Party, received and held by Debtor in trust for Secured Party and shall be turned over to Secured Party on request.
- (b) **Attachment:** The Security Interest is intended to attach when this security agreement is signed by Debtor.
- (c) **No Credit Extension:** Nothing in this security agreement shall obligate Secured Party to make any extension of credit to Debtor.
- (d) **Not in Substitution:** This security agreement and the security afforded by it is in addition to and not in substitution for any other security now or hereafter held by Secured Party and is continuing security.
- (e) **Headings:** The division of this security agreement into sections and the insertion of headings are for convenience of reference only and are not to affect the construction or interpretation of this security agreement.
- (f) **Governing Law:** This security agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of Ontario and the laws of Canada applicable in the Province of Ontario.
- (g) **Severability:** If any provision of this security agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect (i) the legality, validity or enforceability of the remaining provisions of this Agreement or (ii) the legality, validity or enforceability of that provision in any other jurisdiction.
- (h) **Assignment and Enurement:** This security agreement enures to the benefit of Secured Party and Secured Party's heirs, administrators, estate trustees, personal and legal representatives, successors and assigns and binds Debtor and Debtor's heirs, administrators, estate trustees, personal and legal representatives, successors and assigns.
- (i) **Notice:** Each notice or other communication to a party must be given in writing and delivered personally or by courier, sent by prepaid registered mail or transmitted by fax or by such other electronic transmission means to the party as follows:

If to Debtor:

75 Midpark Crescent
London, Ontario
N6N 1A9

Fax: (519) 668-5627

If to Secured Party:

75 Midpark Crescent
London, Ontario
N6N 1A9

Fax: (519) 668-5627

or to any other address or fax number or person that the party designates. Any notice or other communication, if delivered personally or by courier or by electronic means, will be deemed to have been given when actually received, if transmitted by fax before 3:00 p.m. on a business day, will be deemed to have been given on that business day, and if transmitted by fax after 3:00 p.m. on a business day, will be deemed to have been given on the business day after the date of the transmission

- (j) **Waivers:** No waiver of any provision of this security agreement is binding unless it is in writing and signed by Secured Party. No failure by Secured Party to exercise, and no delay in exercising, any right or remedy will be deemed to be a waiver of that right or remedy. No waiver of any breach of any provision of this security agreement will be deemed to be a waiver of any subsequent breach of that provision.
- (k) **Further Assurances:** Debtor shall from time to time promptly at the request of Secured Party execute and deliver all further documents and take all further action necessary or appropriate to give effect to the provisions of this security agreement.
- (l) **Amendment:** No amendment, supplement, restatement or termination of any provision of this security agreement is binding unless it is in writing and signed by Secured Party.
- (m) **Language:** The parties confirm that it is their wish that this security agreement, as well as any other documents relating to this Agreement, including notices, schedules and authorizations, have been and shall be drawn up in the English language only. Les parties aux présentes confirment leur volonté que cette convention, de même que tous les documents, y compris tous avis, cédules et autorisations s'y rattachant, soient rédigés en langue anglaise seulement.

(n) **Copies of Security Agreement and Financing Statement:** Debtor acknowledges receipt of a copy of this security agreement. Debtor expressly waives the right to receive a copy of any financing statement or financing change statement which may be registered by Secured Party in connection with this Agreement or any verification statement issued with respect thereto where such waiver is not otherwise prohibited by law.

IN WITNESS WHEREOF Debtor has executed this security agreement this 19th day of June , 2009.

GREEN EARTH ENVIRONMENTAL PRODUCTS, by its general partners:

MATTHEW McBRIDE HOLDINGS INC.

By:



*Authorized Signature
Matthew McBride, President*

I have the authority to bind this corporation.

BECKSTETTE HOLDINGS INC.

By:



*Authorized Signature
Petra Beckstette, President*

I have the authority to bind this corporation.

