

## GENERAL ASSIGNMENT OF RENTS AND LEASES

(the "Assignment")

This Assignment made as of October 31, 2017

### RECITALS.

- A. *Name Redacted* (the "Assignee") is advancing funds (the "Advances") to Cielo Waste Solutions Corp. (the "Assignor") pursuant to a loan agreement made effective as of the 2nd day of November, 2017, among the Assignor, as borrower, 1888711 Alberta Inc., as guarantor, the other guarantors from time to time party thereto, and the Assignee (the "Loan Agreement"), in part, upon the security of a mortgage (as amended from time to time, the "Mortgage") in the amount of \$3,500,000 against that certain real or immovable property described in Schedule A and all buildings and improvements located on or under them, made by the Assignor in favour of the Assignee (which lands and all buildings at any time situate thereon during the existence of the Mortgage are hereinafter referred to as the "Mortgaged Premises").
- B. As a condition precedent to the making of the Advances, the parties agreed that the Assignor would assign to the Assignee by way of additional security all leases or agreements to lease now or hereafter existing of the Mortgaged Premises or any part thereof (collectively and/or individually as the Assignor may require, the "Leases") and all of the rents reserved and payable and to become payable thereunder and all benefits and advantages to be derived therefrom (the "Rents").

**NOW THEREFORE THIS ASSIGNMENT WITNESSES THAT**, for valuable consideration (the receipt and sufficiency is hereby acknowledged by the Assignor), the Assignor certifies, represents, warrants, covenants and agrees as follows.

1. Capitalized terms used but not specifically defined in this Agreement shall have the meanings given thereto in the Loan Agreement unless the context otherwise requires.
2. The Assignor hereby grants, assigns, transfers and sets over unto the Assignee all of its present and future right, title and interest in and to the Leases and any and all renewals thereof, together with all Rents and any renewals thereof and every lease or tenancy or agreement to lease in substitution thereof, and all other benefits and advantages now or hereafter to be derived therefrom including the right, upon the occurrence of an Event of Default being made and not cured within an applicable cure period, at any time in any of the covenants contained in the Mortgage and with or without legal action or by distress proceedings or otherwise as may be required to demand, collect, sue for, recover, receive and give receipts for rents and other considerations and also the full benefit of powers, covenants and provisos now or hereafter contained in the Leases with full power and authority to use the name of the Assignor, its successors and assigns, to enforce the performance of the said powers, covenants and provisos now or hereafter contained in the Leases and under this Assignment and the right to alter the terms of any one or more of the Leases. Subject to Section 5, the Assignee shall have full power and authority to demand, collect, sue for, recover, receive and give receipts for the Rent and to enforce payment thereof in the name of the Assignor or the owner from time to time of the Mortgaged Premises.
3. For the consideration aforesaid the Assignor hereby covenants and agrees with the Assignee as follows, subject to the provisions of the Loan Agreement:

- (a) that the Leases are valid, subsisting and in good standing, and that no rentals thereunder have been collected or paid in advance of the due date except in accordance with the terms of the Leases and in accordance with Section 3(d) below, and that there has been no modification, change or extension of the Leases except in writing as fully disclosed to the Assignee;
  - (b) that the Assignor is absolutely and solely entitled to all rents, profits and landlord's rights and privileges under the Leases, and has made no assignment thereof other than by these presents;
  - (c) the Assignor will not lease or agree to lease any part of the Mortgaged Premises except at a rent, on terms and conditions and to tenants which are at least as favourable or desirable to the Assignor as those which a prudent landlord would accept for the part of the Mortgaged Premises to be leased;
  - (d) that the Assignor shall not, without the prior consent in writing of the Assignee at any time hereafter, demand or accept payment of rent under any of the Leases more than one (1) calendar month in advance. Notwithstanding the provisions of this Section 3(d), the Assignor shall have the right to collect any security deposit in order to guarantee the obligations of the tenants pursuant to the Leases;
  - (e) that the Assignor shall not, without the prior consent in writing of the Assignee at any time hereafter provide any release or discharge pertaining to rent for more than one (1) calendar month in advance and, in all cases, without having received full payment of rent;
  - (f) that no new leases, or amendments in connection with a Lease, shall materially diminish or materially modify any obligation of any tenants under its respective Lease or release such tenant therefrom. In this Section 3(f), where the Assignee's authorization is required, said authorization shall be deemed to having not been given by the Assignee if the Assignee does not provide the Assignor with a written notice to the contrary in accordance with the applicable provisions of the Loan Agreement;
  - (g) that the Assignor shall not terminate or cause any material amendment to, any Leases in connection with the Mortgaged Premises and not consent to any tenant abandoning any leased premises, without the prior written consent of the Assignee. In this Section 3(g), where the Assignee's consent is required, said consent shall be deemed to having not been given by the Assignee if the Assignee does not provide the Assignor with a written notice to the contrary in accordance with the applicable provisions of the Loan Agreement;
  - (h) that the Assignor shall not authorize any assignment of a Lease which would cause the former tenant to be released or discharged from its duties and obligations without the Assignee's prior written consent; and
  - (i) that, other than as provided for in the Leases, the Assignor shall not assign, hypothecate, mortgage, charge or otherwise encumber, other than for the benefit of the Assignee or the Permitted Liens, any of its rights pursuant to the Leases in connection with the Mortgaged Premises, without the Assignee's prior written authorization.
4. The Assignee shall not be responsible for the collection of the Rent or any part thereof, or the performance of any of the obligations of the Assignor contained in any Lease, and the Assignee shall not by virtue of this Assignment be deemed a mortgagee in possession of the Mortgaged