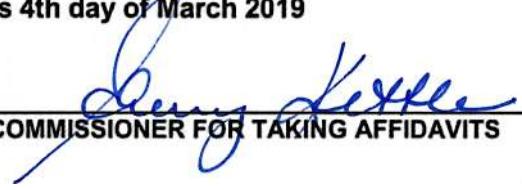
Schedule "A"
to
GENERAL SECURITY AGREEMENT

1. PRINCIPAL ADDRESS OF DEBTOR:

75 Midpark Crescent
London, Ontario
N6N 1A9

2. OTHER LOCATIONS WHERE COLLATERAL IS OR WILL BE LOCATED:

**This is Exhibit "H" referred to in the affidavit
of MATTHEW MCBRIDE, SWORN BEFORE ME
this 4th day of March 2019**


A COMMISSIONER FOR TAKING AFFIDAVITS

GENERAL SECURITY AGREEMENT

TO: **MATTHEW McBRIDE ENTERPRISES CORP.**
75 Midpark Crescent
London, Ontario
N6N 1A9

(“Secured Party”)

BACKGROUND:

- (A) **Green Earth Stores Ltd. (“Debtor”)** is indebted to Secured Party.
- (B) As general and continuing security for the repayment of the indebtedness, Debtor has agreed to provide security to Secured Party.

1. SECURITY INTEREST

For value received, Debtor hereby grants, assigns, transfers and sets over to Secured Party a security interest (“**Security Interest**”) in all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (a) all goods that are held by Debtor for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process or materials used or consumed in the business of Debtor (“**Inventory**”), and all Proceeds thereof;
- (b) all equipment (other than Inventory and including all parts, accessories, attachments, additions and accessions thereto) including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind and wherever situate (“**Equipment**”), and all Proceeds thereof;
- (c) all monetary obligations owed to Debtor including, without limitation, all book accounts, book debts, accounts, debts, dues, claims, choses in action and demands of every nature and kind and howsoever arising or secured which are due or accruing or growing due to Debtor or owned by Debtor (“**Accounts**”), and all Proceeds thereof; and
- (d) all of the undertaking and property of Debtor (in addition to Inventory, Equipment and Accounts), including, without limitation, leasehold interests, chattel paper, documents of title, instruments, shares, stock, warrants, bonds, debentures, debenture stock or other securities, money, letters of credit, advices of credit and cheques and all Proceeds thereof; all present and future securities held by Debtor, including shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or

other interest of Debtor in property or in an enterprise or which constitute evidence of an obligation of the issuer; including, without limitation, all “**Certificated Securities**”, “**Financial Assets**”, “**Security Certificates**”, “**Securities Accounts**”, “**Security Entitlements**” and “**Uncertificated Securities**” as such terms are defined in the *Securities Transfer Act, 2006* (Ontario) (the “STA”) and all substitutions therefor and, subject to paragraph 2, dividends and income derived therefrom,

(collectively “**Collateral**”); except that Collateral does not include (i) the last day of the term of any lease (but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term) or (ii) any Consumer Goods. Debtor agrees that title to Inventory and Equipment supplied by Secured Party is reserved by Secured Party and remains in Secured Party until fully paid for by Debtor, notwithstanding the terms of any other written or oral agreement, terms of sale or understanding between Secured Party and Debtor.

In this security agreement, “**Consumer Goods**” means goods that are used or acquired for use primarily for personal, family or household purposes, and “**Proceeds**” means identifiable or traceable personal property in any form derived directly or indirectly from any dealing with Collateral or the proceeds therefrom, and includes any payment representing indemnity or compensation for loss of or damage to Collateral or proceeds therefrom.

2. **UNCERTIFICATED SECURITIES**

The undersigned will permit Secured Party from time to time and at the request of Secured Party to cause the appropriate issuers (and, if held with a securities intermediary, such securities intermediary) of Uncertificated Securities which are Collateral to mark their books and records with the numbers and face amounts of all such Uncertificated Securities and all rollovers and replacements therefor to reflect Secured Party as the Entitlement Holder (as defined in the STA) thereof. The undersigned will take any actions within its power to cause the issuers of Uncertificated Securities which are Collateral to cause Secured Party, at the request of Secured Party, to be named as Entitlement Holder over such Securities.

Prior to an event of default, all interest, cash dividends, income and revenue from Securities included in the Collateral (but not the proceeds of disposition of such Securities) shall be collected by and payable to Debtor (and not Secured Party) and such Securities shall be voted by Debtor, and all non-cash dividends paid on such Securities, and all interest, income and revenue from such Securities, if received by Debtor, shall be paid to Secured Party, and Secured Party shall be entitled to vote or not to vote such Securities as Secured Party sees fit.

Debtor will not consent to:

- (a) the entering into by any issuer of any Uncertificated Securities included in or relating to the Collateral of a control agreement in respect of such Uncertificated Securities with any person other than Secured Party or such nominee or agent as it may direct; or
- (b) the entering into by any securities intermediary (as defined in the STA) for any Securities Accounts or any Security Entitlements included in or relating to the Collateral of a control agreement with respect to such Securities Accounts or Security Entitlements with any person other than Secured Party or such nominee or agent as it may direct.

3. **OBLIGATIONS**

The Security Interest secures payment and performance of all debts, liabilities and obligations of Debtor to Secured Party, present or future, direct or indirect, absolute or contingent, oral or written, matured or not (collectively the “**Obligations**”).

4. **RESPONSIBILITIES OF DEBTOR**

Debtor shall:

- (a) keep Collateral free from any other security interest, encumbrance or claim ranking or capable of being enforced equally with, or in priority to, the Security Interest;
- (b) not sell, lease or otherwise dispose of Collateral without the prior written consent of Secured Party, except that, until default, Debtor may in the ordinary course of Debtor's business, sell or lease Inventory;
- (c) keep Collateral in good order and condition and shall carry on and conduct its business in a proper and efficient manner so as to preserve and protect the Collateral and the earnings, income, rents, issues and profits thereof;
- (d) cause the Collateral to be insured and kept insured to the full insurable value thereof, in amounts commensurate with industry standards with reputable insurers against loss or damage by fire and such other risks as Secured Party may reasonably require and shall maintain such insurance with loss, if any, payable to Secured Party and shall lodge copies of such policies with Secured Party;
- (e) pay all rents, taxes, levies, assessments and government fees or dues lawfully levied, assessed or imposed in respect of the Collateral or any part thereof as and when the same shall become due and payable, and shall exhibit to Secured Party, when required, the receipts and vouchers establishing such payment;

- (f) keep accurate and complete books of accounts with respect to the Collateral in accordance with sound accounting practices and shall furnish to Secured Party such financial information and statements and such information and statements relating to the Collateral as Secured Party may from time to time require;
- (g) notify Secured Party promptly of any change in the name or address of Debtor or in the locations at which Collateral is or will be located as described in Schedule "A" or of any loss of, or damage to, Collateral;
- (h) notify Secured Party promptly in writing of any event which occurs that would have a material adverse effect upon the Collateral or upon the financial condition of Debtor;
- (i) give Secured Party reasonable access to all places where Collateral is located; and
- (j) provide all information concerning Collateral, Debtor and Debtor's business that Secured Party may reasonably require.

Until an event of default occurs, Debtor may use the Collateral in any lawful manner not inconsistent with this Agreement, but Secured Party shall have the right at any time during a business day in Ontario and during customary business hours and from time to time to verify the existence and state of the Collateral in any manner Secured Party may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as Secured Party may reasonably request in connection therewith, and, for such purpose, shall permit Secured Party or its agents access to all places where the Collateral may be located and to all premises occupied by Debtor to examine and inspect the Collateral and related records and documents.

5. **EVENTS OF DEFAULT**

Each of the following events shall constitute default under this Agreement:

- (a) the failure to pay when due, observe or perform any Obligation;
- (b) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an authorized assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee of all or part of the business and undertaking of Debtor or of any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the *Bankruptcy and Insolvency Act* (Canada) or otherwise;
- (c) if Debtor takes advantage of provisions for relief under the *Companies and Creditors Arrangement Act* (Canada) or any other legislation for the benefit of insolvent debtors or

transfers all or substantially all of its assets, or proposes a compromise or arrangement with its creditors, or otherwise;

- (d) if any proceeding is taken with respect to a compromise or arrangement, or to have Debtor declared bankrupt or wound up, or if any proceeding is taken, whether in court or under the terms of any agreement or appointment in writing, to have a receiver appointed of any Collateral or if any encumbrance becomes enforceable against any Collateral including the institution by or against Debtor of any proceeding for the dissolution or liquidation of, settlement of claims against, winding-up of the affairs, of Debtor;
- (e) if Debtor enters into any reconstruction, reorganization, amalgamation, merger or other similar arrangement without the prior written consent of Secured Party, such consent not to be unreasonably withheld;
- (f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets;
- (g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if a distress or analogous process is levied upon Collateral;
- (h) if any information or representation furnished by Debtor to Secured Party proves to be incorrect or incomplete in any material respect; or
- (i) if Secured Party in good faith, based on commercially reasonable grounds, believes that the prospect of payment or performance of any Obligation is or is about to be impaired or that Collateral is or is about to be in danger of being lost, damaged, confiscated or placed in jeopardy.