Premises. The Assignee shall be liable to account only for such monies as may actually come into its hands by virtue of this Assignment, less all costs, expenses and other proper deductions and any monies so received by it may be applied on account of any indebtedness of the Assignor to it.

5. The Assignee shall not be by reason of this Agreement or by reason of any steps, actions, distress or other proceedings taken to enforce any of its rights hereunder be deemed to be a mortgagee in possession of the Mortgaged Premises or any part thereof.
6. Neither this Agreement nor anything herein contained shall bind the Assignee to recognize any of the Leases nor in any way render the interest of the mortgagee under the Mortgage subject to any of the Leases and all remedies now available to the Assignee under the Mortgage are hereby reserved to the Assignee and may be exercised notwithstanding the Leases.
7. Payments of Rent pursuant to any Lease shall continue to be made to the Assignor and the Assignor shall be permitted to otherwise deal with the tenants under the Leases until such time as the Assignee notifies the lessee to the Lease (the "Lessee") in writing that default has occurred under the Mortgage and such default was not cured within the applicable cure period, and requires the Lessee to pay the Rent to the Assignee. The Assignor will not, without the written consent of the Assignee, collect or accept Rent from any Lessee other than at the time and in the manner required by that Lessee's Lease.
8. This Assignment shall in no way lessen, prejudice or hinder the rights or remedies of the Assignee under the Mortgage or any other security held by the Assignee.
9. The Assignor shall execute such further assurances as the Assignee may reasonably require.
10. The Assignee may register or cause to be registered by caveat against title to the Mortgaged Premises notice of this Agreement and the Assignor shall not contest the validity of such caveat at any time during the currency of the Mortgage or any renewal thereof.
11. This Assignment shall be binding upon and enure to the benefit of the respective successors and assigns of the parties hereto and shall be in full force and effect upon execution and delivery of this Assignment by the Assignor to the Assignee and without execution and delivery by the Assignee to the Assignor.
12. This Assignment shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.
13. If any provision of this Assignment is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof shall continue in full force and effect. To the extent permitted by applicable law the parties hereby waive any provision of law that renders any provision hereof prohibited or unenforceable in any respect.
14. This Assignment may be delivered via facsimile or email in PDF, provided that the Assignor shall deliver an originally executed copy of this Assignment forthwith thereafter to the Assignee.

*[signature page follows]*

IN WITNESS WHEREOF the Mortgagor has affixed its name and corporate seal, duly attested by its proper officer in that behalf, as of the date first written above.

**CIELO WASTE SOLUTIONS CORP.**

\_\_\_\_\_  
Witness

*[Note: Witness not required if executed under corporate seal.]*

Per: \_\_\_\_\_

*Clayton Donald Allan*

Name: CLAYTON DONALD ALLAN  
Title: Director/President



Per: \_\_\_\_\_

Name:  
Title:

**SCHEDULE A**

**THE LANDS**

PLAN 9812255

LOT 26

EXCEPTING THEREOUT ALL MINES AND MINERALS