6. **REMEDIES**

On default:

- (a) Secured Party in their sole discretion may declare all or any part of the Obligations to be immediately due and payable without demand or notice;
- (b) Secured Party may appoint, remove and reappoint in writing, any person or persons, including an employee of Secured Party, to be a receiver (the "Receiver") which term includes a receiver and manager, of all or any part of Collateral. Any Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of Debtor and not of Secured Party, and Secured Party shall not in any way be responsible for any misconduct, negligence or non-feasance of Receiver, his employees or agents. Subject to the terms of his appointment, Receiver may take possession of Collateral, preserve Collateral or its

value, carry on the business of Debtor, sell, lease or otherwise dispose of Collateral and concur in any of the foregoing. In addition, Receiver may, to the exclusion of Debtor, enter, use and occupy all premises in which Collateral is situate, maintain Collateral upon such premises, borrow money and use Collateral directly or indirectly in carrying on Debtor's business or as security for loans or advances for any purpose, as Receiver shall, in his sole discretion, determine. Except as otherwise directed by Secured Party, all money received by Receiver shall be received in trust for and paid to Secured Party. Secured Party may vest any of its other rights and powers in every Receiver, may appoint more than one Receiver or may itself exercise the foregoing rights and powers;

- (c) Secured Party may take possession of, enforce, recover and receive Collateral, give valid and binding receipts therefor, demand, collect, compromise and sue on Collateral in either Debtor's or Secured Party's name and endorse Debtor's name on instruments pertaining to or constituting Collateral;
- (d) Debtor shall upon request of Secured Party assemble and deliver possession of Collateral at such place or places as directed;
- (e) Secured Party may grant extensions of time and other indulgences, take and give up security, accept compositions, grant releases and discharges, and otherwise deal with Debtor, debtors of Debtor, sureties and others as Secured Party may see fit without prejudice to the liability of Debtor or Secured Party's right to hold and realize the Security Interest;
- (f) Debtor shall pay all costs, charges and expenses reasonably incurred by Secured Party or any Receiver, whether directly or for services rendered (including solicitors costs on a solicitor and his own client basis, auditors costs, other legal expenses and Receiver remuneration), in enforcing this security agreement and in enforcing or collecting Obligations and all such expenses together with any money owing as a result of any borrowing permitted hereby shall be a charge on the proceeds of realization and shall be secured hereby; and
- (g) Debtor shall remain liable to Secured Party for payment of any deficiency after realization.

In addition to all other rights and remedies however arising, Secured Party shall have, before and after default, all rights and remedies of a secured party under the personal property security legislation, as amended from time to time, of the Province in which Collateral is located. Secured Party shall not be liable for any negligence in the exercise of or any failure to exercise its rights against any other parties.

7. **GENERAL**

- (a) **Trust:** Any Proceeds received by Debtor shall be, to the extent of the then current indebtedness owing by Debtor to Secured Party, received and held by Debtor in trust for Secured Party and shall be turned over to Secured Party on request.
- (b) **Attachment:** The Security Interest is intended to attach when this security agreement is signed by Debtor.
- (c) **No Credit Extension:** Nothing in this security agreement shall obligate Secured Party to make any extension of credit to Debtor.
- (d) **Not in Substitution:** This security agreement and the security afforded by it is in addition to and not in substitution for any other security now or hereafter held by Secured Party and is continuing security.
- (e) **Headings:** The division of this security agreement into sections and the insertion of headings are for convenience of reference only and are not to affect the construction or interpretation of this security agreement.
- (f) **Governing Law:** This security agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of Ontario and the laws of Canada applicable in the Province of Ontario.
- (g) **Severability:** If any provision of this security agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect (i) the legality, validity or enforceability of the remaining provisions of this Agreement or (ii) the legality, validity or enforceability of that provision in any other jurisdiction.
- (h) **Assignment and Enurement:** This security agreement enures to the benefit of Secured Party and Secured Party's heirs, administrators, estate trustees, personal and legal representatives, successors and assigns and binds Debtor and Debtor's heirs, administrators, estate trustees, personal and legal representatives, successors and assigns.
- (i) **Notice:** Each notice or other communication to a party must be given in writing and delivered personally or by courier, sent by prepaid registered mail or transmitted by fax or by such other electronic transmission means to the party as follows:

If to Debtor:

75 Midpark Crescent
London, Ontario
N6N 1A9

Fax: (519) 668-5627

If to Secured Party:

75 Midpark Crescent
London, Ontario
N6N 1A9

Fax: (519) 668-5627

or to any other address or fax number or person that the party designates. Any notice or other communication, if delivered personally or by courier or by electronic means, will be deemed to have been given when actually received, if transmitted by fax before 3:00 p.m. on a business day, will be deemed to have been given on that business day, and if transmitted by fax after 3:00 p.m. on a business day, will be deemed to have been given on the business day after the date of the transmission

- (j) **Waivers:** No waiver of any provision of this security agreement is binding unless it is in writing and signed by Secured Party. No failure by Secured Party to exercise, and no delay in exercising, any right or remedy will be deemed to be a waiver of that right or remedy. No waiver of any breach of any provision of this security agreement will be deemed to be a waiver of any subsequent breach of that provision.
- (k) **Further Assurances:** Debtor shall from time to time promptly at the request of Secured Party execute and deliver all further documents and take all further action necessary or appropriate to give effect to the provisions of this security agreement.
- (l) **Amendment:** No amendment, supplement, restatement or termination of any provision of this security agreement is binding unless it is in writing and signed by Secured Party.
- (m) **Language:** The parties confirm that it is their wish that this security agreement, as well as any other documents relating to this Agreement, including notices, schedules and authorizations, have been and shall be drawn up in the English language only. Les parties aux présentes confirment leur volonté que cette convention, de même que tous les documents, y compris tous avis, cédules et autorisations s'y rattachant, soient rédigés en langue anglaise seulement.

(n) **Copies of Security Agreement and Financing Statement:** Debtor acknowledges receipt of a copy of this security agreement. Debtor expressly waives the right to receive a copy of any financing statement or financing change statement which may be registered by Secured Party in connection with this Agreement or any verification statement issued with respect thereto where such waiver is not otherwise prohibited by law.

IN WITNESS WHEREOF Debtor has executed this security agreement this 19th day of June , 2009.

GREEN EARTH STORES LTD.

By: 

*Authorized Signature
Matthew McBride, President*

And By: 

*Authorized Signature
Petra Beckstette, Secretary-Treasurer*

Schedule "A"
to
GENERAL SECURITY AGREEMENT

1. PRINCIPAL ADDRESS OF DEBTOR:

75 Midpark Crescent
London, Ontario
N6N 1A9

2. OTHER LOCATIONS WHERE COLLATERAL IS OR WILL BE LOCATED:

**This is Exhibit "I" referred to in the affidavit
of MATTHEW MCBRIDE, SWORN BEFORE ME
this 4th day of March 2019**

Henry Kestler
A COMMISSIONER FOR TAKING AFFIDAVIT

GENERAL SECURITY AGREEMENT

TO: **BECKSTETTE ENTERPRISES CORP.**
75 Midpark Crescent
London, Ontario
N6N 1A9

(“Secured Party”)

BACKGROUND:

- (A) **Green Earth Stores Ltd.** (“Debtor”) is indebted to Secured Party.
- (B) As general and continuing security for the repayment of the indebtedness, Debtor has agreed to provide security to Secured Party.

1. SECURITY INTEREST

For value received, Debtor hereby grants, assigns, transfers and sets over to Secured Party a security interest (“**Security Interest**”) in all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (a) all goods that are held by Debtor for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process or materials used or consumed in the business of Debtor (“**Inventory**”), and all Proceeds thereof;
- (b) all equipment (other than Inventory and including all parts, accessories, attachments, additions and accessions thereto) including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind and wherever situate (“**Equipment**”), and all Proceeds thereof;
- (c) all monetary obligations owed to Debtor including, without limitation, all book accounts, book debts, accounts, debts, dues, claims, choses in action and demands of every nature and kind and howsoever arising or secured which are due or accruing or growing due to Debtor or owned by Debtor (“**Accounts**”), and all Proceeds thereof; and
- (d) all of the undertaking and property of Debtor (in addition to Inventory, Equipment and Accounts), including, without limitation, leasehold interests, chattel paper, documents of title, instruments, shares, stock, warrants, bonds, debentures, debenture stock or other securities, money, letters of credit, advices of credit and cheques and all Proceeds thereof; all present and future securities held by Debtor, including shares, options, rights, warrants, joint venture interests, interests in limited partnerships, trust units, bonds, debentures and all other documents which constitute evidence of a share, participation or

other interest of Debtor in property or in an enterprise or which constitute evidence of an obligation of the issuer; including, without limitation, all “**Certificated Securities**”, “**Financial Assets**”, “**Security Certificates**”, “**Securities Accounts**”, “**Security Entitlements**” and “**Uncertificated Securities**” as such terms are defined in the *Securities Transfer Act, 2006* (Ontario) (the “STA”) and all substitutions therefor and, subject to paragraph 2, dividends and income derived therefrom,

(collectively “**Collateral**”); except that Collateral does not include (i) the last day of the term of any lease (but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term) or (ii) any Consumer Goods. Debtor agrees that title to Inventory and Equipment supplied by Secured Party is reserved by Secured Party and remains in Secured Party until fully paid for by Debtor, notwithstanding the terms of any other written or oral agreement, terms of sale or understanding between Secured Party and Debtor.

In this security agreement, “**Consumer Goods**” means goods that are used or acquired for use primarily for personal, family or household purposes, and “**Proceeds**” means identifiable or traceable personal property in any form derived directly or indirectly from any dealing with Collateral or the proceeds therefrom, and includes any payment representing indemnity or compensation for loss of or damage to Collateral or proceeds therefrom.

2. UNCERTIFICATED SECURITIES

The undersigned will permit Secured Party from time to time and at the request of Secured Party to cause the appropriate issuers (and, if held with a securities intermediary, such securities intermediary) of Uncertificated Securities which are Collateral to mark their books and records with the numbers and face amounts of all such Uncertificated Securities and all rollovers and replacements therefor to reflect Secured Party as the Entitlement Holder (as defined in the STA) thereof. The undersigned will take any actions within its power to cause the issuers of Uncertificated Securities which are Collateral to cause Secured Party, at the request of Secured Party, to be named as Entitlement Holder over such Securities.

Prior to an event of default, all interest, cash dividends, income and revenue from Securities included in the Collateral (but not the proceeds of disposition of such Securities) shall be collected by and payable to Debtor (and not Secured Party) and such Securities shall be voted by Debtor, and all non-cash dividends paid on such Securities, and all interest, income and revenue from such Securities, if received by Debtor, shall be paid to Secured Party, and Secured Party shall be entitled to vote or not to vote such Securities as Secured Party sees fit.

Debtor will not consent to:

- (a) the entering into by any issuer of any Uncertificated Securities included in or relating to the Collateral of a control agreement in respect of such Uncertificated Securities with any person other than Secured Party or such nominee or agent as it may direct; or
- (b) the entering into by any securities intermediary (as defined in the STA) for any Securities Accounts or any Security Entitlements included in or relating to the Collateral of a control agreement with respect to such Securities Accounts or Security Entitlements with any person other than Secured Party or such nominee or agent as it may direct.

3. **OBLIGATIONS**

The Security Interest secures payment and performance of all debts, liabilities and obligations of Debtor to Secured Party, present or future, direct or indirect, absolute or contingent, oral or written, matured or not (collectively the "**Obligations**").

4. **RESPONSIBILITIES OF DEBTOR**

Debtor shall:

- (a) keep Collateral free from any other security interest, encumbrance or claim ranking or capable of being enforced equally with, or in priority to, the Security Interest;
- (b) not sell, lease or otherwise dispose of Collateral without the prior written consent of Secured Party, except that, until default, Debtor may in the ordinary course of Debtor's business, sell or lease Inventory;
- (c) keep Collateral in good order and condition and shall carry on and conduct its business in a proper and efficient manner so as to preserve and protect the Collateral and the earnings, income, rents, issues and profits thereof;
- (d) cause the Collateral to be insured and kept insured to the full insurable value thereof, in amounts commensurate with industry standards with reputable insurers against loss or damage by fire and such other risks as Secured Party may reasonably require and shall maintain such insurance with loss, if any, payable to Secured Party and shall lodge copies of such policies with Secured Party;
- (e) pay all rents, taxes, levies, assessments and government fees or dues lawfully levied, assessed or imposed in respect of the Collateral or any part thereof as and when the same shall become due and payable, and shall exhibit to Secured Party, when required, the receipts and vouchers establishing such payment;

- (f) keep accurate and complete books of accounts with respect to the Collateral in accordance with sound accounting practices and shall furnish to Secured Party such financial information and statements and such information and statements relating to the Collateral as Secured Party may from time to time require;
- (g) notify Secured Party promptly of any change in the name or address of Debtor or in the locations at which Collateral is or will be located as described in Schedule "A" or of any loss of, or damage to, Collateral;
- (h) notify Secured Party promptly in writing of any event which occurs that would have a material adverse effect upon the Collateral or upon the financial condition of Debtor;
- (i) give Secured Party reasonable access to all places where Collateral is located; and
- (j) provide all information concerning Collateral, Debtor and Debtor's business that Secured Party may reasonably require.

Until an event of default occurs, Debtor may use the Collateral in any lawful manner not inconsistent with this Agreement, but Secured Party shall have the right at any time during a business day in Ontario and during customary business hours and from time to time to verify the existence and state of the Collateral in any manner Secured Party may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as Secured Party may reasonably request in connection therewith, and, for such purpose, shall permit Secured Party or its agents access to all places where the Collateral may be located and to all premises occupied by Debtor to examine and inspect the Collateral and related records and documents.

5. **EVENTS OF DEFAULT**

Each of the following events shall constitute default under this Agreement:

- (a) the failure to pay when due, observe or perform any Obligation;
- (b) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an authorized assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee of all or part of the business and undertaking of Debtor or of any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the *Bankruptcy and Insolvency Act* (Canada) or otherwise;
- (c) if Debtor takes advantage of provisions for relief under the *Companies and Creditors Arrangement Act* (Canada) or any other legislation for the benefit of insolvent debtors or

transfers all or substantially all of its assets, or proposes a compromise or arrangement with its creditors, or otherwise;

- (d) if any proceeding is taken with respect to a compromise or arrangement, or to have Debtor declared bankrupt or wound up, or if any proceeding is taken, whether in court or under the terms of any agreement or appointment in writing, to have a receiver appointed of any Collateral or if any encumbrance becomes enforceable against any Collateral including the institution by or against Debtor of any proceeding for the dissolution or liquidation of, settlement of claims against, winding-up of the affairs, of Debtor;
- (e) if Debtor enters into any reconstruction, reorganization, amalgamation, merger or other similar arrangement without the prior written consent of Secured Party, such consent not to be unreasonably withheld;
- (f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets;
- (g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if a distress or analogous process is levied upon Collateral;
- (h) if any information or representation furnished by Debtor to Secured Party proves to be incorrect or incomplete in any material respect; or
- (i) if Secured Party in good faith, based on commercially reasonable grounds, believes that the prospect of payment or performance of any Obligation is or is about to be impaired or that Collateral is or is about to be in danger of being lost, damaged, confiscated or placed in jeopardy.

6. **REMEDIES**

On default:

- (a) Secured Party in their sole discretion may declare all or any part of the Obligations to be immediately due and payable without demand or notice;
- (b) Secured Party may appoint, remove and reappoint in writing, any person or persons, including an employee of Secured Party, to be a receiver (the "Receiver") which term includes a receiver and manager, of all or any part of Collateral. Any Receiver shall, so far as concerns responsibility for his acts, be deemed the agent of Debtor and not of Secured Party, and Secured Party shall not in any way be responsible for any misconduct, negligence or non-feasance of Receiver, his employees or agents. Subject to the terms of his appointment, Receiver may take possession of Collateral, preserve Collateral or its

value, carry on the business of Debtor, sell, lease or otherwise dispose of Collateral and concur in any of the foregoing. In addition, Receiver may, to the exclusion of Debtor, enter, use and occupy all premises in which Collateral is situate, maintain Collateral upon such premises, borrow money and use Collateral directly or indirectly in carrying on Debtor's business or as security for loans or advances for any purpose, as Receiver shall, in his sole discretion, determine. Except as otherwise directed by Secured Party, all money received by Receiver shall be received in trust for and paid to Secured Party. Secured Party may vest any of its other rights and powers in every Receiver, may appoint more than one Receiver or may itself exercise the foregoing rights and powers;

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- (e) Secured Party may grant extensions of time and other indulgences, take and give up security, accept compositions, grant releases and discharges, and otherwise deal with Debtor, debtors of Debtor, sureties and others as Secured Party may see fit without prejudice to the liability of Debtor or Secured Party's right to hold and realize the Security Interest;
- (f) Debtor shall pay all costs, charges and expenses reasonably incurred by Secured Party or any Receiver, whether directly or for services rendered (including solicitors costs on a solicitor and his own client basis, auditors costs, other legal expenses and Receiver remuneration), in enforcing this security agreement and in enforcing or collecting Obligations and all such expenses together with any money owing as a result of any borrowing permitted hereby shall be a charge on the proceeds of realization and shall be secured hereby; and
- (g) Debtor shall remain liable to Secured Party for payment of any deficiency after realization.

In addition to all other rights and remedies however arising, Secured Party shall have, before and after default, all rights and remedies of a secured party under the personal property security legislation, as amended from time to time, of the Province in which Collateral is located. Secured Party shall not be liable for any negligence in the exercise of or any failure to exercise its rights against any other parties.

7. **GENERAL**

- (a) **Trust:** Any Proceeds received by Debtor shall be, to the extent of the then current indebtedness owing by Debtor to Secured Party, received and held by Debtor in trust for Secured Party and shall be turned over to Secured Party on request.
- (b) **Attachment:** The Security Interest is intended to attach when this security agreement is signed by Debtor.
- (c) **No Credit Extension:** Nothing in this security agreement shall obligate Secured Party to make any extension of credit to Debtor.
- (d) **Not in Substitution:** This security agreement and the security afforded by it is in addition to and not in substitution for any other security now or hereafter held by Secured Party and is continuing security.
- (e) **Headings:** The division of this security agreement into sections and the insertion of headings are for convenience of reference only and are not to affect the construction or interpretation of this security agreement.
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- (g) **Severability:** If any provision of this security agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect (i) the legality, validity or enforceability of the remaining provisions of this Agreement or (ii) the legality, validity or enforceability of that provision in any other jurisdiction.
- (h) **Assignment and Enurement:** This security agreement enures to the benefit of Secured Party and Secured Party's heirs, administrators, estate trustees, personal and legal representatives, successors and assigns and binds Debtor and Debtor's heirs, administrators, estate trustees, personal and legal representatives, successors and assigns.
- (i) **Notice:** Each notice or other communication to a party must be given in writing and delivered personally or by courier, sent by prepaid registered mail or transmitted by fax or by such other electronic transmission means to the party as follows:

If to Debtor:

75 Midpark Crescent
London, Ontario
N6N 1A9

Fax: (519) 668-5627

If to Secured Party:

75 Midpark Crescent
London, Ontario
N6N 1A9

Fax: (519) 668-5627

or to any other address or fax number or person that the party designates. Any notice or other communication, if delivered personally or by courier or by electronic means, will be deemed to have been given when actually received, if transmitted by fax before 3:00 p.m. on a business day, will be deemed to have been given on that business day, and if transmitted by fax after 3:00 p.m. on a business day, will be deemed to have been given on the business day after the date of the transmission

- (j) **Waivers:** No waiver of any provision of this security agreement is binding unless it is in writing and signed by Secured Party. No failure by Secured Party to exercise, and no delay in exercising, any right or remedy will be deemed to be a waiver of that right or remedy. No waiver of any breach of any provision of this security agreement will be deemed to be a waiver of any subsequent breach of that provision.
- (k) **Further Assurances:** Debtor shall from time to time promptly at the request of Secured Party execute and deliver all further documents and take all further action necessary or appropriate to give effect to the provisions of this security agreement.
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IN WITNESS WHEREOF Debtor has executed this security agreement this 19th day of June , 2009.

GREEN EARTH STORES LTD.

By: 

*Authorized Signature
Matthew McBride, President*

And By: 

*Authorized Signature
Petra Beckstette, Secretary-Treasurer*

Schedule "A"
to
GENERAL SECURITY AGREEMENT

1. PRINCIPAL ADDRESS OF DEBTOR:

75 Midpark Crescent
London, Ontario
N6N 1A9

2. OTHER LOCATIONS WHERE COLLATERAL IS OR WILL BE LOCATED: