

TRUST INDENTURE

DATED AS OF THE 14th DAY OF SEPTEMBER, 2018

BETWEEN

FRIDAY NIGHT INC.

AND

ODYSSEY TRUST COMPANY

PROVIDING FOR THE ISSUE OF DEBENTURES

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THIS INDENTURE made as of the 14th day of September, 2018.

BETWEEN:

FRIDAY NIGHT INC., a corporation incorporated under the laws of the Province of Alberta and having its head office in the City of Vancouver, in the Province of British Columbia (hereinafter called **Friday Night** or the **Corporation**)

- and -

ODYSSEY TRUST COMPANY, a trust company incorporated under the laws of the Province of Alberta having an office in the City of Vancouver, in the Province of British Columbia (hereinafter called the **Debenture Trustee**)

WHEREAS Friday Night wishes to create and issue the Debentures in the manner herein provided;

AND WHEREAS Friday Night is duly authorized to create and issue the Debentures to be issued as herein provided;

AND WHEREAS, when certified by the Debenture Trustee and issued as in this Indenture provided, all necessary steps in relation to Friday Night have been duly enacted, passed and/or confirmed and other proceedings taken and conditions complied with to make the creation and issue of the Debentures proposed to be issued hereunder legal, valid and binding on Friday Night in accordance with the laws relating to Friday Night;

AND WHEREAS the foregoing recitals are made as representations and statements of fact by Friday Night and not by the Debenture Trustee;

NOW THEREFORE it is hereby covenanted, agreed and declared as follows:

**ARTICLE 1
INTERPRETATION**

1.1 Definitions

In this Indenture and in the Debentures, unless there is something in the subject matter or context inconsistent therewith, the expressions following shall have the following meanings, namely:

- (a) **this Indenture, this Trust Indenture, Agreement hereto, herein, hereby, hereunder, hereof** and similar expressions refer to this Indenture and not to any particular Article, Section, subsection, clause, subdivision or other portion hereof and include any and every instrument supplemental or ancillary hereto;
- (b) **1933 Act** means the United States Securities Act of 1933, as amended;
- (c) **90% Redemption Right** has the meaning attributed thereto in Section 2.4(j)(vi) hereof;
- (d) **90% Redemption Right Notice** has the meaning attributed thereto in Section 2.4(j)(vi) hereof;
- (e) **Additional Debentures** means Debentures that may be issued from time to time under a supplemental indenture, other than the Initial Debentures issued under this Indenture;
- (f) **Affiliate** shall have the meaning attributed thereto in the *Business Corporations Act* (Alberta);

- (g) **Applicable Law** means any statute, ordinance, regulation, authorization, order, permit, approval, grant, licence, consent, judgment, writ, injunction, award, determination, directive, decree, by-law or code that is enacted, made, issued, or granted by any government, regulatory agency, department, ministry, commission, board, court or other regulation or rule-making entity having jurisdiction over Friday Night;
- (h) **CSE** means Canadian Securities Exchange;
- (i) **Beneficial Holder** means any person who holds a beneficial interest in a Debenture;
- (j) **Business Day** means any day other than a Saturday, Sunday or any other day that the Debenture Trustee in Calgary, Alberta or Vancouver, British Columbia is not generally open for business;
- (k) **Change of Control** means
- (i) any event as a result of or following which any person, or group of persons "acting jointly or in concert" within the meaning of applicable Securities Laws of Canada, beneficially owns or exercises control or direction over an aggregate of more than 50% of the then outstanding Common Shares; or
 - (ii) the sale or other transfer of all or substantially all of the consolidated assets of Friday Night;
- but, for greater certainty, a "Change of Control" shall not include a sale, merger, reorganization or other similar transaction if the previous holders of the Common Shares hold at least 50% of the voting shares of such merged, reorganized or other continuing entity;
- (l) **Change of Control Notice** has the meaning attributed thereto in Section 2.4(j)(i) hereof;
- (m) **Closing Date** means September 14, 2018;
- (n) **Common Shares** means Common Shares of Friday Night, as such Common Shares are constituted on the date of execution and delivery of this Indenture; provided that in the event of a change or a subdivision, revision, reduction, combination or consolidation thereof, any reclassification, capital reorganization, consolidation, amalgamation, arrangement, merger, sale or conveyance or liquidation, dissolution or winding-up, or such successive changes, subdivisions, redivisions, reductions, combinations or consolidations, reclassifications, capital reorganizations, consolidations, amalgamations, arrangements, mergers, sales or conveyances or liquidations, dissolutions or windings-up, then, subject to adjustments, if any, having been made in accordance with the provisions of Section 4.5, "Common Shares" shall mean the shares or other securities or property resulting from such change, subdivision, redivision, reduction, combination or consolidation, reclassification, capital reorganization, consolidation, amalgamation, arrangement, merger, sale or conveyance or liquidation, dissolution or winding-up;
- (o) **Conversion Price** means the dollar amount for which each Common Share may be issued from time to time upon the conversion of Debentures which are by their terms convertible in accordance with the provisions of Article 4, being the amount in respect of the Initial Debentures, subject to adjustment hereunder, at any time prior to the close of business on the earlier of: (i) the last Business Day immediately preceding the Maturity Date, and (ii) the date fixed for redemption in accordance with Section 2.4(j) hereof;
- (p) **Corporation** means Friday Night;

- (q) **Counsel** means a barrister or solicitor or firm of barristers or solicitors retained or employed by the Debenture Trustee or retained or employed by Friday Night and acceptable to the Debenture Trustee;
- (r) **Current Market Price** means, in respect of any date, the weighted average trading price per share for the Common Shares for 20 consecutive trading days ending on the fifth trading day preceding the date of determination on the applicable stock exchange or, if the Common Shares are not listed on any stock exchange, then on the over-the-counter market. The weighted average price shall be determined by dividing the aggregate sale price of all Common Shares sold during such 20 consecutive trading days on such exchange or market, as the case may be, by the total number of Common Shares so sold;
- (s) **Date of Conversion** has the meaning ascribed thereto in Section 4.4(b);
- (t) **Debenture Trustee** means Odyssey Trust Company or its successor or successors for the time being as trustee hereunder;
- (u) **Debentureholders or holders** means the Persons for the time being entered in the register for Debentures as registered holders of Debentures or any transferees of such Persons by endorsement or delivery;
- (v) **Debentures** means the debentures, notes or other evidences of indebtedness of Friday Night issued and certified hereunder, or deemed to be issued and certified hereunder, including, without limitation, the Initial Debentures, and for the time being outstanding, whether in definitive or interim form;
- (w) **Depository** means CDS Clearing and Depository Services Inc.;
- (x) **Dividend Paid in the Ordinary Course** means dividends paid on the Common Shares in any financial year of Friday Night, whether in (1) cash, or (2) shares of Friday Night, (3) rights, options or warrants to purchase any shares, property or other assets of Friday Night at a purchase or exercise price of at least 110% of the fair market value of the shares or property or other assets purchasable as of the date of distribution of such rights, options or warrants (but excluding rights, options or warrants referred to in subsection 5.5(a)(iii) hereof), or (4) in property or other assets of Friday Night, provided that the amount or value of such dividends in the aggregate does not in such financial year exceed the greater of:
- (i) 150% of the aggregate amount or value of dividends paid by Friday Night on the Common Shares in its immediately preceding financial year; or
 - (ii) 100% of the consolidated net income of Friday Night (before extraordinary items but after dividends payable on all shares ranking prior to or on a parity with the Common Shares with respect to the payment of dividends) for its immediately preceding financial year, determined in accordance with Generally Accepted Accounting Principles,

and for the purpose of the foregoing where any dividend is paid otherwise than in cash, any securities, property or other assets so distributed by way of dividend shall be valued at the fair market value of such securities, property or other assets, as the case may be, as determined by the Directors, which determination shall be conclusive except that, in the case of rights, options or warrants or similar rights to purchase Common Shares or securities convertible into or exchangeable for Common Shares, such fair market value shall be equal to the number of Common Shares which may be purchased thereby (or

the number of Common Shares issuable upon conversion or exchange) as of the date of distribution of such rights, options, warrants or similar rights multiplied by the Current Market Price on the date of such distribution;

- (y) **Event of Default** has the meaning ascribed thereto in Section 6.1;
- (z) **Extraordinary Resolution** has the meaning ascribed thereto in Section 9.12;
- (aa) **Friday Night** means **Friday Night Inc.** and includes any successor to or of Friday Night which shall have complied with the provisions of Article 8;
- (bb) **Fully Registered Debentures** means Debentures registered as to both principal and interest;
- (cc) **generally accepted accounting principles** means generally accepted accounting principles from time to time approved by the Canadian Institute of Chartered Accountants;
- (dd) **Initial Debentures** means the Debentures designated as "10% Senior Unsecured Convertible Debentures" and having the terms described in Section 2.4;
- (ee) **Interest Obligation** means the obligation of Friday Night to pay interest on the Debentures, as and when the same becomes due, as is set forth herein;
- (ff) **Interest Payment Date** means a date specified in a Debenture as the date on which interest on such Debenture shall become due and payable;
- (gg) **Maturity Date** means the date specified for maturity of any Debentures and means September 14, 2021 in respect of the Initial Debentures;
- (hh) **Offering** means the offering of up to \$17,250,000 in principal amount, issued in multiples of \$1,000, of Initial Debentures, issued by Friday Night hereunder;
- (ii) **Officer's Certificate** means a certificate of Friday Night signed by any one authorized officer or director of Friday Night, on behalf of Friday Night and not in his or her personal capacity;
- (jj) **Person** includes an individual, corporation, company, partnership, joint venture, association, trust, trustee, unincorporated organization or government or any agency or political subdivision thereof;
- (kk) **Put Date** has the meaning attributed thereto in Section 2.4(j)(i) hereof;
- (ll) **Put Offer** has the meaning attributed thereto in Section 2.4(j)(i) hereof;
- (mm) **Put Price** has the meaning attributed thereto in Section 2.4(j)(i) hereof;
- (nn) **Qualified Institutional Buyer** means a "qualified institutional buyer" as defined in Rule 144A under the 1933 Act;
- (oo) **Securities Laws** means the securities legislation and regulations of, and the instruments, policies, rules, orders, codes, notices and interpretation notes of the securities regulatory authorities (including the CSE) of, the applicable jurisdiction or jurisdictions collectively;
- (pp) **Subsidiary** has the meaning ascribed thereto in the *Securities Act* (Alberta);

- (qq) **Tax Act** means the *Income Tax Act* (Canada) as amended from time to time;
- (rr) **Time of Expiry** means the time of expiry of certain rights with respect to the conversion of Debentures under Article 4 which is to be set forth for the Debenture which by their terms are to be convertible and for the Initial Debentures has the meaning set forth in Section 2.4(h) hereof;
- (ss) **Total Put Price** has the meaning attributed thereto in Section 2.4(j)(i) hereof;
- (tt) **United States** means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;
- (uu) **U.S. Legend** has the meaning attributed thereto in Section 2.15(a) hereof;
- (vv) **U.S. Person** means a "U.S. person" as defined in Rule 902(k) of Regulation S under the 1933 Act, and includes, with certain exceptions, (i) any natural person resident in the United States; (ii) any partnership or corporation organized or incorporated under the laws of the United States; (iii) any estate of which any executor or administrator is a U.S. Person; (iv) any trust of which any trustee is a U.S. Person; (v) any agency or branch of a foreign entity located in the United States; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and (viii) any partnership or corporation if (A) organized or incorporated under the laws of any jurisdiction other than the United States and (B) formed by a U.S. Person principally for the propose of investing in securities not registered under the 1933 Act, unless it is organized or incorporated, and owned, by accredited investors, as defined in Rule 501(a) under the 1933 Act who are not natural persons, estates or trusts;
- (ww) **U.S. Purchaser** means any holder of Debentures originally purchased from Friday Night in the Offering by, or for the account or benefit of, a person in the United States or a U.S. Person, and who is a Qualified Institutional Buyer; and
- (xx) **Written Direction of Friday Night** means an instrument in writing signed by any officer or director of Friday Night on behalf of Friday Night.

1.2 Meaning of Outstanding

Every Debenture certified and delivered by the Debenture Trustee hereunder shall be deemed to be outstanding until it is cancelled, converted, redeemed or delivered to the Debenture Trustee for cancellation, redemption or conversion and monies and/or Common Shares, as the case may be, for the payment thereof shall have been set aside under Article 7, provided that:

- (a) Debentures which have been partially purchased, redeemed or converted shall be deemed to be outstanding only to the extent of the unpurchased, unredeemed or unconverted part of the principal amount thereof;
- (b) when a new Debenture has been issued in substitution for a Debenture which has been lost, stolen or destroyed, only one of such Debentures shall be counted for the purpose of determining the aggregate principal amount of Debentures outstanding; and
- (c) for the purposes of any provision of this Indenture entitling holders of outstanding Debentures to vote, sign consents, requisitions or other instruments or take any other action under this Indenture, or to constitute a quorum of any meeting of

Debentureholders, Debentures owned directly or indirectly, legally or equitably, by Friday Night shall be disregarded except that:

- (i) for the purpose of determining whether the Debenture Trustee shall be protected in relying on any such vote, consent, acquisition or other instrument or action, or on the holders of Debentures present or represented at any meeting of Debentureholders, only the Debentures which the Debenture Trustee knows are so owned shall be so disregarded; and
- (ii) Debentures so owned which have been pledged in good faith other than to Friday Night shall not be so disregarded if the pledgee shall establish to the satisfaction of the Debenture Trustee the pledgee's right to vote such Debentures, sign consents, requisitions or other instruments or take such other actions in his discretion free from the control of Friday Night.

1.3 Interpretation

In this Indenture:

- (a) words importing the singular number or masculine gender shall include the plural number or the feminine or neuter genders, and vice versa;
- (b) all references to Articles and Schedules refer, unless otherwise specified, to articles of and schedules to this Indenture;
- (c) all references to Sections refer, unless otherwise specified, to sections, subsections or clauses of this Indenture; and
- (d) words and terms denoting inclusiveness (such as **include** or **includes** or **including**), whether or not so stated, are not limited by and do not imply limitation of their context or the words or phrases which precede or succeed them.

1.4 Headings Etc.

The division of this Indenture into Articles and Sections, the provision of a Table of Contents and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Indenture or of the Debentures.

1.5 Day not a Business Day

In the event that any day on or before which any action required to be taken hereunder is not a Business Day, then such action shall be required to be taken on or before the requisite time on the next succeeding day that is a Business Day.

1.6 Applicable Law

This Indenture and the Debentures shall be construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein and shall be treated in all respects as British Columbia contracts.

1.7 Monetary References

Whenever any amounts of money are referred to herein, such amounts shall be deemed to be in lawful money of Canada unless otherwise expressed.

1.8 Invalidity, Etc.

Any provision hereof which is prohibited or unenforceable shall be ineffective only to the extent of such prohibition or unenforceability, without invalidating the remaining provisions hereof.

1.9 Successors and Assigns

All covenants and agreements in this Indenture by Friday Night shall bind its successors and permitted assigns, whether expressed or not.

1.10 Benefits of Indenture

Nothing in this Indenture or in the Debentures, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any paying agent and the Debentureholders any benefit or any legal or equitable right, remedy or claim under this Indenture.

ARTICLE 2 THE DEBENTURES

2.1 Limit of Debentures

The aggregate principal amount of Debentures authorized to be issued under this Indenture is unlimited, but Debentures may be issued only upon and subject to the conditions and limitations herein set forth.

2.2 Terms of Additional Debentures

Additional Debentures may be issued in one or more series in future from time to time. There shall be established herein or in or pursuant to one or more indentures supplemental hereto, prior to the initial issuance of any Additional Debentures:

- (a) the designation of the Additional Debentures (which need not include the term "Debentures"), which shall distinguish such Additional Debentures from the Initial Debentures or any other outstanding Additional Debentures;
- (b) any limit upon the aggregate principal amount of the Additional Debentures that may be certified and delivered under this Indenture (except for Debentures certified and delivered upon registration of, transfer of, amendment of, or in exchange for, or in lieu of, other Debentures pursuant to Sections 2.10, 3.2, and 3.5);
- (c) the date or dates on which the principal of the Additional Debentures is payable;
- (d) the rate or rates at which the Additional Debentures shall bear interest, if any, the date or dates from which such interest shall accrue, on which such interest shall be payable and on which a record, if any, shall be taken for the determination of holders to whom such interest shall be payable and/or the method or methods by which such rate or rates or date or dates shall be determined;
- (e) the place or places where the principal of and any interest on Additional Debentures shall be payable or where any Additional Debentures may be surrendered for registration of transfer or exchange;
- (f) the right, if any, of Friday Night to redeem Additional Debentures, in whole or in part, at its option and the period or periods within which, the price or prices at which and any terms and conditions upon which, Additional Debentures may be so redeemed, pursuant to any sinking fund or otherwise;

- (g) the obligation, if any, of Friday Night to redeem, purchase or repay such Additional Debentures pursuant to any mandatory redemption, sinking fund or analogous provisions or at the option of a holder thereof and the price or prices at which, the period or periods within which, the date or dates on which, and any terms and conditions upon which, such Additional Debentures shall be redeemed, purchased or repaid, in whole or in part, pursuant to such obligations;
- (h) if other than denominations of \$1,000 and any integral multiple thereof, the denominations in which such Additional Debentures shall be issuable;
- (i) subject to the provisions of this Indenture, any trustees, depositories, authenticating or paying agents, transfer agents or registrars or any other agents with respect to such Additional Debentures;
- (j) any other events of default or covenants with respect to such Additional Debentures;
- (k) whether and under what circumstances such Additional Debentures will be convertible into or exchangeable for securities of Friday Night or any other Person;
- (l) the form and terms of such Additional Debentures;
- (m) if other than Canadian currency, the currency in which such Additional Debentures are issuable; and
- (n) any other terms of such Additional Debentures (which terms shall not be inconsistent with the provisions of this Indenture).

All Additional Debentures issued under the same supplemental indenture shall be substantially identical, except as may otherwise be established herein or in an indenture supplemental hereto.

2.3 Form of Debentures

Except in respect of the Initial Debentures, the form of which is provided for herein, any Additional Debentures issued in future shall be substantially in such form or forms (not inconsistent with this Indenture) as shall be established herein or by or pursuant to one or more indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture and may have imprinted or otherwise reproduced thereon such legend or legends or endorsements, not inconsistent with the provisions of this Indenture, as may be required to comply with any law or with any rules or regulations pursuant thereto or with any rules or regulations of any securities exchange or securities regulatory authority or to conform to general usage, all as may be determined by the director or officer of Friday Night executing such Debentures, as conclusively evidenced by his or her execution of such Debentures.

2.4 Form and Terms of Initial Debentures

- (a) The Initial Debentures authorized for issue are limited to an aggregate principal amount of up to \$17,250,000 and shall be designated as "10% Senior Unsecured Convertible Debentures".
- (b) The Debenture Trustee has been appointed as transfer agent and registrar of the Initial Debentures at its offices in Calgary, Alberta and Vancouver, British Columbia.
- (c) The Initial Debentures shall be dated as of September 14, 2018 and shall mature on September 14, 2021.

- (d) The Initial Debentures shall bear interest from the date of issue at the rate of 10% per annum calculated and payable semi-annually in arrears on the last day of June and December in each year, and on the Maturity Date, with the first such payment to fall due on December 31, 2018 and the last such payment to fall due on the Maturity Date, payable after as well as before maturity and after as well as before default and judgment, with interest on amounts in default at the same rate, compounded semi-annually. The first interest payment will include accrued interest from the Closing Date to and including December 31, 2018 and shall be \$29.44 per \$1,000 principal amount of Initial Debentures. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months.
- (e) The Initial Debentures will not be redeemable, except in the event of the satisfaction of certain conditions after a Change of Control has occurred as provided herein. Subject to Applicable Law, Friday Night or an Affiliate may, provided that no Event of Default has occurred and is continuing, at any time and from time to time, purchase Debentures by tender or by private contract, at any price. All Debentures so purchased may, at the option of the Company or the Affiliate, be delivered to the Debenture Trustee and shall be cancelled and no Debentures shall be issued in substitution therefore.
- (f) Friday Night shall satisfy its Interest Obligation on the Initial Debentures on any Interest Payment Date in cash delivered to the Debenture Trustee.
- (g) The payment of the principal of, and premium (if any) and interest on, the Initial Debentures shall rank senior in right of payments on the Common Shares, and any preferred shares of Friday Night.
- (h) Upon and subject to the provisions and conditions of Article 4, the holder of each Initial Debenture shall have the right, at such holder's option, at any time prior to the close of business on the earlier of: (i) the last Business Day immediately preceding the Maturity Date, and (ii) the last Business Day immediately preceding the Put Date (the earlier of which will be the **Time of Expiry** for the purposes of Article 4 in respect of the Initial Debentures), to convert any part, which is \$1,000 or an integral multiple thereof, of the principal amount of such Debenture into Common Shares at the Conversion Price in effect on the Date of Conversion.

The Conversion Price in effect on the date hereof for each Common Share to be issued upon the conversion of Initial Debentures shall be equal to \$0.45 such that 2,222 Common Shares shall be issued for each \$1,000 principal amount of Initial Debentures so converted. Except as provided below, no adjustment will be made for dividends or distributions on Common Shares issuable upon conversion the record date for the payment of which precedes the date upon which the holder becomes a holder of Common Shares in accordance with Article 4. The Conversion Price applicable to and the Common Shares, securities or other property receivable on the conversion of the Initial Debentures is subject to adjustment pursuant to the provisions of Section 4.5. If the Date of Conversion in respect of any Initial Debentures converted hereunder occurs on an Interest Payment Date, the holders thereof will receive all interest which has accrued prior to that Interest Payment Date and which has not been paid. Holders converting their Debentures will receive accrued and unpaid interest thereon for the period from and including the date of the latest interest payment date to, and including, the date of conversion.

Such right of conversion shall extend only to the maximum number of whole Common Shares into which the aggregate principal amount of the Debenture or Debentures surrendered for conversion at any one time by the holder thereof may be converted. Fractional interests in Common Shares shall be adjusted for in the manner provided in Section 4.6.

- (i) The Initial Debentures shall be issued in denominations of \$1,000 and integral multiples of \$1,000. Each Initial Debenture and the certificate of the Debenture Trustee endorsed thereon shall be issued in substantially the form set out in Schedule A, with such insertions, omissions, substitutions or other variations as shall be required or permitted by this Indenture, and may have imprinted or otherwise reproduced thereon such legend or legends or endorsements, not inconsistent with the provisions of this Indenture, as may be required to comply with any law or with any rules or regulations pursuant thereto or with any rules or regulations of any stock exchange or securities regulatory authority or to conform with general usage, all as may be determined by the director or officer of Friday Night executing such Initial Debenture in accordance with Section 2.7 hereof, as conclusively evidenced by his or her execution of an Initial Debenture. Each Initial Debenture shall additionally bear such distinguishing letters and numbers as the Debenture Trustee shall approve. Notwithstanding the foregoing, an Initial Debenture may be in such other form or forms as may, from time to time, be, approved by a resolution of the directors of Friday Night or as specified in an Officer's Certificate. The Initial Debentures may be engraved, lithographed, printed, mimeographed or typewritten or partly in one form and partly in another.
- (j) Upon the occurrence of a Change of Control, and subject to the provisions and conditions of this Section 2.4(j), the Debentureholders will have the right to require the Corporation to repurchase their Initial Debentures, in whole or in part. The terms and conditions of such repurchase are set forth below:
- (i) Friday Night will, as soon as practicable, and in any event no later than 2 Business Days after the occurrence of a Change of Control, give written notice to the Debenture Trustee of the Change of Control and authorize and direct the Debenture Trustee to provide written notice to the holders of Initial Debentures of the Change of Control (the **Change of Control Notice**) and to offer the holders of Initial Debentures the Put Offer (as hereinafter defined). The Change of Control Notice shall include (A) a description of the Change of Control and (B) an offer (the **Put Offer**) by the Debenture Trustee, for and on behalf of Friday Night, to purchase, on the date which is 30 days following the date upon which the Debenture Trustee delivers the Change of Control Notice to the holders of Initial Debentures (the **Put Date**), such holder's Initial Debentures, in whole or in part, at a price equal to 104% of the principal amount thereof (the **Put Price**) plus all accrued and unpaid interest on such Initial Debentures up to, but excluding, the Put Date (collectively, the **Total Put Price**).
- (ii) The Debenture Trustee will, as soon as practicable thereafter, and in any event no later than 3 Business Days after receiving notice from Friday Night of the Change of Control, provide the Change of Control Notice to the holders of Initial Debentures.
- (iii) To exercise the Put Offer, the Debentureholder must deliver to the Debenture Trustee, not less than 5 Business Days prior to the Put Date, written notice of the holder's exercise of such right in the form attached as Schedule C together with the Initial Debentures with respect to which the right is being exercised, duly endorsed for transfer.
- (iv) Friday Night shall, on or before 11:00 a.m., Vancouver Time on the Business Day immediately prior to the Put Date, deposit with the Debenture Trustee or any paying agent to the order of the Debenture Trustee, such sums of money, as may be sufficient to pay the Total Put Price of the Initial Debentures to be purchased by Friday Night on the Put Date, provided Friday Night may elect to satisfy this requirement by providing the Debenture Trustee with a certified cheque or wire transfer for such amounts required under this Section 2.4(j)(iv) in

advance of the Put Date, for release on the Put Date. Friday Night shall also deposit with the Debenture Trustee a sum of money sufficient to pay any charges or expenses which may be incurred by the Debenture Trustee in connection with such purchase. Every such deposit shall be irrevocable. From the sums so deposited, the Debenture Trustee shall pay or cause to be paid to the holders of such Initial Debentures, the Total Put Price.

- (v) Initial Debentures for which holders have exercised the Put Offer shall become due and payable at the Total Put Price on the Put Date, in the same manner and with the same effect as if it were the date of maturity specified in such Initial Debentures, anything therein or herein to the contrary notwithstanding, and from and after such Put Date, if the money necessary to purchase the Initial Debentures shall have been deposited as provided in this Section 2.4 and affidavits or other proofs satisfactory to the Debenture Trustee as to the delivery of all required notices shall have been lodged with it, interest on the Initial Debentures shall cease. If any question shall arise as to whether any notice has been given as above provided and such deposit made, such question shall be decided by the Debenture Trustee whose decision shall be final and binding upon all parties in interest.

- (vi) If holders of 90% or more of the aggregate principal amount of Initial Debentures outstanding on the date Friday Night delivers the Put Offer to the Debenture Trustee accept the Put Offer, Friday Night shall have the right (the **90% Redemption Right**), upon written notice (the **90% Redemption Right Notice**) provided to the Debenture Trustee within 10 days following the Put Date, to elect to redeem all the Initial Debentures remaining outstanding at the Total Put Price and on the other terms and conditions provided herein. Upon receipt of such notice by the Debenture Trustee, the Debenture Trustee shall promptly provide written notice to each holder of outstanding Initial Debentures (other than those that have accepted the Put Offer) that:
 - (A) Friday Night has exercised the 90% Redemption Right and is purchasing all outstanding Initial Debentures effective as at the Put Date at the Total Put Price;
 - (B) such holder must surrender their its Initial Debentures to the Debenture Trustee within 10 days after the sending of such notice; and
 - (C) the rights of such holder under the terms of the Initial Debentures and this Indenture shall cease effective as of the Put Date provided Friday Night has, on or before the date on which Friday Night delivers the 90% Redemption Notice to the Debenture Trustee, paid the Total Put Price to, or to the order of, the Debenture Trustee and thereafter such holder's Initial Debentures shall not be considered to be outstanding and such holder shall not have any rights hereunder except to receive such Put Price to which such holder is entitled upon surrender and delivery of such holder's Initial Debentures in accordance with the Indenture.

- (vii) In case the holder of any Initial Debenture to be purchased in accordance with this Section 2.4(j) shall fail on or before the Put Date to surrender such holder's Initial Debenture or shall not within such time accept payment of the monies payable, or give such receipt therefor, if any, as the Debenture Trustee may require, such monies may be set aside in trust, either in the deposit department of the Debenture Trustee or in a chartered bank, and such setting aside shall for all purposes be deemed a payment to the Debentureholder of the sum so set aside and, to that extent, the Initial Debenture shall thereafter not be considered

as outstanding hereunder and the Debentureholder shall have no other right except to receive payment of the monies so paid and deposited, upon surrender and delivery of such holder's Initial Debenture, of the Total Put Price. In the event that any money required to be deposited hereunder with the Debenture Trustee or any depository or paying agent on account of principal, premium, if any, or interest, if any, on Initial Debentures issued hereunder shall remain so deposited for a period of six years from the Put Date, then such monies, together with any accumulated interest thereon, shall at the end of such period be paid over or delivered over by the Debenture Trustee or such depository or paying agent to Friday Night and the Debenture Trustee shall not be responsible to Debentureholders for any amounts owing to them. Notwithstanding the foregoing, the Debenture Trustee will pay any remaining funds deposited hereunder prior to the expiry of six years after the Put Date to Friday Night upon receipt from Friday Night of an uncontested letter of credit from a Canadian chartered bank in an amount equal to or in excess of the amount of the remaining funds. If the remaining funds are paid to Friday Night prior to the expiry of six years after the Put Date, Friday Night shall reimburse the Debenture Trustee for any amounts required to be paid by the Debenture Trustee to a holder of a Debenture pursuant to the Put Offer after the date of such payment of the remaining funds to Friday Night but prior to six years after the Put Date.

- (viii) All Initial Debentures purchased and paid under this Section 2.4(j) shall forthwith be delivered to the Debenture Trustee and cancelled and no Initial Debentures shall be issued in substitution therefor.
- (k) At any time following the Closing Date and from time to time until the Maturity Date, if the daily volume weighted average trading price of the Common Shares on the CSE (or any other recognized Canadian stock exchange on which the Common Shares trade at the applicable time) is greater than \$0.70 for any 10 consecutive trading days, Friday Night shall have the option to force the conversion of all the Debentures then convertible by the holders thereof (to the extent not otherwise converted) by giving not less than 30 days notice to all of the Debentureholders and in such case all of the Debentures then convertible by the Debentureholders will be converted into Common Shares on the 30th day following the date on which such notice is given by Friday Night at the Conversion Price in effect on the date on which such notice was given by Friday Night. Upon conversion, interest accrued to but excluding the date of conversion will be payable to the holder.
- (l) The Debenture Trustee shall be provided with the documents and instruments referred to in Sections 2.5(b), 2.5(c) and 2.5(d) with respect to the Initial Debentures prior to the issuance of the Initial Debentures.

2.5 Certification and Delivery of Additional Debentures

Friday Night may from time to time request the Debenture Trustee to certify and deliver Additional Debentures by delivering to the Debenture Trustee the documents referred to below in this Section 2.5 whereupon the Debenture Trustee shall certify such Debentures and cause the same to be delivered in accordance with the Written Direction of Friday Night referred to below or pursuant to such procedures acceptable to the Debenture Trustee as may be specified from time to time by a Written Direction of Friday Night. The maturity date, issue date, interest rate (if any) and any other terms of such Additional Debentures shall be set forth in or determined by or pursuant to such Written Direction of Friday Night. In certifying such Debentures, the Debenture Trustee shall be entitled to receive and shall be fully protected in relying upon, unless and until such documents have been superseded or revoked:

- (a) an executed supplemental indenture by or pursuant to which the form and terms of such Additional Debentures were established;

- (b) a Written Direction of Friday Night requesting certification and delivery of such Additional Debentures and setting forth delivery instructions, provided that:
 - (i) such Written Direction of Friday Night may be delivered by Friday Night to the Debenture Trustee prior to the delivery to the Debenture Trustee of such Additional Debentures for certification and delivery;
 - (ii) the Debenture Trustee shall certify and deliver Additional Debentures for original issue from time to time, in an aggregate principal amount not exceeding the aggregate principal amount, if any, established for such Additional Debentures, pursuant to a Written Direction of Friday Night or pursuant to procedures acceptable to the Debenture Trustee as may be specified from time to time by a Written Direction of Friday Night;
 - (iii) the maturity date or dates, issue date or dates, interest rate or rates (if any) and any other terms of Additional Debentures shall be determined by an executed supplemental indenture or by Written Direction of Friday Night or pursuant to such procedures; and
 - (iv) if provided for in such procedures, such Written Direction of Friday Night may authorize certification and delivery;
- (c) an opinion of Counsel, in form and substance satisfactory to the Debenture Trustee, acting reasonably, to the effect that all requirements imposed by this Indenture or by law in connection with the proposed issue of Additional Debentures have been complied with, subject to the delivery of certain documents or instruments specified in such opinion; and
- (d) an Officer's Certificate certifying that Friday Night is not in default under this Indenture, that the terms and conditions for the certification and delivery of Additional Debentures (including those set forth in Section 11.5), have been complied with subject to the delivery of any documents or instruments specified in such Officer's Certificate and that no Event of Default exists or will exist upon such certification and delivery.

2.6 Book Entry Only Debentures

Except as otherwise provided in a supplemental indenture, each of the Debentures (other than any Debentures that are required to bear the legend set forth in Section 2.15(a), which Debentures must be issued as physical Debenture certificates) may be issued as book entry only Debentures represented by one or more global Debentures. Each global Debenture shall be registered in the name of the Depository designated for such global Debenture or a nominee thereof and delivered to such Depository or a nominee thereof as custodian therefor, and each such global Debenture shall constitute a single Debenture for all purposes of this Indenture and all supplemental indentures. Beneficial interests in the global Debenture will not be shown on the register or the records maintained by the Depository but will be represented through book-entry accounts of book-entry only participants on behalf of the beneficial owners of such global Debenture. None of the Corporation, the Debenture Trustee or any other paying agent shall have any responsibility or liability for any aspects of the records relating to or payments made by any depository or any book-entry only participant on account of the beneficial interest in any global Debenture. Except as provided in this Section 2.6, owners of beneficial interests in any global Debenture shall not be entitled to have Debentures registered in their names and shall not receive or be entitled to receive Debentures in definitive form.

Notwithstanding any other provision in this indenture, no global Debenture may be exchanged in whole or in part for Debentures registered, and no transfer of a global Debenture in whole or in part may be registered, in the name of any person other than the Depository for such global Debenture or a nominee thereof unless:

- (a) the Depository notifies the Corporation that it is unwilling or unable to continue to act as depository in connection with the global Debenture and the Corporation is unable to locate a qualified successor;
- (b) the Corporation determines that the Depository is no longer willing, able or qualified to discharge properly its responsibilities as the holder of the global Debenture and the Corporation is unable to locate a qualified successor;
- (c) the Depository ceases to be a clearing agency or otherwise ceases to be eligible to be a depository and the Corporation is unable to locate a qualified successor;
- (d) the Corporation determines that the Debentures shall no longer be held as book entry only Debentures through the Depository; or
- (e) such right is required by applicable law, as determined by the Corporation and its counsel, following which Debentures, in fully registered form, shall be issued in exchange for such global Debentures to the beneficial owners of such Debentures or their nominees.

Subject to the provisions of this Section 2.6, any exchange of a global Debenture for Debentures which are not global Debentures may be made in whole or in part in accordance with the provisions of Section 3.5, *mutatis mutandis*. All such Debentures issued in exchange for a global Debenture or any portion thereof shall be registered in such names as the Depository for such global Debenture shall direct and shall be entitled to the same benefits and subject to the same terms and conditions (except insofar as they relate specifically to global Debentures) as the global Debenture or portion thereof surrendered upon such exchange.

Every Debenture authenticated and delivered upon registration of transfer of a global Debenture, or in exchange for or in lieu of a global Debenture or any portion thereof, whether pursuant to this Section 2.6 or otherwise, shall be authenticated and delivered in the form of, and shall be, a global Debenture, unless such Debenture is registered in the name of a person other than the Depository for such global Debenture or a nominee thereof.

2.7 Execution of Debentures

All Debentures shall be signed (either manually, by facsimile signature, scan or other electronic form) by any one authorized director or officer of Friday Night, holding office at the time of signing. A facsimile signature upon a Debenture shall for all purposes of this Indenture be deemed to be the signature of the person whose signature it purports to be. Notwithstanding that any person whose signature, either manual or in facsimile, appears on a Debenture as a director or officer may no longer hold such office at the date of the Debenture or at the date of the certification and delivery thereof, such Debenture shall be valid and binding upon Friday Night and entitled to the benefits of this Indenture.

2.8 Certification

No Debenture shall be issued or, if issued, shall be obligatory or shall entitle the holder to the benefits of this Indenture, until it has been manually certified by or on behalf of the Debenture Trustee substantially in the form set out in this Indenture, in the relevant supplemental indenture, or in some other form approved by the Debenture Trustee. Such certification on any Debenture shall be conclusive evidence that such Debenture is duly issued, is a valid obligation of Friday Night and the holder is entitled to the benefits hereof.

The certificate of the Debenture Trustee signed on the Debentures shall not be construed as a representation or warranty by the Debenture Trustee as to the validity of this Indenture or of the Debentures or as to the issuance of the Debentures and the Debenture Trustee shall in no respect be

liable or answerable for the use made of the Debentures or any of them or the proceeds thereof. The certificate of the Debenture Trustee signed on the Debentures shall, however, be a representation and warranty by the Debenture Trustee that the Debentures have been duly certified by or on behalf of the Debenture Trustee pursuant to the provisions of this Indenture.

2.9 Interim Debentures or Certificates

Pending the delivery of definitive Debentures of any series to the Debenture Trustee, the Corporation may issue and the Debenture Trustee may authenticate in lieu thereof interim Debentures in such forms and in such denominations and signed in such manner as provided herein, entitling the holders thereof to definitive Debentures of the series when the same are ready for delivery; or the Corporation may execute and the Debenture Trustee may authenticate a temporary Debenture for the whole principal amount of Debentures of the series then authorized to be issued hereunder and deliver the same to the Debenture Trustee and thereupon the Debenture Trustee may issue its own interim certificates in such form and in such amounts, not exceeding in the aggregate the principal amount of the temporary Debenture so delivered to it, as the Corporation and the Debenture Trustee may approve entitling the holders thereof to definitive Debentures of the series when the same are ready for delivery; and, when so issued and authenticated, such interim or temporary Debentures or interim certificates shall, for all purposes but without duplication, rank in respect of this Indenture equally with Debentures duly issued hereunder and, pending the exchange thereof for definitive Debentures, the holders of the interim or temporary Debentures or interim certificates shall be deemed without duplication to be Debentureholders and entitled to the benefit of this Indenture to the same extent and in the same manner as though the said exchange had actually been made. Forthwith after the Corporation shall have delivered the definitive Debentures to the Debenture Trustee, the Debenture Trustee shall cancel such temporary Debentures, if any, and shall call in for exchange all interim Debentures or certificates that shall have been issued and forthwith after such exchange shall cancel the same. No charge shall be made by the Corporation or the Debenture Trustee to the holders of such interim or temporary Debentures or interim certificates for the exchange thereof. All interest paid upon interim or temporary Debentures or interim certificates shall be noted thereon as a condition precedent to such payment unless paid by cheque to the registered holders thereof.

2.10 Mutilation, Loss, Theft or Destruction

In case any of the Debentures issued hereunder shall become mutilated or be lost, stolen or destroyed, Friday Night, in its discretion, may issue, and thereupon the Debenture Trustee shall certify and deliver, a new Debenture upon surrender and cancellation of the mutilated Debenture, or in the case of a lost, stolen or destroyed Debenture, in lieu of and in substitution for the same, and the substituted Debenture shall be in a form approved by the Debenture Trustee and shall be entitled to the benefits of this Indenture and rank equally in accordance with its terms with all other Debentures issued or to be issued hereunder. In case of loss, theft or destruction the applicant for a substituted Debenture shall furnish to Friday Night and to the Debenture Trustee such evidence of the loss, theft or destruction of the Debenture as shall be satisfactory to them in their discretion and shall also furnish an indemnity and surety bond satisfactory to them in their discretion. The applicant shall pay all reasonable expenses incidental to the issuance of any substituted Debenture.

2.11 Concerning Interest

- (a) Unless otherwise specifically provided in the terms of the Initial Debentures or any Additional Debentures, all Debentures issued hereunder, whether originally or upon exchange or in substitution for previously issued Debentures which are interest bearing, shall bear interest from and including their issue date to but excluding the Maturity Date.
- (b) Interest on each Debenture shall cease to accrue on the Maturity Date, unless, upon due presentation, payment of the principal and any accrued but unpaid interest or other amounts payable hereunder is improperly withheld or refused, in which case interest shall be calculated and payable daily from such time.

- (c) Unless otherwise specifically provided in the terms of any Additional Debentures, interest for any period of less than six months shall be computed on the basis of a year of 360 days comprised of twelve 30-day months.

2.12 Debentures to Rank Pari Passu

The Debentures will be direct unsecured obligations of Friday Night. Each Debenture issued under this Indenture or the same supplemental indenture will rank *pari passu* with each other Debenture issued under this Indenture or such supplemental indenture (regardless of their actual date or terms of issue) and, subject to statutory preferred exceptions, with all other present and future unsecured indebtedness of Friday Night except for sinking fund provisions (if any) applicable to different issuances of Debentures or other similar types of obligations of Friday Night.

2.13 Payments of Amounts Due on Maturity

Except as may otherwise be provided herein or in any supplemental indenture in respect of any Additional Debentures, payments of amounts due upon maturity of the Debentures will be made in the following manner. Friday Night will establish and maintain with the Debenture Trustee a maturity account for the Debentures. Each such maturity account shall be maintained by and be subject to the control of the Debenture Trustee for the purposes of this Indenture. On or before 11:00 a.m. (Vancouver time) on the Business Day immediately prior to each Maturity Date for Debentures outstanding from time to time under this Indenture, Friday Night will deliver to the Debenture Trustee a certified cheque or wire transfer (or otherwise provide immediately available funds) for deposit in the applicable maturity account in an amount sufficient to pay the cash amount payable in respect of such Debentures (including the principal amount together with any accrued and unpaid interest and premium (if any) thereon less any tax required by law to be deducted). The Debenture Trustee, on behalf of Friday Night, will pay to each holder entitled to receive payment the principal amount of and premium (if any) and accrued and unpaid interest on the Debenture, upon surrender of the Debenture at any branch of the Debenture Trustee designated for such purpose from time to time by Friday Night and the Debenture Trustee. The delivery of such funds to the Debenture Trustee for deposit to the applicable maturity account will satisfy and discharge the liability of Friday Night for the Debentures to which the delivery of funds relates to the extent of the amount delivered (plus the amount of any tax deducted as aforesaid) and such Debentures will thereafter to that extent not be considered as outstanding under this Indenture and such holder will have no other right in regard thereto other than to receive out of the money so delivered or made available the amount to which it is entitled.

2.14 Withholding

The Corporation and the Debenture Trustee shall be entitled to deduct and withhold from any amount payable to any holder under or in respect of a Debenture (including any Common Shares to be issued on conversion, redemption or otherwise), such amounts as the Corporation or the Debenture Trustee is required to deduct and withhold with respect to such payment under the Tax Act, the United States Internal Revenue Code of 1986, as amended, or any provision of any other applicable Law in respect of Taxes (a **Withholding Obligation**). To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the holder in respect of which such withholding was made, provided that such amounts are actually remitted to the appropriate taxing authority. To the extent that any amount so required to be deducted or withheld from any payment to a holder exceeds the amount of any cash otherwise payable by the Corporation to such holder, the Corporation or the Debenture Trustee shall have the right to withhold such number of any Common Shares otherwise issuable to such holder under or in respect of the Debenture as would be necessary to fund any Withholding Obligation. The Corporation is hereby authorized to sell or otherwise dispose of such portion of any Common Shares to be issued as is necessary to provide sufficient funds to the Corporation or the Debenture Trustee, as the case may be, to enable it to comply with such deduction or withholding requirement; and for the foregoing purpose, each of the Corporation and the Debenture Trustee (each with the ability to act individually) are irrevocably appointed by each holder as such holder's agent and attorney, with full power of substitution, to act on behalf of such holder with full power and

authority in such holder's name, place and stead to do or undertake all matters and requisite actions, when, as and where required, for the purposes of giving effect to the foregoing provisions of this section, including, in the case of the Corporation, all dispositions of Common Shares.

Notwithstanding anything else contained in this Indenture, where the Corporation determines that a Withholding Obligation will arise in connection with any amount to be paid or credited to a holder under or in respect of a Debenture, and such amount is to be paid or credited by issuance of shares to the holder, the Corporation may, at its option, elect to pay a portion of such amount in cash equal to the amount of the Withholding Obligation, as reasonably determined by the Corporation.

2.15 U.S. Legend on the Debentures

- (a) The Debentures and the Common Shares issuable upon conversion thereof have not been and will not be registered under the 1933 Act or any applicable U.S. state securities laws. Other than as noted in Section 2.15(b), all Debentures issued and sold, or transferred, to, or for the account or benefit of, a person in the United States or a U.S. Person, and the Common Shares issuable upon conversion of such Debentures, as well as all securities issued in exchange for or in substitution of the foregoing securities, shall be issued as physical certificates and shall bear, unless otherwise directed by Friday Night, the following legend (the **U.S. Legend**):

“THE SECURITIES REPRESENTED HEREBY [*for Debentures, insert:* AND THE SECURITIES ISSUABLE UPON CONVERSION HEREOF] HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"), OR UNDER THE SECURITIES LAWS OF ANY STATE. THE HOLDER HEREOF, BY PURCHASING THESE SECURITIES, AGREES FOR THE BENEFIT OF FRIDAY NIGHT INC. THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY: (A) TO FRIDAY NIGHT INC., (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT ("REGULATION S") AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS, (C) IN COMPLIANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE 1933 ACT PROVIDED BY (1) RULE 144A THEREUNDER, IF AVAILABLE, OR (2) RULE 144 THEREUNDER, IF AVAILABLE, AND, IN EITHER CASE, IN COMPLIANCE WITH ANY APPLICABLE U.S. STATE SECURITIES LAWS, OR (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE U.S. STATE SECURITIES LAWS; AND, IN THE CASE OF A TRANSFER UNDER CLAUSE (C)(2) OR (D), AFTER THE HOLDER HEREOF HAS, PRIOR TO SUCH TRANSFER, FURNISHED TO FRIDAY NIGHT INC. (AND THE TRUSTEE OR TRANSFER AGENT) AN OPINION OF COUNSEL OF RECOGNIZED STANDING TO SUCH EFFECT, IN EITHER CASE, REASONABLY SATISFACTORY IN FORM AND SUBSTANCE TO FRIDAY NIGHT INC. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.”

provided, that if the Debentures or Common Shares are being sold under clause (B) above in compliance with the requirements of Rule 904 of Regulation S, the U.S. Legend may be removed by providing a declaration to the Debenture Trustee (or in the case of Common Shares, to the Corporation's registrar and transfer agent (the "**Transfer Agent**")) as set forth in Schedule D (or as Friday Night may prescribe from time to time), together with any other evidence reasonably requested by Friday Night or the Debenture Trustee (or the Transfer Agent, as applicable), which evidence may include an opinion of counsel of recognized standing, in form and substance reasonably satisfactory to Friday Night, to the effect that the transfer is being made in compliance with Rule 904 of

Regulation S; and provided, further, that, if any such securities are being sold pursuant to Rule 144 under the 1933 Act or pursuant to another exemption from registration under the 1933 Act (except Rule 144A), the U.S. Legend may be removed by delivery to the Debenture Trustee (or the Transfer Agent, as applicable) of an opinion of counsel of recognized standing, in form and substance reasonably satisfactory to Friday Night, that the U.S. Legend is no longer required under applicable requirements of the 1933 Act or applicable state securities laws. Provided that the Debenture Trustee (or the Transfer Agent, as applicable) obtains confirmation from Friday Night that such counsel is satisfactory to it, the Debenture Trustee (or the Transfer Agent, as applicable) shall be entitled to rely on such opinion of counsel without further inquiry.

- (b) Notwithstanding Section 2.15(a) above, all Debentures originally issued to U.S. Purchasers shall be issued in uncertificated form and shall not bear a U.S. Legend (unless the Debenture Trustee is otherwise instructed by Friday Night).
- (c) Prior to the issuance of the Initial Debentures, Friday Night shall notify the Debenture Trustee, in writing, concerning which Initial Debentures are to bear the U.S. Legend. The Debenture Trustee will thereafter maintain a list of all such U.S. registered holders from time to time.

2.16 Payment of Interest

Except as otherwise provided in a supplemental indenture relating to Additional Debentures, as interest becomes due on each Debenture (except at maturity, on conversion or on redemption, when interest may at the option of Friday Night be paid upon surrender of such Debenture) Friday Night, either directly or through the Debenture Trustee or any agent of the Debenture Trustee, shall send or forward by prepaid ordinary mail, electronic transfer of funds or such other means as may be agreed to by the Debenture Trustee, payment of such interest (less any tax required to be withheld therefrom) to the order of the registered holder of such Debenture appearing on the registers maintained by the Debenture Trustee at the close of business on the seventh Business Day prior to the applicable Interest Payment Date and addressed to the holder at the holder's last address appearing on the register, unless such holder otherwise directs. If payment is made by cheque, such cheque shall be forwarded at least three days prior to each date on which interest becomes due (provided the Debenture Trustee must receive confirmation of receipt of funds prior to being able to release cheques to holders) and if payment is made by other means (such as the wire of funds, provided the Debenture Trustee must receive confirmation of receipt of funds prior to being able to wire funds to holders), such payment shall be made in a manner whereby the holder receives credit for such payment on the date such interest on such Debenture becomes due. The mailing of such cheque or the making of such payment by other means shall, to the extent of the sum represented thereby, plus the amount of any tax withheld as aforesaid, satisfy and discharge all liability for interest on such Debenture, unless in the case of payment by cheque, such cheque is not paid at par on presentation. In the event of non-receipt of any cheque for or other payment of interest by the person to whom it is so sent as aforesaid, Friday Night will issue to such person a replacement cheque or other payment for a like amount upon being furnished with such evidence of non-receipt as it shall reasonably require and upon being indemnified to its satisfaction. Notwithstanding the foregoing, if Friday Night is prevented by circumstances beyond its control (including, without limitation, any interruption in mail service) from making payment of any interest due on each Debenture in the manner provided above, Friday Night may make payment of such interest or make such interest available for payment in any other manner acceptable to the Debenture Trustee with the same effect as though payment had been made in the manner provided above.

In the event that deduction or withholding on account of taxes is required by law or administrative practice by the relevant government authority, Friday Night will promptly notify the Debentureholders of such requirement and Friday Night shall co-operate with the Debentureholders with a view to determining the availability to Debentureholders of any reduced rate of withholding under the terms of a relevant tax treaty.

**ARTICLE 3
REGISTRATION, TRANSFER, EXCHANGE AND OWNERSHIP**

3.1 Fully Registered Debentures

- (a) Friday Night shall cause to be kept by and at the principal office of the Debenture Trustee in Calgary, Alberta and Vancouver, British Columbia and by the Debenture Trustee or such other registrar as Friday Night, with the approval of the Debenture Trustee, may appoint at such other place or places, if any, as may be specified in such Debentures or as Friday Night may designate with the approval of the Debenture Trustee, a register in which shall be entered the names and addresses of the holders of Fully Registered Debentures and particulars of the Debentures held by them respectively and of all transfers of Fully Registered Debentures. Such registration shall be noted on the Debentures by the Debenture Trustee or other registrar unless a new Debenture shall be issued upon such transfer.
- (b) No transfer of a Fully Registered Debenture shall be valid unless made on such register referred to in Section 3.1(a) by the registered holder or such holder's executors, administrators or other legal representatives or an attorney duly appointed by an instrument in writing in form and execution satisfactory to the Debenture Trustee or other registrar upon surrender of the Debentures together with a duly executed form of transfer acceptable to the Debenture Trustee and upon compliance with such other reasonable requirements as the Debenture Trustee or other registrar may prescribe, nor unless the name of the transferee shall have been noted on the Debenture by the Debenture Trustee or other registrar.

3.2 Transferee Entitled to Registration

The transferee of a Debenture shall be entitled, after the appropriate form of transfer is lodged with the Debenture Trustee or other registrar and upon compliance with all other conditions in that behalf required by this Indenture or by law, to be entered on the register as the owner of such Debenture free from all equities or rights of set-off or counterclaim between Friday Night and the transferor or any previous holder of such Debenture, save in respect of equities of which Friday Night is required to take notice by statute or by order of a court of competent jurisdiction.

3.3 No Notice of Trusts

Neither Friday Night nor the Debenture Trustee nor any registrar shall be bound to take notice of or see to the execution of any trust (other than that created by this Indenture) whether express, implied or constructive, in respect of any Debenture, and may transfer the same on the direction of the person registered as the holder thereof, whether named as trustee or otherwise, as though that person were the beneficial owner thereof.

3.4 Register Open for Inspection

The register referred to in Section 3.1 shall at all reasonable times be open for inspection by Friday Night, the Debenture Trustee or any Debentureholder. Every registrar, including the Debenture Trustee, shall from time to time when requested so to do by Friday Night or by the Debenture Trustee, in writing, furnish Friday Night or the Debenture Trustee, as the case may be, with a list of names and addresses of holders of registered Debentures entered on the register kept by them and showing the principal amount and serial numbers of the Debentures held by each such holder, provided the Debenture Trustee shall be entitled to charge a reasonable fee to provide such a list.

3.5 Exchanges of Debentures

- (a) Subject to Section 3.6, Debentures in any authorized form or denomination may be exchanged for Debentures in any other authorized form or denomination, of the same date of maturity, bearing the same interest rate and of the same aggregate principal amount as the Debentures so exchanged.
- (b) In respect of exchanges of Debentures permitted by Section 3.5(a), Debentures may be exchanged only at the principal offices of the Debenture Trustee in the City of Calgary, Alberta or Vancouver, British Columbia or at such other place or places, if any, as may be specified in the Debentures and at such other place or places as may from time to time be designated by Friday Night with the approval of the Debenture Trustee. Any Debentures tendered for exchange shall be surrendered to the Debenture Trustee. Friday Night shall execute and the Debenture Trustee shall certify all Debentures necessary to carry out exchanges as aforesaid. All Debentures surrendered for exchange shall be cancelled.
- (c) Debentures issued in exchange for Debentures which at the time of such issue have been selected or called for redemption at a later date shall be deemed to have been selected or called for redemption in the same manner and shall have noted thereon a statement to that effect.

3.6 Closing of Registers

- (a) Neither Friday Night nor the Debenture Trustee nor any registrar shall be required to:
 - (i) make transfers or exchanges or conversions of any Debentures on any Interest Payment Date for such Debentures or during the seven preceding Business Days;
 - (ii) make transfers or exchanges or conversions of any Debentures on the day of any selection by the Debenture Trustee of Debentures to be redeemed or during the seven preceding Business Days; or
 - (iii) make transfers or exchanges or conversions of any Debentures which will have been selected or called for redemption unless upon due presentation thereof for redemption such Debentures shall not be redeemed.
- (b) Subject to any restriction herein provided, Friday Night with the approval of the Debenture Trustee may at any time close any register for any Debentures, other than those kept at the principal offices of the Debenture Trustee in Vancouver, British Columbia, and transfer the registration of any Debentures registered thereon to another register (which may be an existing register) and thereafter such Debentures shall be deemed to be registered on such other register. Notice of such transfer shall be given to the holders of such Debentures.

3.7 Charges for Registration, Transfer and Exchange

For each Debenture exchanged, registered, transferred or discharged from registration, the Debenture Trustee or other registrar, except as otherwise herein provided, may make a reasonable charge for its services and in addition may charge a reasonable sum for each new Debenture issued, and payment of such charges and reimbursement of the Debenture Trustee or other registrar for any stamp taxes or governmental or other charges required to be paid shall be made by the party requesting such exchange, registration, transfer or discharge from registration as a condition precedent thereto. Notwithstanding the foregoing provisions, no charge shall be made to a Debentureholder hereunder for any exchange,

registration, transfer or discharge from registration of any Debenture applied for within a period of two months from the date of the first delivery of Debentures.

3.8 Ownership of Debentures

- (a) Unless otherwise required by law, the person in whose name any registered Debenture is registered shall for all the purposes of this Indenture be and be deemed to be the owner thereof and payment of or on account of the principal of and premium, if any, on such Debenture and interest thereon shall be made to such registered holder.
- (b) The registered holder for the time being of any registered Debenture shall be entitled to the principal, premium, if any, and/or interest evidenced by such instruments, respectively, free from all equities or rights of set-off or counterclaim between Friday Night and the original or any intermediate holder thereof and all persons may act accordingly and the receipt of any such registered holder for any such principal, premium or interest shall be a good discharge to Friday Night and/or the Debenture Trustee for the same and neither Friday Night nor the Debenture Trustee shall be bound to inquire into the title of any such registered holder.
- (c) Where Debentures are registered in more than one name, the principal, premium, if any, and interest from time to time payable in respect thereof may be paid to the order of all such holders, failing written instructions from them to the contrary, and the receipt of any one of such holders therefor shall be a valid discharge, to the Debenture Trustee, any registrar and to Friday Night.
- (d) In the case of the death of one or more joint holders of any Debenture the principal, premium, if any, and interest from time to time payable thereon may be paid to the order of the survivor or survivors of such registered holders and the receipt of any such survivor or survivors therefor shall be a valid discharge to the Debenture Trustee and any registrar and to Friday Night.

ARTICLE 4 CONVERSION OF DEBENTURES

4.1 Applicability of Article

Any Debentures issued hereunder or any Additional Debentures issued under a supplemental indenture which by their terms are convertible (subject, however, to any applicable restriction of the conversion of such Debentures or Additional Debentures) will be convertible into Common Shares or other securities, at such conversion rate or rates, and on such date or dates and in accordance with such other provisions as shall have been determined at the time of issue of such Debentures and shall have been expressed in this Indenture, in such Debentures, or in a supplemental indenture authorizing or providing for the issue thereof.

Such right of conversion shall extend only to the maximum number of whole Common Shares into which the aggregate principal amount of the Debenture or Debentures surrendered for conversion at any one time by the holder thereof may be converted. Fractional interests in Common Shares shall be adjusted for in the manner provided in Section 4.6.

4.2 Notice of Expiry of Conversion Privilege

Notice of the expiry of the conversion privileges of the Debentures other than on the Maturity Date, shall be given by or on behalf of Friday Night, not more than 60 days and not less than 30 days prior to the date fixed for the Time of Expiry, in the manner provided in Section 10.2.

4.3 Revival of Right to Convert

If the redemption of any Debenture called for redemption by Friday Night is not made or the payment of the purchase price of any Debenture which has been tendered in acceptance of an offer by Friday Night to purchase Debentures for cancellation, or as required to be paid on exercise of the Put Offer by a holder, is not made, in the case of a redemption upon due surrender of such Debenture or in the case of a purchase (under the Put Offer or otherwise) on the date on which such purchase is required to be made, as the case may be, then, provided the Time of Expiry has not passed, the right to convert such Debentures shall revive and continue as if such Debenture had not been called for redemption, tendered in acceptance of Friday Night's offer, or made the subject of the Put Offer, respectively.

4.4 Manner of Exercise of Right to Convert

- (a) The holder of a Debenture desiring to convert such Debenture in whole or in part into Common Shares shall surrender such Debenture to the Debenture Trustee at its principal offices in Calgary, Alberta or Vancouver, British Columbia together with the conversion notice in the form attached hereto as Schedule B or any other written notice in a form satisfactory to the Debenture Trustee, in either case duly executed by the holder or his executors or administrators or other legal representatives or his or their attorney duly appointed by an instrument in writing in form and executed in a manner satisfactory to the Debenture Trustee, exercising his right to convert such Debenture in accordance with the provisions of this Article. Thereupon such Debentureholder or, subject to payment of all applicable stamp or security transfer taxes or other governmental charges and compliance with all reasonable requirements of the Debenture Trustee, his nominee(s) or assignee(s) shall be entitled to be entered in the books of Friday Night as at the Business Day immediately after the Date of Conversion (or such later date as is specified in Section 4.4(b)) as the holder of the number of Common Shares into which such Debenture is convertible in accordance with the provisions of this Article and, as soon as practicable thereafter, Friday Night shall deliver to such Debentureholder or, subject as aforesaid, his nominee(s) or assignee(s), a certificate or certificates for such Common Shares and make or cause to be made any payment of interest to which such holder is entitled in accordance with Section 4.4(e) hereof.
- (b) For the purposes of this Article, a Debenture shall be deemed to be surrendered for conversion on the date (the **Date of Conversion**) on which it is so surrendered when the register of the Debenture Trustee is open and in accordance with the provisions of this Article and, in the case of a Debenture so surrendered by post or other means of transmission, on the date on which it is received by the Debenture Trustee at its offices specified in Section 4.4(a); provided that if a Debenture is surrendered for conversion on a day on which the register of Common Shares is closed or on a day which immediately precedes a day on which the register of Common Shares is closed, the person or persons entitled to receive Common Shares shall become the holder or holders of record of such Common Shares as at the date on which such register is next reopened.
- (c) Any part, being \$1,000 or an integral multiple thereof, of a Debenture may be converted as provided in this Article and all references in this Indenture to conversion of Debentures shall be deemed to include conversion of such part. The Conversion Price for the Initial Debentures is \$0.45 per Common Share such that 2,222 Common Shares shall be issued for each \$1,000 principal amount of Initial Debentures.
- (d) Upon a holder of any Debenture exercising the right of conversion in respect of only a part of the Debenture and surrendering such Debenture to the Debenture Trustee, in accordance with Section 4.4(a) the Debenture Trustee shall cancel the same and shall without charge forthwith certify and deliver to the holder a new Debenture or Debentures in an aggregate principal amount equal to the unconverted part of the principal amount of the Debenture so surrendered.

- (e) The holder of a Debenture surrendered for conversion in accordance with this Section 4.4 shall be entitled (subject to any applicable restriction on the right to receive interest on conversion of Debentures) to receive accrued and unpaid interest in respect thereof up to the Date of Conversion of such Debentures and the Common Shares issued upon such conversion shall rank only in respect of distributions or dividends declared in favour of shareholders of record on and after the Business Day immediately after the Date of Conversion or such later date as such holder shall become the holder of record of such Common Shares pursuant to Section 4.4(b), from which applicable date they will for all purposes be and be deemed to be issued and outstanding as fully paid and non-assessable Common Shares.
- (f) The debentures may not be converted by, or for the account or benefit of, a person in the United States or a U.S. Person unless an exemption is available from the registration requirements under the 1933 Act, and the securities laws of all applicable states, and Friday Night has received an opinion of counsel or other evidence to such effect reasonably satisfactory to it; provided that a U.S. Purchaser will not be required to deliver an opinion of counsel or any other such evidence in connection with the conversion of such Debentures.

4.5 Adjustment of Conversion Price

The Conversion Price in effect at any date shall be subject to adjustment from time to time as set forth below.

- (a) If and whenever at any time prior to the Time of Expiry Friday Night shall (i) subdivide or redivide the outstanding Common Shares into a greater number of shares, (ii) reduce, combine or consolidate the outstanding Common Shares into a smaller number of shares, or (iii) issue Common Shares or securities exchangeable for or convertible into Common Shares to the holders of all or substantially all of the outstanding Common Shares by way of a dividend or distribution (other than an issue of Common Shares to holders of Common Shares pursuant to any right granted to such holders to receive such Common Shares in lieu of Dividends Paid in the Ordinary Course), the Conversion Price in effect on the effective date of such subdivision, redivision, reduction, combination or consolidation or on the record date for such issue of Common Shares by way of a dividend or other distribution, as the case may be, shall be the product of the Conversion Price immediately prior to such effective date or record date and the quotient of the number of Common Shares outstanding immediately before such effective or record date divided by the number of Common Shares outstanding on such effective date or record date after giving effect to the applicable transaction. Such adjustment shall be made successively whenever any event referred to in this Section 4.5(a) shall occur. Any such issue of Common Shares by way of a dividend or distribution shall be deemed to have been made on the record date for the dividend or distribution for the purpose of calculating the number of outstanding Common Shares under subsections (b) and (c) of this section 4.5.
- (b) If and whenever at any time prior to the Time of Expiry Friday Night shall fix a record date for the issuance of options, rights or warrants to all or substantially all the holders of its outstanding Common Shares entitling them, for a period expiring not more than 45 days after such record date, to subscribe for or purchase Common Shares (or securities exchangeable for or convertible into Common Shares) at a price per share (or having a conversion or exchange price per share) less than 95% of the Current Market Price of a Common Share on such record date, the Conversion Price shall be adjusted effective immediately after such record date so that it shall equal the price determined by multiplying the Conversion Price in effect on such record date by a fraction, of which the numerator shall be the total number of Common Shares outstanding on such record date plus a number of Common Shares equal to the quotient obtained by dividing the

aggregate price of the total number of additional Common Shares offered for subscription or purchase (or the aggregate conversion or exchange price of the convertible or exchangeable securities so offered) by the Current Market Price per Common Share as of such record date, and of which the denominator shall be the total number of Common Shares outstanding on such record date plus the total number of additional Common Shares offered for subscription or purchase (or into which the convertible or exchangeable securities so offered are convertible or exchangeable). Such adjustment shall be made successively whenever such a record date is fixed. To the extent that any such options, rights or warrants are not so issued or any such options, rights or warrants are not exercised prior to the expiration thereof, the Conversion Price shall be re-adjusted to the Conversion Price which would then be in effect if such record date had not been fixed or to the Conversion Price which would then be in effect if only the number of Common Shares (or securities convertible or exchangeable into Common Shares) actually issued upon the exercise of such options, rights or warrants were included in such fraction, as the case may be.

- (c) Subject to Section 2.4(j), if and whenever at any time prior to the Time of Expiry Friday Night shall fix a record date for the issue or the distribution to all or substantially all the holders of its outstanding Common Shares of (i) shares of any class other than Common Shares, (ii) rights, options or warrants (excluding rights, options or warrants entitling the holders thereof for a period of not more than 45 days after the date of issue thereof to subscribe for or purchase Common Shares or securities convertible into Common Shares), (iii) evidences of its indebtedness, or (iv) assets (excluding Dividends Paid in the Ordinary Course) then, in each such case, the Conversion Price shall be adjusted immediately after such record date so that it shall equal the price determined by multiplying the Conversion Price in effect on such record date by a fraction, of which the numerator shall be the total number of Common Shares outstanding on such record date multiplied by the Current Market Price per Common Share on such record date, less the fair market value (as determined by the directors of Friday Night, with the approval of the Debenture Trustee and the appropriate stock exchange (if required), which determination shall be conclusive) of such shares or rights, options or warrants or evidences of indebtedness or assets so distributed, and of which the denominator shall be the total number of Common Shares outstanding on such record date multiplied by the Current Market Price per Common Share on such record date. Such adjustment shall be made successively whenever such a record date is fixed. To the extent that such distribution is not so made, the Conversion Price shall be re-adjusted to the Conversion Price which would then be in effect if such record date had not been fixed or to the Conversion Price which would then be in effect based upon such shares or rights, options or warrants or evidences of indebtedness or assets actually distributed, as the case may be.
- (d) If and whenever at any time prior to the Time of Expiry, there is a reclassification of the Common Shares or a capital reorganization of Friday Night other than as described in Section 4.5(a) or a consolidation, amalgamation, arrangement or merger of Friday Night with or into any other Person or other entity; or a sale or conveyance of the property and assets of Friday Night as an entirety or substantially as an entirety to any other Person or other entity or a liquidation, dissolution or winding-up of Friday Night, any holder of a Debenture who has not exercised its right of conversion prior to the effective date of such reclassification, capital reorganization, consolidation, amalgamation, arrangement or merger, sale or conveyance or liquidation, dissolution or winding-up, upon the exercise of such right thereafter, shall be entitled to receive and shall accept for the same aggregate consideration, in lieu of the number of Common Shares then sought to be acquired by it, the number of shares or other securities or property of Friday Night or of the Person or other entity resulting from such reclassification, capital reorganization, consolidation, amalgamation, arrangement or merger, or to which such sale or conveyance may be made or which holders of Common Shares receive pursuant to such liquidation, dissolution or winding-up, as the case may be, that such holder of a Debenture would

have been entitled to receive on such reclassification, capital reorganization, consolidation, amalgamation, arrangement or merger, sale or conveyance or liquidation, dissolution or winding-up, if, on the record date or the effective date thereof, as the case may be, the holder had been the registered holder of the number of Common Shares sought to be acquired by it and to which it was entitled to acquire upon the exercise of the conversion right. If determined appropriate by the directors of Friday Night, to give effect to or to evidence the provisions of this Section 4.5(d), Friday Night, its successor, or such purchasing Person or other entity, as the case may be, shall, prior to or contemporaneously with any such reclassification, capital reorganization, consolidation, amalgamation, arrangement, merger, sale or conveyance or liquidation, dissolution or winding-up, enter into an indenture which shall provide, to the extent possible, for the application of the provisions set forth in this Indenture with respect to the rights and interests thereafter of the holder of Debentures to the end that the provisions set forth in this Indenture shall thereafter correspondingly be made applicable, as nearly as may reasonably be, with respect to any shares or other securities or property to which a holder of Debentures is entitled on the exercise of its conversion rights thereafter. Any indenture entered into between Friday Night and the Debenture Trustee pursuant to the provisions of this Section 4.5(d) shall be a supplemental indenture entered into pursuant to the provisions of Article 12. Any indenture entered into between Friday Night, any successor to Friday Night or such purchasing Person or other entity and the Debenture Trustee shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided in this Section 4.5(d) and which shall apply to successive reclassifications, capital reorganizations, consolidations, amalgamations, mergers, sales or conveyances and to any successive liquidation, dissolution or winding up;

- (e) In any case in which this Section 4.5 shall require that an adjustment shall become effective immediately after a record date for an event referred to herein, Friday Night may defer, until the occurrence of such event, issuing to the holder of any Debenture converted after such record date and before the occurrence of such event the additional Common Shares issuable upon such conversion by reason of the adjustment required by such event before giving effect to such adjustment; provided, however, that Friday Night shall deliver to such holder an appropriate instrument evidencing such holder's right to receive such additional Common Shares upon the occurrence of the event requiring such adjustment and the right to receive any distributions made on such additional Common Shares declared in favour of holders of record of Common Shares on and after the Date of Conversion or such later date as such holder would, but for the provisions of this Section 4.5(e), have become the holder of record of such additional Common Shares pursuant to Section 4.4(b).
- (f) The adjustments provided for in this Section 4.5 are cumulative and shall apply to successive subdivisions, redivisions, reductions, combinations, consolidations, distributions, issues or other events resulting in any adjustment under the provisions of this Section, provided that, notwithstanding any other provision of this Section, no adjustment of the Conversion Price shall be required unless such adjustment would require an increase or decrease of at least 1% in the Conversion Price then in effect; provided however, that any adjustments which by reason of this Section 4.5(f) are not required to be made shall be carried forward and taken into account in any subsequent adjustment.
- (g) For the purpose of calculating the number of Common Shares outstanding, Common Shares owned by or for the benefit of Friday Night shall not be counted.
- (h) In the event of any question arising with respect to the adjustments provided in this Section 4.5, such question shall be conclusively determined by a firm of nationally recognized chartered accountants appointed by Friday Night and acceptable to the

Debenture Trustee (who may be the auditors of Friday Night); such accountants shall have access to all necessary records of Friday Night and such determination shall be binding upon Friday Night, the Debenture Trustee, and the Debentureholders.

- (i) In case Friday Night shall take any action affecting the Common Shares other than action described in this Section 4.5, which in the opinion of the directors of Friday Night would materially affect the rights of Debentureholders, the Conversion Price shall be adjusted in such manner and at such time, by action of the directors of Friday Night, in their sole discretion may determine to be equitable in the circumstances. Failure of the directors to make such an adjustment shall be conclusive evidence that they have determined that it is equitable to make no adjustment in the circumstances.
- (j) No adjustment in the Conversion Price shall be made in respect of any event described in Sections 4.5(a), 4.5(b) or 4.5(c) other than the events described in 4.5(a)(i) or 5.5(a)(ii) if the holders of the Debentures are entitled to participate in such event on the same terms *mutatis mutandis* as if they had converted their Debentures prior to the effective date or record date, as the case may be, of such event.

4.6 No Requirement to Issue Fractional Shares

Friday Night shall not be required to issue fractional Common Shares upon the conversion of Debentures pursuant to this Article. If more than one Debenture shall be surrendered for conversion at one time by the same holder, the number of whole Common Shares issuable upon conversion thereof shall be computed on the basis of the aggregate principal amount of such Debentures to be converted. If any fractional interest in a Common Share would, except for the provisions of this Section, be deliverable upon the conversion of any principal amount of Debentures, Friday Night shall, in lieu of delivering any certificate representing such fractional interest, make a cash payment to the holder of such Debenture of an amount equal to the fractional interest which would have been issuable multiplied by the Current Market Price of the Common Shares on the Date of Conversion, provided, however Friday Night shall not be required to make any payment of less than \$5.00.

4.7 Friday Night to Reserve Shares

Friday Night covenants with the Debenture Trustee that it will at all times reserve and keep available out of its authorized Common Shares, solely for the purpose of issue upon conversion of Debentures as in this Article provided, and conditionally allot to Debentureholders who may exercise their conversion rights hereunder, such number of Common Shares as shall then be issuable upon the conversion of all outstanding Debentures. Friday Night covenants with the Debenture Trustee that all Common Shares which shall be so issuable shall be, when issued, duly and validly issued as fully-paid and non-assessable.

4.8 Cancellation of Converted Debentures

Subject to the provisions of Section 4.4 as to Debentures converted in part, all Debentures converted in whole or in part under the provisions of this Article shall be forthwith delivered to and cancelled by the Debenture Trustee and no Debenture shall be issued in substitution therefor.

4.9 Certificate as to Adjustment

Friday Night shall from time to time immediately after the occurrence of any event which requires an adjustment or readjustment as provided in Section 4.5, deliver an Officer's Certificate to the Debenture Trustee specifying the nature of the event requiring the same and the amount of the adjustment necessitated thereby and setting forth in reasonable detail the method of calculation and the facts upon which such calculation is based, which certificate and the amount of the adjustment specified therein shall be confirmed by a firm of nationally recognized chartered accountants appointed by Friday Night and

acceptable to the Debenture Trustee (who may be the auditors of Friday Night) and shall be conclusive and binding on all parties in interest. When so approved, Friday Night shall, except in respect of any subdivision, redivision, reduction, combination or consolidation of the Common Shares, forthwith give notice to the Debentureholders in the manner provided in Section 10.2 specifying the event requiring such adjustment or readjustment and the results thereof, including the resulting Conversion Price.

4.10 Notice of Special Matters

Friday Night covenants with the Debenture Trustee that so long as any Debenture remains outstanding, it will give notice to the Debenture Trustee, and to the Debentureholders in the manner provided in Section 10.2, of its intention to fix a record date for any event referred to in Section 4.5(a), 4.5(b) or 4.5(c) which may give rise to an adjustment in the Conversion Price, and, in each case, such notice shall specify the particulars of such event and the record date and the effective date for such event; provided that Friday Night shall only be required to specify in such notice such particulars of such event as shall have been fixed and determined on the date on which such notice is given. Such notice shall be given not less than fourteen (14) days in each case prior to such applicable record date.

4.11 Protection of Debenture Trustee

Subject to Section 11.3, the Debenture Trustee:

- (a) shall not at any time be under any duty or responsibility to any Debentureholder to determine whether any facts exist which may require any adjustment in the Conversion Price, or with respect to the nature or extent of any such adjustment when made, or with respect to the method employed in making the same;
- (b) shall not be accountable with respect to the validity or value (or the kind or amount) of any Common Shares or of any units, shares or other securities or property which may at any time be issued or delivered upon the conversion of any Debenture; and
- (c) shall not be responsible for any failure of Friday Night to make any cash payment or to issue, transfer or deliver Common Shares, share certificates upon the surrender of any Debenture for the purpose of conversion, or to comply with any of the covenants contained in this Article.

4.12 U.S. Legend on Common Shares

- (a) Each certificate representing Common Shares issued upon conversion of Debentures pursuant to this Article 4 bearing the U.S. Legend set forth in Section 2.15(a), as well as all certificates issued in exchange for or in substitution of the foregoing securities, shall also bear the U.S. Legend set forth in Section 2.15(a).
- (b) Notwithstanding Section 4.12(a) above, the Common Shares issuable upon conversion of the Debentures originally issued to U.S. Purchasers shall be issued in uncertificated form and shall not bear a U.S. Legend (unless the Debenture Trustee, as registrar and transfer agent for the Common Shares, is otherwise instructed by Friday Night).

ARTICLE 5 COVENANTS OF FRIDAY NIGHT

5.1 General Covenants

Friday Night hereby covenants and agrees with the Debenture Trustee for the benefit of the Debenture Trustee and the Debentureholders, that so long as any Debentures remain outstanding:

- (a) except as herein otherwise expressly provided, it will at all times maintain its corporate existence and carry on and conduct its business in a proper and efficient manner;
- (b) it will at all times maintain its registered office in the province of its incorporation;
- (c) it will at all times comply with all other provisions of this Trust Indenture to be complied with by Friday Night;
- (d) it will comply with all applicable filing requirements under the rules and regulations of the *Securities Act* (Alberta) or other applicable securities legislation of Canada;
- (e) it will separately identify and segregate funds and other assets of Friday Night; maintain its financial statements and accounting records separate from those of, and not commingle its funds or other assets with those of, any Affiliate or any other Person or entity; and maintain its own separate bank accounts, payroll and books of account. All of Friday Night's assets will at all times be held by or on behalf of Friday Night and, when held on behalf of Friday Night by another entity, will at all times be kept identifiable (in accordance with customary usages) as assets owned by Friday Night;
- (f) it will pay out of its own funds fees, if any, for its directors and salaries, if any, of its officers and employees;
- (g) it will observe all customary formalities regarding the corporate existence of Friday Night, including without limitation holding regular meetings of its board of directors and its shareholders and maintenance of current minute books;
- (h) it will only enter into business transactions with an Affiliate that will be on terms and conditions that are not more or less favourable to Friday Night than the terms and conditions that would be expected to have been obtained, under similar circumstances, from unaffiliated persons or entities;
- (i) it will maintain and preserve all of its properties that are useful and necessary in the conduct of its business in good working order and condition, ordinary wear and tear excepted;
- (j) it will maintain insurance with reputable insurers in such amounts and against such risks as is usually carried by prudent owners of similar businesses and properties located in the same general geographic areas in which Friday Night operates; and
- (k) it will pay or cause to be paid all taxes levied, assessed or imposed upon it or any of its properties or any part thereof, as and when the same become due and payable, save and except for any such taxes which are being contested in good faith and by appropriate proceedings and for which Friday Night has set aside reserves or contingency funds satisfactory to the Debenture Trustee, acting reasonably.

5.2 To Pay Principal, Premium (if any) and Interest

Friday Night will duly and punctually pay or cause to be paid to every Debentureholder the principal of, premium (if any) and interest accrued on the Debentures of which it is the holder on the dates, at the places and in the manner mentioned herein and in the Debentures.

5.3 To Pay Debenture Trustee's Remuneration

Friday Night will pay the Debenture Trustee reasonable remuneration for its services as Debenture Trustee hereunder and will repay to the Debenture Trustee on demand all monies which shall have been

paid by the Debenture Trustee in connection with the execution of the trusts hereby created and such monies including the Debenture Trustee's remuneration, shall be payable out of any funds coming into the possession of the Debenture Trustee in priority to payment of any principal of the Debentures or interest thereon. Such remuneration shall continue to be payable until the trusts hereof be finally wound up and whether or not the trusts of this Indenture shall be in the course of administration by or under the direction of a court of competent jurisdiction.

5.4 To Give Notice of Default

Friday Night shall notify the Debenture Trustee immediately upon obtaining knowledge of any Event of Default hereunder.

5.5 Preservation of Existence, etc.

Subject to the express provisions hereof, Friday Night will carry on and conduct its activities, and cause its Subsidiaries to carry on and conduct their businesses, in a proper, efficient and business-like manner and in accordance with good business practices; and, subject to the express provisions hereof, it will do or cause to be done all things necessary to preserve and keep in full force and effect its existence and rights.

5.6 Keeping of Books

Friday Night will keep or cause to be kept proper books of record and account, in which full and correct entries shall be made of all financial transactions and the assets and business of Friday Night in accordance with generally accepted accounting principles.

5.7 Annual Certificate of Compliance

Friday Night shall deliver to the Debenture Trustee, within 120 days after the end of each calendar year, or at any time upon the reasonable request from the Debenture Trustee, an Officer's Certificate as to the knowledge of such officer of Friday Night who executes the Officer's Certificate, of Friday Night's compliance with all conditions and covenants of this Indenture certifying that after reasonable investigation and inquiry, Friday Night has complied with all covenants, conditions or other requirements contained in this Indenture, the non-compliance with which could, with the giving of notice, lapse of time or otherwise, constitute an Event of Default hereunder, or if such is not the case, setting forth with reasonable particulars any steps taken or proposed to be taken to remedy such Event of Default.

5.8 Performance of Covenants of Debenture Trustee

If Friday Night shall fail to perform any of its covenants contained in this Indenture, the Debenture Trustee may notify the Debentureholders of such failure on the part of Friday Night or may itself perform any of the covenants capable of being performed by it, but shall be under no obligation to do so or to notify the Debentureholders. All sums so expended or advanced by the Debenture Trustee shall be repayable as provided in Section 5.3. No such performance, expenditure or advance by the Debenture Trustee shall be deemed to relieve Friday Night of any default hereunder.

5.9 Covenant to Notify Debenture Trustee of Change of Name

Friday Night shall not change its name without giving at least ten (10) days' prior notice to the Debenture Trustee of the new name and the date upon which such change of name is to take effect and, within five (5) Business Days of the change of name, Friday Night shall provide the Debenture Trustee with (a) a notarial or certified copy of the articles of amendment effecting the change of name, and (b) an opinion from legal counsel satisfactory to the Debenture Trustee as to the correct name of Friday Night and confirming that all appropriate registrations, filings or recordings have been made to ensure the continued validity and enforceability of this Indenture and the Debentures.

5.10 Securities Exchange Commission Certification.

The Corporation confirms that as at the date of execution of this Indenture it does not have a class of securities registered pursuant to Section 12 of the U.S. Securities and Exchange Act of 1934, as amended (the “**1934 Act**”), or have a reporting obligation pursuant to Section 15(d) of the 1934 Act.

The Corporation covenants that in the event that (i) any class of its securities shall become registered pursuant to Section 12 of the 1934 Act or the Corporation shall incur a reporting obligation pursuant to Section 15(d) of the 1934 Act, or (ii) any such registration or reporting obligation shall be terminated by the Corporation in accordance with the 1934 Act, the Corporation shall promptly deliver to the Debenture Trustee an officers’ certificate (in a form provided by the Debenture Trustee notifying the Debenture Trustee of such registration or termination and such other information as the Debenture Trustee may reasonably require at the time). The Corporation acknowledges that the Debenture Trustee is relying upon the foregoing representation and covenant in order to meet certain United States Securities and Exchange Commission (the “**SEC**”) obligations with respect to those clients who are filing with the SEC.

ARTICLE 6 DEFAULT

6.1 Events of Default

Each of the following events constitutes, and is herein sometimes referred to as, an **Event of Default**:

- (a) failure to pay interest on the Debentures when due and such failure shall have continued for a period of 10 days;
- (b) failure to pay principal or premium, if any, on the Debentures when due, whether at maturity, upon being purchased, on redemption, by declaration or otherwise;
- (c) if a decree or order of a Court having jurisdiction is entered adjudging Friday Night a bankrupt or insolvent under the *Bankruptcy and Insolvency Act* (Canada) or any other bankruptcy, insolvency or analogous laws, or issuing sequestration or process of execution against, or against any substantial part of, the property of Friday Night, or appointing a receiver of, or of any substantial part of, the property of Friday Night or ordering the winding-up or liquidation of its affairs, and any such decree or order continues unstayed and in effect for a period of 60 days;
- (d) if Friday Night institutes proceedings to be adjudicated a bankrupt or insolvent, or consents to the institution of bankruptcy or insolvency proceedings against it under the *Bankruptcy and Insolvency Act* (Canada) or any other bankruptcy, insolvency or analogous laws, or consents to the filing of any such petition or to the appointment of a receiver of, or of any substantial part of, the property of Friday Night or makes a general assignment for the benefit of creditors, or admits in writing its inability to pay its debts generally as they become due;
- (e) if a resolution is passed for the winding-up or liquidation of Friday Night except in the course of carrying out or pursuant to a transaction in respect of which the conditions of Section 8.1 are duly observed and performed;
- (f) if, after the date of this Indenture, any proceedings with respect to Friday Night are taken with respect to a compromise or arrangement, with respect to creditors of Friday Night generally, under the applicable legislation of any jurisdiction including under the *Companies’ Creditors’ Arrangements Act*, or

- (g) default in performing or observing any material covenant, condition, agreement or obligation of Friday Night under this Agreement and the continuance of such default for thirty (30) days.

in each and every such event, the Debenture Trustee may, in its discretion, and shall, upon receipt of a request in writing signed by the holders of not less than 25% in principal amount of the Debentures then outstanding, subject to the provisions of Section 6.3, by notice in writing to Friday Night declare the principal of and interest on all Debentures then outstanding and all other monies outstanding hereunder to be due and payable and the same shall forthwith become immediately due and payable to the Debenture Trustee, and Friday Night shall forthwith pay to the Debenture Trustee for the benefit of the Debentureholders such principal, premium (if any), accrued and unpaid interest and interest on amounts in default on such Debentures and all other monies outstanding hereunder, together with subsequent interest at the rate borne by the Debentures on such principal, interest and such other monies from the date of such declaration until payment is received by the Debenture Trustee, such subsequent interest to be payable at the times and places and in the monies mentioned in and according to the tenor of the Debentures. Such payment when made shall be deemed to have been made in discharge of Friday Night's obligations hereunder and any monies so received by the Debenture Trustee shall be applied in the manner provided in Section 6.6.

For greater certainty, for the purposes of this Section 6.1, a series of Debentures shall be in default in respect of an Event of Default if such Event of Default relates to a default in the payment of principal, premium, if any, or interest on the Debentures of such series in which case references to Debentures in this Section 6.1 refer to Debentures of that particular series.

For purposes of this Article 6, where the Event of Default refers to an Event of Default with respect to a particular series of Debentures as described in this Section 6.1, then this Article 6 shall apply *mutatis mutandis* to the Debentures of such series and references in this Article 6 to the Debentures shall mean Debentures of the particular series and references to the Debentureholders shall refer to the Debentureholders of the particular series, as applicable.

6.2 Notice of Events of Default to Debentureholders

If an Event of Default shall occur and be continuing the Debenture Trustee shall, within 10 (ten) days after it receives written notice of the occurrence of such Event of Default, give notice of such Event of Default to the Debentureholders in the manner provided in Section 10.2, provided that notwithstanding the foregoing, unless the Debenture Trustee shall have been requested to do so by the holders of at least 25% of the principal amount of the Debentures then outstanding, the Debenture Trustee shall not be required to give such notice if the Debenture Trustee in good faith shall have determined that the withholding of such notice is in the best interests of the Debentureholders and shall have so advised Friday Night in writing.

6.3 Waiver of Default

Upon the occurrence of any Event of Default hereunder:

- (a) the Debentureholders shall have the power (in addition to the powers exercisable by Extraordinary Resolution as hereinafter provided) by requisition in writing by the holders of more than 50% of the principal amount of Debentures then outstanding, to instruct the Debenture Trustee to waive any Event of Default and to cancel any declaration made by the Debenture Trustee pursuant to Section 6.1 and the Debenture Trustee shall thereupon waive the Event of Default and cancel such declaration, or either, upon such terms and conditions as shall be prescribed in such requisition; provided that notwithstanding the foregoing if the Event of Default has occurred by reason of the non-observance or non-performance by Friday Night of any covenant applicable only to one or more series of Debentures, then the holders of more than 50% of the principal amount of the outstanding Debentures of that series shall be entitled to exercise the foregoing

power and the Debenture Trustee shall so act and it shall not be necessary to obtain a waiver from the holders of any other series of Debentures; and

- (b) the Debenture Trustee, so long as it has not become bound to declare the principal, premium (if any) and interest on the Debentures then outstanding to be due and payable, or to obtain or enforce payment of the same, shall have power to waive any Event of Default if, in the Debenture Trustee's opinion, the same shall have been cured or adequate satisfaction made therefor, and in such event to cancel any such declaration theretofore made by the Debenture Trustee in the exercise of its discretion, upon such terms and conditions as the Debenture Trustee may deem advisable.

No such act or omission either of the Debenture Trustee or of the Debentureholders shall extend to or be taken in any manner whatsoever to affect any subsequent Event of Default or the rights resulting therefrom.

6.4 Enforcement by the Debenture Trustee

Subject to the provisions of Section 6.3 and to the provisions of any Extraordinary Resolution that may be passed by the Debentureholders, if Friday Night shall fail to pay to the Debenture Trustee, forthwith after the same shall have been declared to be due and payable under Section 6.1, the principal of and premium (if any) and interest on all Debentures then outstanding, together with any other amounts due hereunder, the Debenture Trustee may in its discretion and shall upon receipt of a request in writing signed by the holders of not less than 25% in principal amount of the Debentures then outstanding and upon being funded and indemnified to its reasonable satisfaction against all costs, expenses and liabilities to be incurred, proceed in its name as trustee hereunder to obtain or enforce payment of such principal of and premium (if any) and interest on all the Debentures then outstanding together with any other amounts due hereunder by such proceedings authorized by this Indenture or by law or equity as the Debenture Trustee in such request shall have been directed to take, or if such request contains no such direction, or if the Debenture Trustee shall act without such request, then by such proceedings authorized by this Indenture or by suit at law or in equity as the Debenture Trustee shall deem expedient.

The Debenture Trustee shall be entitled and empowered, either in its own name or as Debenture Trustee of an express trust, or as attorney-in-fact for the holders of the Debentures, or in any one or more of such capacities, to file such proof of debt, amendment of proof of debt, claim, petition or other document as may be necessary or advisable in order to have the claims of the Debenture Trustee and of the holders of the Debentures allowed in any insolvency, bankruptcy, liquidation or other judicial proceedings relative to Friday Night or its creditors or relative to or affecting its property. The Debenture Trustee is hereby irrevocably appointed (and the successive respective holders of the Debentures by taking and holding the same shall be conclusively deemed to have so appointed the Debenture Trustee) the true and lawful attorney-in-fact of the respective holders of the Debentures with authority to make and file in the respective names of the holders of the Debentures or on behalf of the holders of the Debentures as a class, subject to deduction from any such claims of the amounts of any claims filed by any of the holders of the Debentures themselves, any proof of debt, amendment of proof of debt, claim, petition or other document in any such proceedings and to receive payment of any sums becoming distributable on account thereof, and to execute any such other papers and documents and to do and perform any and all such acts and things for and on behalf of such holders of the Debentures, as may be necessary or advisable in the opinion of the Debenture Trustee, in order to have the respective claims of the Debenture Trustee and of the holders of the Debentures against Friday Night or its property allowed in any such proceeding, and to receive payment of or on account of such claims; provided, however, that subject to Section 6.3, nothing contained in this Indenture shall be deemed to give to the Debenture Trustee, unless so authorized by Extraordinary Resolution, any right to accept or consent to any plan of reorganization or otherwise by action of any character in such proceeding to waive or change in any way any right of any Debentureholder.

The Debenture Trustee shall also have the power at any time and from time to time to institute and to maintain such suits and proceedings as it may be advised shall be necessary or advisable to preserve and protect its interests and the interests of the Debentureholders.

All rights of action hereunder may be enforced by the Debenture Trustee without the possession of any of the Debentures or the production thereof on the trial or other proceedings relating thereto. Any such suit or proceeding instituted by the Debenture Trustee shall be brought in the name of the Debenture Trustee as trustee of an express trust, and any recovery of judgment shall be for the rateable benefit of the holders of the Debentures subject to the provisions of this Indenture. In any proceeding brought by the Debenture Trustee (and also any proceeding in which a declaratory judgment of a court may be sought as to the interpretation or construction of any provision of this Indenture, to which the Debenture Trustee shall be a party) the Debenture Trustee shall be held to represent all the holders of the Debentures, and it shall not be necessary to make any holders of the Debentures parties to any such proceeding.

6.5 No Suits by Debentureholders

No holder of any Debenture shall have any right to institute any action, suit or proceeding at law or in equity for the purpose of enforcing payment of the principal of or interest on the Debentures or for the execution of any trust or power hereunder or for the appointment of a liquidator or receiver or for a receiving order under the *Bankruptcy and Insolvency Act* (Canada) or to have Friday Night wound up or to file or prove a claim in any liquidation or bankruptcy proceeding or for any other remedy hereunder, unless: (a) such holder shall previously have given to the Debenture Trustee written notice of the happening of an Event of Default hereunder; and (b) the Debentureholders by Extraordinary Resolution or by written instrument signed by the holders of at least 25% in principal amount of the Debentures then outstanding shall have made a request to the Debenture Trustee and the Debenture Trustee shall have been afforded reasonable opportunity either itself to proceed to exercise the powers hereinbefore granted or to institute an action, suit or proceeding in its name for such purpose; and (c) the Debentureholders or any of them shall have furnished to the Debenture Trustee, when so requested by the Debenture Trustee, sufficient funds and security and indemnity satisfactory to it against the costs, expenses and liabilities to be incurred therein or thereby; and (d) the Debenture Trustee shall have failed to act within a reasonable time after such notification, request and offer of indemnity and such notification, request and offer of indemnity are hereby declared in every such case, at the option of the Debenture Trustee, to be conditions precedent to any such proceeding or for any other remedy hereunder by or on behalf of any Debentureholder.

6.6 Application of Monies by Debenture Trustee

- (a) Except as herein otherwise expressly provided, any monies received by the Debenture Trustee from Friday Night pursuant to the foregoing provisions of this Article 6, or as a result of legal or other proceedings or from any trustee in bankruptcy or liquidator of Friday Night, shall be applied, together with any other monies in the hands of the Debenture Trustee available for such purpose, as follows:
 - (i) first, in payment or in reimbursement to the Debenture Trustee of its compensation, costs, charges, expenses, borrowings, advances or other monies furnished or provided by or at the instance of the Debenture Trustee in or about the execution of its trusts under, or otherwise in relation to, this Indenture, with interest thereon as herein provided;
 - (ii) second, but subject as hereinafter in this Section 6.6 provided, in payment, rateably and proportionately to the holders of Debentures, of the principal of and premium (if any) and accrued and unpaid interest and interest on amounts in default on the Debentures which shall then be outstanding in the priority of principal first and then premium and then accrued and unpaid interest and interest on amounts in default unless otherwise directed by Extraordinary

Resolution and in that case in such order or priority as between principal, premium (if any) and interest as may be directed by such resolution; and

- (iii) third, in payment of the surplus, if any, of such monies to Friday Night or its assigns;

provided, however, that no payment shall be made pursuant to clause (ii) above in respect of the principal, premium or interest on any Debenture held, directly or indirectly, by or for the benefit of Friday Night or any Subsidiary (other than any Debenture pledged for value and in good faith to a person other than Friday Night or any Subsidiary but only to the extent of such person's interest therein) except subject to the prior payment in full of the principal, premium (if any) and interest (if any) on all Debentures which are not so held.

- (b) The Debenture Trustee shall not be bound to apply or make any partial or interim payment of any monies coming into its hands if the amount so received by it, after reserving thereout such amount as the Debenture Trustee may think necessary to provide for the payments mentioned in Section 6.6(a), is insufficient to make a distribution of at least 2% of the aggregate principal amount of the outstanding Debentures, but it may retain the money so received by it and invest or deposit the same as provided in Section 11.9 until the money or the investments representing the same, with the income derived therefrom, together with any other monies for the time being under its control shall be sufficient for the said purpose or until it shall consider it advisable to apply the same in the manner hereinbefore set forth. The foregoing shall, however, not apply to a final payment in distribution hereunder.

6.7 Notice of Payment by Debenture Trustee

Not less than 15 days' notice shall be given in the manner provided in Section 10.2 by the Debenture Trustee to the Debentureholders of any payment to be made under this Article 6. Such notice shall state the time when and place where such payment is to be made and also the liability under this Indenture to which it is to be applied. After the day so fixed, unless payment shall have been duly demanded and have been refused, the Debentureholders will be entitled to interest only on the balance (if any) of the principal monies, premium (if any) and interest due (if any) to them, respectively, on the Debentures, after deduction of the respective amounts payable in respect thereof on the day so fixed.

6.8 Debenture Trustee May Demand Production of Debentures

The Debenture Trustee shall have the right to demand production of the Debentures in respect of which any payment of principal, interest or premium required by this Article 6 is made and may cause to be endorsed on the same a memorandum of the amount so paid and the date of payment, but the Debenture Trustee may, in its discretion, dispense with such production and endorsement, upon such indemnity being given to it and to Friday Night as the Debenture Trustee shall deem sufficient.

6.9 Remedies Cumulative

No remedy herein conferred upon or reserved to the Debenture Trustee, or upon or to the holders of Debentures is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now existing or hereafter to exist by law or by statute.

6.10 Judgment Against Friday Night

Friday Night covenants and agrees with the Debenture Trustee that, in case of any judicial or other proceedings to enforce the rights of the Debentureholders, judgment may be rendered against it in favour

of the Debentureholders or in favour of the Debenture Trustee, as trustee for the Debentureholders, for any amount which may remain due in respect of the Debentures and premium (if any) and the interest thereon and any other monies owing hereunder.

6.11 Immunity of Debenture Trustee and Others

The Debentureholders and the Debenture Trustee hereby waive and release any right, cause of action or remedy now or hereafter existing in any jurisdiction against any past, present or future officer or director of Friday Night for the payment of the principal of or premium or interest on any of the Debentures or on any covenant, agreement, representation or warranty by Friday Night contained herein or in the Debentures.

ARTICLE 7 SATISFACTION AND DISCHARGE

7.1 Cancellation and Destruction

All Debentures shall forthwith after payment thereof be delivered to the Debenture Trustee and cancelled by it. All Debentures cancelled or required to be cancelled under this or any other provision of this Indenture shall be destroyed by the Debenture Trustee and, if required by Friday Night, the Debenture Trustee shall furnish to it a destruction certificate setting out the designating numbers of the Debentures so destroyed.

7.2 Non-Presentation of Debentures

In case any Debentureholder shall fail to present the same for payment on the date on which the principal, premium (if any) or the interest thereon or represented thereby becomes payable either at maturity or otherwise or shall not accept payment on account thereof and give such receipt therefor, if any, as the Debenture Trustee may require:

- (a) Friday Night shall be entitled to pay or deliver to the Debenture Trustee and direct it to set aside; or
- (b) in respect of monies or Common Shares in the hands of the Debenture Trustee which may or should be applied to the payment of the Debentures, Friday Night shall be entitled to direct the Debenture Trustee to set aside; or
- (c) if the redemption was pursuant to notice given by the Debenture Trustee, the Debenture Trustee may itself set aside;

the principal, premium (if any) or the interest, as the case may be, in trust to be paid to the holder of such Debenture upon due presentation or surrender thereof in accordance with the provisions of this Indenture; and thereupon the principal, premium (if any) or the interest payable on or represented by each Debenture in respect whereof such monies or Common Shares, if applicable, have been set aside shall be deemed to have been paid and the holder thereof shall thereafter have no right in respect thereof except that of receiving delivery and payment of the monies or Common Shares, if applicable, so set aside by the Debenture Trustee upon due presentation and surrender thereof, subject always to the provisions of Section 7.3.

7.3 Repayment of Unclaimed Monies or Common Shares

Subject to applicable law, any monies or Common Shares, if applicable, set aside under Section 7.2 and not claimed by and paid to Debentureholders as provided in Section 7.2 within six years after the date of such setting aside shall be repaid and delivered to Friday Night by the Debenture Trustee and thereupon the Debenture Trustee shall be released from all further liability with respect to such monies or Common

Shares, if applicable, and thereafter the holders of the Debentures in respect of which such monies or Common Shares, if applicable, were so repaid to Friday Night shall have no rights in respect thereof except to obtain payment and delivery of the monies or Common Shares, if applicable, from Friday Night subject to any limitation provided by the laws of the Province of British Columbia.

7.4 Discharge

The Debenture Trustee shall at the written request of Friday Night release and discharge this Indenture and execute and deliver such instruments as it shall be advised by Counsel are requisite for that purpose and to release Friday Night from its covenants herein contained (other than the provisions relating to the indemnification of the Debenture Trustee), upon proof being given to the reasonable satisfaction of the Debenture Trustee that the principal and premium (if any) of and interest (including interest on amounts in default, if any), on all the Debentures and all other monies payable hereunder have been paid or satisfied or that all the Debentures having matured or having been duly called for redemption, payment of the principal of and interest (including interest on amounts in default, if any) on such Debentures and of all other monies payable hereunder has been duly and effectually provided for in accordance with the provisions hereof.

7.5 Satisfaction

- (a) Friday Night shall be deemed to have fully paid, satisfied and discharged all of the outstanding Debentures and the Debenture Trustee, at the expense of Friday Night, shall execute and deliver proper instruments acknowledging the full payment, satisfaction and discharge of such Debentures, when, with respect to all of the outstanding Debentures:
 - (i) Friday Night has deposited or caused to be deposited with the Debenture Trustee as trust funds or property in trust for the purpose of making payment on such Debentures, an amount in money sufficient to pay, satisfy and discharge the entire amount of principal, premium, if any, and interest, if any, to maturity or any repayment or purchase date or redemption dates, as the case may be, of such Debentures; or
 - (ii) Friday Night has deposited or caused to be deposited with the Debenture Trustee as property in trust for the purpose of making payment on such Debentures such amount in Canadian dollars of direct obligations of, or obligations the principal and interest of which are guaranteed by, the Government of Canada, as will, together with the income to accrue thereon and reinvestment thereof, be sufficient to pay and discharge the entire amount of principal and accrued and unpaid interest to maturity or any repayment date, as the case may be, of all such Debentures;

and in either event:

- (iii) Friday Night has paid, caused to be paid or made provisions to the satisfaction of the Debenture Trustee for the payment of all other sums payable with respect to all of such Debentures (together with all applicable expenses of the Debenture Trustee in connection with the payment of such Debentures); and
- (iv) Friday Night has delivered to the Debenture Trustee an Officer's Certificate stating that all conditions precedent herein provided relating to the payment, satisfaction and discharge of all such Debentures have been complied with.

Any deposits with the Debenture Trustee referred to in this Section 7.5 shall be irrevocable, subject to Section 7.6, and shall be made under the terms of an escrow and/or trust agreement in form and substance satisfactory to the Debenture Trustee and

which provides for the due and punctual payment of the principal of, and interest and premium, if any, on the Debentures being satisfied.

- (b) Upon the satisfaction of the conditions set forth in this Section 7.5 with respect to all the outstanding Debentures, the terms and conditions of the Debentures, including the terms and conditions with respect thereto set forth in this Indenture (other than those contained in Article 2, Article 3, Article 4, Article 7 and Section 6.4 and the provisions of Article 1 pertaining to the foregoing provisions) shall no longer be binding upon or applicable to Friday Night.
- (c) Any funds or obligations deposited with the Debenture Trustee pursuant to this Section 7.5 shall be denominated in the currency or denomination of the Debentures in respect of which such deposit is made.
- (d) If the Debenture Trustee is unable to apply any money or securities in accordance with this Section 7.5 by reason of any legal proceeding or any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, Friday Night's obligations under this Indenture and the affected Debentures shall be revived and reinstated as though no money or securities had been deposited pursuant to this Section 7.5 until such time as the Debenture Trustee is permitted to apply all such money or securities in accordance with this Section 7.5, provided that if Friday Night has made any payment in respect of principal, premium or interest on Debentures or, as applicable, other amounts because of the reinstatement of its obligations, Friday Night shall be subrogated to the rights of the holders of such Debentures to receive such payment from the money or securities held by the Debenture Trustee.

7.6 Continuation of Rights, Duties and Obligations

- (a) Where trust funds or trust property have been deposited pursuant to Section 7.5, the holders of Debentures and Friday Night shall continue to have and be subject to their respective rights, duties and obligations under Article 2 and Article 4 and the provisions of Article 1 pertaining to the foregoing provisions, as may be applicable.
- (b) In the event that, after the deposit of trust funds or trust property pursuant to Section 7.5 in respect of the Debentures (the **Defeased Debentures**), any holder of any of the Defeased Debentures from time to time converts its Debentures to Common Shares or other securities of Friday Night in accordance with Subsection 2.42.4(h), Article 4 or any other provision of this Indenture, the Debenture Trustee shall upon receipt of a Written Direction of Friday Night return to Friday Night from time to time the proportionate amount of the trust funds or other trust property deposited with the Debenture Trustee pursuant to Section 7.5 in respect of the Defeased Debentures which is applicable to the Defeased Debentures so converted (which amount shall be based on the applicable principal amount of the Defeased Debentures being converted in relation to the aggregate outstanding principal amount of all the Defeased Debentures).
- (c) In the event that, after the deposit of trust funds or trust property pursuant to Section 7.5, Friday Night is required to purchase any outstanding Debentures pursuant to Subsection 2.4(j) in relation to Initial Debentures, Friday Night shall be entitled to use any trust money or trust property deposited with the Debenture Trustee pursuant to Section 7.5 for the purpose of paying to any holders of Defeased Debentures who have exercised the Put Offer or accepted any such offer of Friday Night the Total Put Price payable to such holders in respect of such Put Offer in respect of Initial Debentures. Upon receipt of a Written Direction from Friday Night, the Debenture Trustee shall be entitled to pay to such holder from such trust money or trust property deposited with the Debenture Trustee pursuant to Section 7.5 in respect of the Defeased Debentures which is applicable to the Defeased Debentures held by such holders who have exercised the

Put Offer or accepted any such offer from Friday Night (which amount shall be based on the applicable principal amount of the Defeased Debentures held holders that exercise the Put Offer or accept any such offer in relation to the aggregate outstanding principal amount of all the Defeased Debentures).

ARTICLE 8 SUCCESSORS

8.1 Restrictions on Amalgamation, Merger and Sale of Certain Assets, etc.

Friday Night shall not enter into any transaction or series of transactions whereby all or substantially all of its undertaking, property or assets would become the property of any other Person (herein called a **Successor**) whether by way of reorganization, consolidation, amalgamation, arrangement, merger, transfer, sale or otherwise, unless:

- (a) prior to or contemporaneously with the consummation of such transaction Friday Night and the Successor shall have executed such instruments and done such things as, in the opinion of Counsel, are necessary or advisable to establish that upon the consummation of such transaction:
 - (i) the Successor will have assumed all the covenants and obligations of Friday Night under this Indenture in respect of the Debentures;
 - (ii) the Debentures will be valid and binding obligations of the Successor entitling the holders thereof, as against the Successor, to all the rights of Debentureholders under this Indenture; and
 - (iii) in the case of an entity organized otherwise than under the laws of the Province of British Columbia, shall attorn to the jurisdiction of the courts of the Province of British Columbia;
- (b) such transaction, in the opinion of Counsel, shall be on such terms as to substantially preserve and not impair any of the rights and powers of the Debenture Trustee or of the Debentureholders hereunder; and
- (c) no condition or event shall exist as to Friday Night (at the time of such transaction) or the Successor (immediately after such transaction) and after giving full effect thereto or immediately after the Successor shall become liable to pay the principal monies, premium, if any, interest and other monies due or which may become due hereunder, which constitutes or would constitute an Event of Default hereunder.

8.2 Vesting of Powers in Successor

Whenever the conditions of Section 8.1 shall have been duly observed and performed, any Successor formed by or resulting from such transaction shall succeed to, and be substituted for, and may exercise every right and power of Friday Night under this Indenture with the same effect as though the Successor had been named as Friday Night herein and thereafter, except in the case of a lease or other similar disposition of property to the Successor, Friday Night shall be relieved of all obligations and covenants under this Indenture and the Debentures. The Debenture Trustee will, at the expense of the Successor, execute any documents which it may be advised by Counsel are necessary or advisable for effecting or evidencing such release and discharge.

**ARTICLE 9
MEETINGS OF DEBENTUREHOLDERS**

9.1 Right to Convene Meeting

The Debenture Trustee or Friday Night may at any time and from time to time, and the Debenture Trustee shall, on receipt of a written request of Friday Night or a written request signed by the holders of not less than 25% of the principal amount of the Debentures then outstanding and upon receiving funding and being indemnified to its reasonable satisfaction by Friday Night or by the Debentureholders signing such request against the costs which may be incurred in connection with the calling and holding of such meeting, convene a meeting of the Debentureholders. In the event of the Debenture Trustee failing, within 30 days after receipt of any such request and such funding of indemnity, to give notice convening a meeting, Friday Night or such Debentureholders, as the case may be, may convene such meeting. Every such meeting shall be held in Vancouver, British Columbia or at such other place as may be approved or determined by the Debenture Trustee.

9.2 Notice of Meetings

- (a) At least 21 days' notice of any meeting shall be given to the Debentureholders in the manner provided in Section 10.2 and a copy of such notice shall be sent by post to the Debenture Trustee, unless the meeting has been called by it. Such notice shall state the time when and the place where the meeting is to be held and shall state briefly the general nature of the business to be transacted thereat and it shall not be necessary for any such notice to set out the terms of any resolution to be proposed or any of the provisions of this Article. The accidental omission to give notice of a meeting to any Debentureholder shall not invalidate any resolution passed at any such meeting. A holder may waive notice of a meeting either before or after the meeting.
- (b) If the business to be transacted at any meeting by Extraordinary Resolution or otherwise, or any action to be taken or power exercised by instrument in writing under Section 9.15, especially affects the rights of holders of Debentures of one or more series in a manner or to an extent differing in any material way from that in or to which the rights of holders of Debentures of any other series are affected (determined as provided in Sections 9.2(c) and 9.2(d)), then:
 - (i) a reference to such fact, indicating each series of Debentures in the opinion of the Debenture Trustee so especially affected (hereinafter referred to as the **especially affected series**) shall be made in the notice of such meeting, and in any such case the meeting shall be and be deemed to be and is herein referred to as a **Serial Meeting**; and
 - (ii) the holders of Debentures of an especially affected series shall not be bound by any action taken at a Serial Meeting or by instrument in writing under Section 9.15 unless in addition to compliance with the other provisions of this Article 12:
 - (A) at such Serial Meeting: (I) there are Debentureholders present in person or by proxy and representing at least 25% in principal amount of the Debentures then outstanding of such series, subject to the provisions of this Article 12 as to quorum at adjourned meetings; and (II) the resolution is passed by the affirmative vote of the holders of more than 50% (or in the case of an Extraordinary Resolution not less than 66 2/3%) of the principal amount of the Debentures of such series then outstanding voted on the resolution; or

- (B) in the case of action taken or power exercised by instrument in writing under Section 9.15, such instrument is signed in one or more counterparts by the holders of not less than 66 2/3% in principal amount of the Debentures of such series then outstanding.
- (c) Subject to Section 9.2(d), the determination as to whether any business to be transacted at a meeting of Debentureholders, or any action to be taken or power to be exercised by instrument in writing under Section 9.15, especially affects the rights of the Debentureholders of one or more series in a manner or to an extent differing in any material way from that in or to which it affects the rights of Debentureholders of any other series (and is therefore an especially affected series) shall be determined by an opinion of Counsel, which shall be binding on all Debentureholders, the Debenture Trustee and Friday Night for all purposes hereof.
- (d) A proposal:
 - (i) to extend the maturity of Debentures of any particular series or to reduce the principal amount thereof, the rate of interest or redemption premium thereon or to impair any conversion right thereof;
 - (ii) to modify or terminate any covenant or agreement which by its terms is effective only so long as Debentures of a particular series are outstanding; or
 - (iii) to reduce with respect to Debentureholders of any particular series any percentage stated in this Section 9.2 or Sections 9.4, 9.12 and 9.15;

shall be deemed to especially affect the rights of the Debentureholders of such series in a manner differing in a material way from that in which it affects the rights of holders of Debentures of any other series, whether or not a similar extension, reduction, modification or termination is proposed with respect to Debentures of any or all other series.

9.3 Chairman

Some person, who need not be a Debentureholder, nominated in writing by the Debenture Trustee shall be chairman of the meeting and if no person is so nominated, or if the person so nominated is not present within 15 minutes from the time fixed for the holding of the meeting, a majority of the Debentureholders present in person or by proxy shall choose some person present to be chairman.

9.4 Quorum

Subject to the provisions of Section 9.12, at any meeting of the Debentureholders a quorum shall consist of Debentureholders present in person or by proxy and representing at least 25% in principal amount of the outstanding Debentures, and, if the meeting is a Serial Meeting, at least 25% of the Debentures then outstanding of each especially affected series. If a quorum of the Debentureholders shall not be present within 30 minutes from the time fixed for holding any meeting, the meeting, if summoned by the Debentureholders or pursuant to a request of the Debentureholders, shall be dissolved, but in any other case the meeting shall be adjourned to the same day in the next week (unless such day is not a Business Day in which case it shall be adjourned to the next following Business Day thereafter) at the same time and place and no notice shall be required to be given in respect of such adjourned meeting. At the adjourned meeting, the Debentureholders present in person or by proxy shall, subject to the provisions of Section 9.12, constitute a quorum and may transact the business for which the meeting was originally convened notwithstanding that they may not represent 25% of the principal amount of the outstanding Debentures or of the Debentures then outstanding of each especially affected series. Any business may be brought before or dealt with at an adjourned meeting which might have been brought before or dealt

with at the original meeting in accordance with the notice calling the same. No business shall be transacted at any meeting unless the required quorum be present at the commencement of business.

9.5 Power to Adjourn

The chairman of any meeting at which a quorum of the Debentureholders is present may, with the consent of the holders of a majority in principal amount of the Debentures represented thereat, adjourn any such meeting and no notice of such adjournment need be given except such notice, if any, as the meeting may prescribe.

9.6 Show of Hands

Every question submitted to a meeting shall, subject to Section 9.7, be decided in the first place by a majority of the votes given on a show of hands except that votes on Extraordinary Resolutions shall be given in the manner hereinafter provided. At any such meeting, unless a poll is duly demanded as herein provided, a declaration by the chairman that a resolution has been carried or carried unanimously or by a particular majority or lost or not carried by a particular majority shall be conclusive evidence of the fact. The chairman of any meeting shall be entitled, both on a show of hands and on a poll, to vote in respect of the Debentures, if any, held by him.

9.7 Poll

On every Extraordinary Resolution, and on any other question submitted to a meeting when demanded by the chairman or by one or more Debentureholders or proxies for Debentureholders, a poll shall be taken in such manner and either at once or after an adjournment as the chairman shall direct. Questions other than Extraordinary Resolutions shall, if a poll be taken, be decided by the votes of the holders of a majority in principal amount of the Debentures represented at the meeting and voted on the poll.

9.8 Voting

On a show of hands every person who is present and entitled to vote, whether as a Debentureholder or as proxy for one or more Debentureholders or both, shall have one vote. On a poll each Debentureholder present in person or represented by a proxy duly appointed by an instrument in writing shall be entitled to one vote in respect of each \$1.00 principal amount of Debentures of which he shall then be the holder. In the case of any Debenture denominated in a currency or currency unit other than Canadian dollars, the principal amount thereof for these purposes shall be computed in Canadian dollars on the basis of the conversion of the principal amount thereof at the applicable spot buying rate of exchange for such other currency or currency unit as reported by the Bank of Canada at the close of business on the Business Day next preceding the meeting. Any fractional amounts resulting from such conversion shall be rounded to the nearest \$100. A proxy need not be a Debentureholder. In the case of joint holders of a Debenture, any one of them present in person or by proxy at the meeting may vote in the absence of the other or others but in case more than one of them be present in person or by proxy, they shall vote together in respect of the Debentures of which they are joint holders.

9.9 Proxies

A Debentureholder may be present and vote at any meeting of Debentureholders by an authorized representative. Friday Night (in case it convenes the meeting) or the Debenture Trustee (in any other case) for the purpose of enabling the Debentureholders to be present and vote at any meeting without producing their Debentures, and of enabling them to be present and vote at any such meeting by proxy and of lodging instruments appointing such proxies at some place other than the place where the meeting is to be held, may from time to time make and vary such regulations as it shall think fit providing for and governing any or all of the following matters:

- (a) the form of the instrument appointing a proxy, which shall be in writing, and the manner in which the same shall be executed and the production of the authority of any person signing on behalf of a Debentureholder;
- (b) the deposit of instruments appointing proxies at such place as the Debenture Trustee, Friday Night or the Debentureholder convening the meeting, as the case may be, may, in the notice convening the meeting, direct and the time, if any, before the holding of the meeting or any adjournment thereof by which the same must be deposited; and
- (c) the deposit of instruments appointing proxies at some approved place or places other than the place at which the meeting is to be held and enabling particulars of such instruments appointing proxies to be mailed, faxed, or sent by other electronic means before the meeting to Friday Night or to the Debenture Trustee at the place where the same is to be held and for the voting of proxies so deposited as though the instruments themselves were produced at the meeting.

Any regulations so made shall be binding and effective and the votes given in accordance therewith shall be valid and shall be counted. Save as such regulations may provide, the only persons who shall be recognized at any meeting as Debentureholders, or as entitled to vote or be present at the meeting in respect thereof, shall be Debentureholders and persons whom Debentureholders have by instrument in writing duly appointed as their proxies.

9.10 Persons Entitled to Attend Meetings

Friday Night and the Debenture Trustee, by their respective trustees, officers and directors, the auditors of Friday Night and the legal advisers of Friday Night, the Debenture Trustee or any Debentureholder may attend any meeting of the Debentureholders, but shall have no vote as such.

9.11 Powers Exercisable by Extraordinary Resolution

In addition to the powers conferred upon them by any other provisions of this Indenture or by law, a meeting of the Debentureholders shall have the following powers exercisable from time to time by Extraordinary Resolution:

- (a) power to authorize the Debenture Trustee to grant extensions of time for payment of any principal, premium or interest on the Debentures, whether or not the principal, premium, or interest, the payment of which is extended, is at the time due or overdue;
- (b) power to sanction any modification, abrogation, alteration, compromise or arrangement of the rights of the Debentureholders or the Debenture Trustee against Friday Night, or against its property, whether such rights arise under this Indenture or the Debentures or otherwise;
- (c) power to assent to any modification of or change in or addition to or omission from the provisions contained in this Indenture or any Debenture which shall be agreed to by Friday Night and to authorize the Debenture Trustee to concur in and execute any indenture supplemental hereto embodying any modification, change, addition or omission;
- (d) power to sanction any scheme for the reconstruction, reorganization or recapitalization of Friday Night or for the consolidation, amalgamation or merger of Friday Night with any other Person or for the sale, leasing, transfer or other disposition of all or substantially all of the undertaking, property and assets of Friday Night or any part thereof, provided that no such sanction shall be necessary in respect of any such transaction if the provisions of Section 8.1 shall have been complied with;

- (e) power to direct or authorize the Debenture Trustee to exercise any power, right, remedy or authority given to it by this Indenture in any manner specified in any such Extraordinary Resolution or to refrain from exercising any such power, right, remedy or authority;
- (f) power to waive, and direct the Debenture Trustee to waive, any default hereunder and/or cancel any declaration made by the Debenture Trustee pursuant to Section 6.1 either unconditionally or upon any condition specified in such Extraordinary Resolution;
- (g) power to restrain any Debentureholder from taking or instituting any suit, action or proceeding for the purpose of enforcing payment of the principal, premium or interest on the Debentures, or for the execution of any trust or power hereunder;
- (h) power to direct any Debentureholder who, as such, has brought any action, suit or proceeding to stay or discontinue or otherwise deal with the same upon payment, if the taking of such suit, action or proceeding shall have been permitted by Section 6.5, of the costs, charges and expenses reasonably and properly incurred by such Debentureholder in connection therewith;
- (i) power to assent to any compromise or arrangement with any creditor or creditors or any class or classes of creditors, whether secured or otherwise, and with holders of any shares or other securities of Friday Night;
- (j) power to appoint a committee with power and authority (subject to such limitations, if any, as may be prescribed in the resolution) to exercise, and to direct the Debenture Trustee to exercise, on behalf of the Debentureholders, such of the powers of the Debentureholders as are exercisable by Extraordinary Resolution or other resolution as shall be included in the resolution appointing the committee. The resolution making such appointment may provide for payment of the expenses and disbursements of and compensation to such committee. Such committee shall consist of such number of persons as shall be prescribed in the resolution appointing it and the members need not be themselves Debentureholders. Every such committee may elect its chairman and may make regulations respecting its quorum, the calling of its meetings, the filling of vacancies occurring in its number and its procedure generally. Such regulations may provide that the committee may act at a meeting at which a quorum is present or may act by minutes signed by the number of members thereof necessary to constitute a quorum. All acts of any such committee within the authority delegated to it shall be binding upon all Debentureholders. Neither the committee nor any member thereof shall be liable for any loss arising from or in connection with any action taken or omitted to be taken by them in good faith;
- (k) power to remove the Debenture Trustee from office and to appoint a new Debenture Trustee or Debenture Trustees provided that no such removal shall be effective unless and until a new Debenture Trustee or Debenture Trustees shall have become bound by this Indenture;
- (l) power to sanction the exchange of the Debentures for or the conversion thereof into shares, bonds, debentures or other securities or obligations of Friday Night or of any other Person formed or to be formed;
- (m) power to authorize the distribution in specie of any shares or securities received pursuant to a transaction authorized under the provisions of Section 9.11(l); and

- (n) power to amend, alter or repeal any Extraordinary Resolution previously passed or sanctioned by the Debentureholders or by any committee appointed pursuant to Section 9.11(j).

9.12 Meaning of Extraordinary Resolution

- (a) The expression **Extraordinary Resolution** when used in this Indenture means, subject as hereinafter in this Article provided, a resolution proposed to be passed as an Extraordinary Resolution at a meeting of Debentureholders (including an adjourned meeting) duly convened for the purpose and held in accordance with the provisions of this Article at which the holders of not less than 25% of the principal amount of the Debentures then outstanding, and if the meeting is a Serial Meeting, at which holders of not less than 25% of the principal amount of the Debentures then outstanding of each especially affected series, are present in person or by proxy and passed by the favourable votes of the holders of not less than 66 2/3% of the principal amount of the Debentures, and if the meeting is a Serial Meeting by the affirmative vote of the holders of not less than 66 2/3% of each especially affected series, in each case present or represented by proxy at the meeting and voted upon on a poll on such resolution.
- (b) If, at any such meeting, the holders of not less than 25% of the principal amount of the Debentures then outstanding and, if the meeting is a Serial Meeting, 25% of the principal amount of the Debentures then outstanding of each especially affected series, in each case are not present in person or by proxy within 30 minutes after the time appointed for the meeting, then the meeting, if convened by or on the requisition of Debentureholders, shall be dissolved but in any other case it shall stand adjourned to such date, being not less than 14 nor more than 60 days later, and to such place and time as may be appointed by the chairman. Not less than 10 days notice shall be given of the time and place of such adjourned meeting in the manner provided in Section 10.2. Such notice shall state that at the adjourned meeting the Debentureholders present in person or by proxy shall form a quorum. At the adjourned meeting the Debentureholders present in person or by proxy shall form a quorum and may transact the business for which the meeting was originally convened and a resolution proposed at such adjourned meeting and passed thereat by the affirmative vote of holders of not less than 66 2/3% of the principal amount of the Debentures and, if the meeting is a Serial Meeting, by the affirmative vote of the holders of not less than 66 2/3% of the principal amount of the Debentures of each especially affected series, in each case present or represented by proxy at the meeting and voted upon on a poll shall be an Extraordinary Resolution within the meaning of this Indenture, notwithstanding that the holders of not less than 25% in principal amount of the Debentures then outstanding, and if the meeting is a Serial Meeting, holders of not less than 25% of the principal amount of the Debentures then outstanding of each especially affected series, are not present in person or by proxy at such adjourned meeting.
- (c) Votes on an Extraordinary Resolution shall always be given on a poll and no demand for a poll on an Extraordinary Resolution shall be necessary.

9.13 Powers Cumulative

Any one or more of the powers in this Indenture stated to be exercisable by the Debentureholders by Extraordinary Resolution or otherwise may be exercised from time to time and the exercise of any one or more of such powers from time to time shall not be deemed to exhaust the rights of the Debentureholders to exercise the same or any other such power or powers thereafter from time to time.

9.14 Minutes

Minutes of all resolutions and proceedings at every meeting as aforesaid shall be made and duly entered in books to be from time to time provided for that purpose by the Debenture Trustee at the expense of Friday Night, and any such minutes as aforesaid, if signed by the chairman of the meeting at which such resolutions were passed or proceedings had, or by the chairman of the next succeeding meeting of the Debentureholders, shall be *prima facie* evidence of the matters therein stated and, until the contrary is proved, every such meeting, in respect of the proceedings of which minutes shall have been made, shall be deemed to have been duly held and convened, and all resolutions passed thereat or proceedings taken thereat to have been duly passed and taken.

9.15 Instruments in Writing

All actions which may be taken and all powers that may be exercised by the Debentureholders at a meeting held as hereinbefore in this Article provided may also be taken and exercised by the holders of 66 2/3% of the principal amount of all the outstanding Debentures, and, if the meeting at which such actions might be taken would be a Serial Meeting, by the holders of 66 2/3% of the principal amount of the Debentures then outstanding of each especially affected series, by an instrument in writing signed in one or more counterparts and the expression **Extraordinary Resolution** when used in this Indenture shall include an instrument so signed.

9.16 Binding Effect of Resolutions

Every resolution and every Extraordinary Resolution passed in accordance with the provisions of this Article shall be binding upon all the Debentureholders, whether present at or absent from the meeting at which it was passed (if applicable), and every instrument in writing signed by Debentureholders in accordance with Section 9.15 shall be binding upon all the Debentureholders, whether signatories thereto or not, and each and every Debentureholder and the Debenture Trustee (subject to the provisions for its indemnity herein contained) shall be bound to give effect accordingly to every such resolution, Extraordinary Resolution and instrument in writing.

9.17 Evidence of Rights Of Debentureholders

- (a) Any request, direction, notice, consent or other instrument which this Indenture may require or permit to be signed or executed by the Debentureholders may be in any number of concurrent instruments of similar tenor signed or executed by such Debentureholders.
- (b) The Debenture Trustee may, in its discretion, require proof of execution in cases where it deems proof desirable and may accept such proof as it shall consider proper.

9.18 Concerning Serial Meetings

If in the opinion of Counsel any business to be transacted at any meeting, or any action to be taken or power to be exercised by instrument in writing under Section 9.15, does not adversely affect the rights of the holders of Debentures of one or more series, the provisions of this Article 9 shall apply as if the Debentures of such series were not outstanding and no notice of any such meeting need be given to the holders of Debentures of such series. Without limiting the generality of the foregoing, a proposal to modify or terminate any covenant or agreement which is effective only so long as Debentures of a particular series are outstanding shall be deemed not to adversely affect the rights of the holders of Debentures of any other series.

ARTICLE 10 NOTICES

10.1 Notice to Friday Night

Any notice to Friday Night under the provisions of this Indenture shall be valid and effective if delivered to Friday Night at: 105-45655 Tamihi Way, Chilliwack, British Columbia, V2R 2M3, Attention: Brayden Sutton, Chief Executive Officer, and a copy delivered to [redacted – alternate address], or if given by registered letter, postage prepaid, to such offices and so addressed and if mailed, shall be deemed to have been effectively given three days following the mailing thereof and if sent via courier, shall be deemed to have been effectively given two days following the sending thereof. Friday Night may from time to time notify the Debenture Trustee in writing of a change of address which thereafter, until changed by like notice, shall be the address of Friday Night for all purposes of this Indenture.

If by reason of any interruption of mail service, actual or threatened, any notice to be given to Friday Night would reasonably be unlikely to reach its destination by the time notice by mail is deemed to have been given pursuant to this Section 10.1, such notice shall be valid and effective only if delivered at the appropriate address in accordance with this Section 10.1.

10.2 Notice to Debentureholders

All notices to be given hereunder with respect to the Debentures shall be deemed to be validly given to the holders thereof if sent by first class mail, postage prepaid, by letter or circular addressed to such holders at their post office addresses appearing in any of the registers hereinbefore mentioned and shall be deemed to have been effectively given three days following the day of mailing and if sent via courier, shall be deemed to have been effectively given two days following the sending thereof. Accidental error or omission in giving notice or accidental failure to mail notice to any Debentureholder or the inability of Friday Night to give or mail any notice due to anything beyond the reasonable control of Friday Night shall not invalidate any action or proceeding founded thereon.

If any notice given in accordance with the foregoing paragraph would be unlikely to reach the Debentureholders to whom it is addressed in the ordinary course of post by reason of an interruption in mail service, whether at the place of dispatch or receipt or both, such notice shall be valid and effective only if delivered at the appropriate address in accordance with Section 10.2.

All notices with respect to any Debenture may be given to whichever one of the holders thereof (if more than one) is named first in the registers hereinbefore mentioned, and any notice so given shall be sufficient notice to all holders of any persons interested in such Debenture.

10.3 Notice to Debenture Trustee

Any notice to the Debenture Trustee under the provisions of this Indenture shall be valid and effective if delivered to the Debenture Trustee at its principal office in the City of Vancouver, at Suite 835-409 Granville Street, Vancouver, British Columbia, V6C 1T2 Attention: Manager, Corporate Trust or if given by registered letter, postage prepaid, to such office and so addressed and, if mailed, shall be deemed to have been effectively given three days following the mailing thereof and if sent via courier, shall be deemed to have been effectively given two days following the sending thereof.

10.4 Mail Service Interruption

If by reason of any interruption of mail service, actual or threatened, any notice to be given to the Debenture Trustee would reasonably be unlikely to reach its destination by the time notice by mail is deemed to have been given pursuant to Section 10.3 such notice shall be valid and effective only if delivered at the appropriate address in accordance with Section 10.3.

**ARTICLE 11
CONCERNING THE DEBENTURE TRUSTEE**

11.1 No Conflict of Interest

The Debenture Trustee represents to Friday Night that at the date of execution and delivery by it of this Indenture there exists no material conflict of interest in the role of the Debenture Trustee as a fiduciary hereunder but if, notwithstanding the provisions of this Section 11.1, such a material conflict of interest exists, or hereafter arises, the validity and enforceability of this Indenture, and the Debentures issued hereunder, shall not be affected in any manner whatsoever by reason only that such material conflict of interest exists or arises but the Debenture Trustee shall, within 30 days after ascertaining that it has a material conflict of interest, either eliminate such material conflict of interest or resign in the manner and with the effect specified in Section 11.2.

11.2 Replacement of Debenture Trustee

The Debenture Trustee may resign its trust and be discharged from all further duties and liabilities hereunder by giving to Friday Night 90 days' notice in writing or such shorter notice as Friday Night may accept as sufficient. If at any time a material conflict of interest exists in the Debenture Trustee's role as a fiduciary hereunder the Debenture Trustee shall, within 30 days after ascertaining that such a material conflict of interest exists, either eliminate such material conflict of interest or resign in the manner and with the effect specified in this Section 11.2. The validity and enforceability of this Indenture and of the Debentures issued hereunder shall not be affected in any manner whatsoever by reason only that such a material conflict of interest exists. In the event of the Debenture Trustee resigning or being removed or being dissolved, becoming bankrupt, going into liquidation or otherwise becoming incapable of acting hereunder, Friday Night shall forthwith appoint a new Debenture Trustee unless a new Debenture Trustee has already been appointed by the Debentureholders. Failing such appointment by Friday Night, the retiring Debenture Trustee or any Debentureholder may apply to a Judge of the Supreme Court of British Columbia, on such notice as such Judge may direct at Friday Night's expense, for the appointment of a new Debenture Trustee but any new Debenture Trustee so appointed by Friday Night or by the Court shall be subject to removal as aforesaid by the Debentureholders and the appointment of such new Debenture Trustee shall be effective only upon such new Debenture Trustee agreeing in writing to be bound by this Indenture. Any new Debenture Trustee appointed under any provision of this Section 11.2 shall be a corporation authorized to carry on the business of a trust company in the Province of British Columbia. On any new appointment the new Debenture Trustee shall be vested with the same powers, rights, duties and responsibilities as if it had been originally named herein as Debenture Trustee.

Any company into which the Debenture Trustee may be merged or, with or to which it may be consolidated, amalgamated or sold, or any company resulting from any merger, consolidation, sale or amalgamation to which the Debenture Trustee shall be a party, or any company succeeding to the corporate trust business of the Debenture Trustee shall be the successor Debenture Trustee under this Indenture without the execution of any instrument or any further act. Nevertheless, upon the written request of the successor Debenture Trustee or of Friday Night, the Debenture Trustee ceasing to act shall execute and deliver an instrument assigning and transferring to such successor Debenture Trustee all the rights, powers and trusts of the Debenture Trustee so ceasing to act, and shall duly assign, transfer and deliver all property and money held by such Debenture Trustee to the successor Debenture Trustee so appointed in its place. Should any deed, conveyance or instrument in writing from Friday Night be required by any new Debenture Trustee for more fully and certainly vesting in and confirming to it such estates, properties, rights, powers and trusts, then any and all such deeds, conveyances and instruments in writing shall on request of said new Debenture Trustee, be made, executed, acknowledged and delivered by Friday Night.

11.3 Duties of Debenture Trustee

In the exercise of the rights, duties and obligations prescribed or conferred by the terms of this Indenture, the Debenture Trustee shall act honestly and in good faith and exercise that degree of care, diligence and skill that a reasonably prudent trustee would exercise in comparable circumstances.

11.4 Reliance Upon Declarations, Opinions, etc.

In the exercise of its rights, duties and obligations hereunder the Debenture Trustee may, if acting in good faith, rely, as to the truth of the statements and accuracy of the opinions expressed therein, upon statutory declarations, opinions, reports or certificates furnished pursuant to any covenant, condition or requirement of this Indenture or required by the Debenture Trustee to be furnished to it in the exercise of its rights and duties hereunder, if the Debenture Trustee examines such statutory declarations, opinions, reports or certificates and determines that they comply with Section 11.5, if applicable, and with any other applicable requirements of this Indenture. The Debenture Trustee may nevertheless, in its discretion, require further proof in cases where it deems further proof desirable. Without restricting the foregoing, the Debenture Trustee may rely on an opinion of Counsel satisfactory to the Debenture Trustee notwithstanding that it is delivered by a solicitor or firm which acts as solicitors for Friday Night.

11.5 Evidence and Authority to Debenture Trustee, Opinions, etc.

Friday Night shall furnish to the Debenture Trustee evidence of compliance with the conditions precedent provided for in this Indenture relating to any action or step required or permitted to be taken by Friday Night or the Debenture Trustee under this Indenture or as a result of any obligation imposed under this Indenture, including without limitation, the certification and delivery of Debentures hereunder, the satisfaction and discharge of this Indenture and the taking of any other action to be taken by the Debenture Trustee at the request of or on the application of Friday Night, forthwith if and when (a) such evidence is required by any other Section of this Indenture to be furnished to the Debenture Trustee in accordance with the terms of this Section 11.5, or (b) the Debenture Trustee, in the exercise of its rights and duties under this Indenture, gives Friday Night written notice requiring it to furnish such evidence in relation to any particular action or obligation specified in such notice.

Such evidence shall consist of:

- (a) a certificate made by any one officer or director of Friday Night, stating that any such condition precedent has been complied with in accordance with the terms of this Indenture;
- (b) in the case of a condition precedent compliance with which is, by the terms of this Indenture, made subject to review or examination by a solicitor, an opinion of Counsel that such condition precedent has been complied with in accordance with the terms of this Indenture; and
- (c) in the case of any such condition precedent compliance with which is subject to review or examination by auditors or accountants, an opinion or report of the auditors of Friday Night whom the Debenture Trustee for such purposes hereby approves, that such condition precedent has been complied with in accordance with the terms of this Indenture.

Whenever such evidence relates to a matter other than the certificates and delivery of Debentures and the satisfaction and discharge of this Indenture, and except as otherwise specifically provided herein, such evidence may consist of a report or opinion of any solicitor, auditor, accountant, engineer or appraiser or any other person whose qualifications give authority to a statement made by him, provided that if such report or opinion is furnished by a director, officer or employee of Friday Night, it shall be in

the form of a statutory declaration. Such evidence shall be, so far as appropriate, in accordance with the immediately preceding paragraph of this Section.

Each statutory declaration, certificate, opinion or report with respect to compliance with a condition precedent provided for in the Indenture shall include (a) a statement by the person giving the evidence that he has read and is familiar with those provisions of this Indenture relating to the condition precedent in question, (b) a brief statement of the nature and scope of the examination or investigation upon which the statements or opinions contained in such evidence are based, (c) a statement that, in the belief of the person giving such evidence, he has made such examination or investigation as is necessary to enable him to make the statements or give the opinions contained or expressed therein, and (d) a statement whether in the opinion of such person the conditions precedent in question have been complied with or satisfied.

Friday Night shall furnish to the Debenture Trustee annually and at any time if the Debenture Trustee reasonably so requires, its certificate that Friday Night has complied with all covenants, conditions or other requirements contained in this Indenture, the non-compliance with which would, with the giving of notice or the lapse of time, or both, or otherwise, constitute an Event of Default, or if such is not the case, specifying the covenant, condition or other requirement which has not been complied with and giving particulars of such non-compliance. Friday Night shall, whenever the Debenture Trustee so requires, furnish the Debenture Trustee with evidence by way of statutory declaration, opinion, report or certificate as specified by the Debenture Trustee as to any action or step required or permitted to be taken by Friday Night or as a result of any obligation imposed by this Indenture.

11.6 Officer's Certificates Evidence

Except as otherwise specifically provided or prescribed by this Indenture, whenever in the administration of the provisions of this Indenture the Debenture Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or omitting any action hereunder, the Debenture Trustee, if acting in good faith, may rely upon an Officer's Certificate.

11.7 Experts, Advisers and Agents

The Debenture Trustee may:

- (a) employ or retain and act and rely on the opinion or advice of or information obtained from any solicitor, auditor, valuer, engineer, surveyor, appraiser or other expert, whether obtained by the Debenture Trustee or by Friday Night, or otherwise, and shall not be liable for acting, or refusing to act, in good faith on any such opinion or advice and may pay proper and reasonable compensation for all such legal and other advice or assistance as aforesaid; and
- (b) employ such agents and other assistants as it may reasonably require for the proper discharge of its duties hereunder, and may pay reasonable remuneration for all services performed for it (and shall be entitled to receive reasonable remuneration for all services performed by it) in the discharge of the trusts hereof and compensation for all disbursements, costs and expenses made or incurred by it or such agents and other assistants in the discharge of its duties hereunder and in the management of the trusts hereof and any solicitors employed or consulted by the Debenture Trustee may, but need not be, solicitors for Friday Night.

11.8 Debenture Trustee May Deal in Debentures

Subject to Sections 11.1 and 11.3, the Debenture Trustee may, in its personal or other capacity, buy, sell, lend upon and deal in the Debentures and generally contract and enter into financial transactions with Friday Night or otherwise, without being liable to account for any profits made thereby.

11.9 Investment of Monies Held by Debenture Trustee

Unless otherwise provided in this Indenture, any monies held by the Debenture Trustee, which, under the trusts of this Indenture, may or ought to be invested or which may be on deposit with the Debenture Trustee or which may be in the hands of the Debenture Trustee, may be invested and reinvested in the name or under the control of the Debenture Trustee in securities in which, under the laws of the Province of British Columbia, trustees are authorized to invest trust monies, provided that such securities are expressed to mature within two years or such shorter period selected to facilitate any payments expected to be made under this Indenture, after their purchase by the Debenture Trustee, and unless and until the Debenture Trustee shall have declared the principal of and interest on the Debentures to be due and payable, the Debenture Trustee shall so invest such monies at the written direction of Friday Night given in a reasonably timely manner. Pending the investment of any monies as hereinbefore provided, such monies may be deposited in the name of the Debenture Trustee in any chartered bank of Canada or, with the consent of Friday Night, in the deposit department of the Debenture Trustee or any other loan or trust company authorized to accept deposits under the laws of Canada or any Province thereof at the rate of interest, if any, then current on similar deposits.

Unless and until the Debenture Trustee shall have declared the principal of and interest on the Debentures to be due and payable, the Debenture Trustee shall pay over to Friday Night all interest received by the Debenture Trustee in respect of any investments or deposits made pursuant to the provisions of this Section.

11.10 Debenture Trustee Not Ordinarily Bound

Except as provided in Section 6.2 and as otherwise specifically provided herein, the Debenture Trustee shall not, subject to Section 11.3, be bound to give notice to any person of the execution hereof, nor to do, observe or perform or see to the observance or performance by Friday Night of any of the obligations herein imposed upon Friday Night or of the covenants on the part of Friday Night herein contained, nor in any way to supervise or interfere with the conduct of Friday Night's business, unless the Debenture Trustee shall have been required to do so in writing by the holders of not less than 25% of the aggregate principal amount of the Debentures then outstanding or by any Extraordinary Resolution of the Debentureholders passed in accordance with the provisions contained in Article 9, and then only after it shall have been funded and indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages and expenses which it may incur by so doing.

11.11 Debenture Trustee Not Required to Give Security

The Debenture Trustee shall not be required to give any bond or security in respect of the execution of the trusts and powers of this Indenture or otherwise in respect of the premises.

11.12 Debenture Trustee Not Bound to Act on Friday Night's Request

Except as in this Indenture otherwise specifically provided, the Debenture Trustee shall not be bound to act in accordance with any direction or request of Friday Night until a duly authenticated copy of the instrument or resolution containing such direction or request shall have been delivered to the Debenture Trustee, and the Debenture Trustee shall be empowered to act upon any such copy purporting to be authenticated and believed by the Debenture Trustee to be genuine.

11.13 Conditions Precedent to Debenture Trustee's Obligations to Act Hereunder

The obligation of the Debenture Trustee to commence or continue any act, action or proceeding for the purpose of enforcing the rights of the Debenture Trustee and of the Debentureholders hereunder shall be conditional upon the Debentureholders furnishing when required by notice in writing by the Debenture Trustee, sufficient funds to commence or continue such act, action or proceeding and indemnity

reasonably satisfactory to the Debenture Trustee to protect and hold harmless the Debenture Trustee against the costs, charges and expenses and liabilities to be incurred thereby and any loss and damage it may suffer by reason thereof.

None of the provisions contained in this Indenture shall require the Debenture Trustee to expend or risk its own funds or otherwise incur financial liability in the performance of any of its duties or in the exercise of any of its rights or powers unless indemnified as aforesaid.

The Debenture Trustee may, before commencing or at any time during the continuance of any such act, action or proceeding require the Debentureholders at whose instance it is acting to deposit with the Debenture Trustee the Debentures held by them for which Debentures the Debenture Trustee shall issue receipts.

11.14 Authority to Carry on Business

The Debenture Trustee represents to Friday Night that at the date of execution and delivery by it of this Indenture it is authorized to carry on the business of a trust company in the Province of British Columbia but if, notwithstanding the provisions of this Section 11.14, it ceases to be so authorized to carry on business, the validity and enforceability of this Indenture and the securities issued hereunder shall not be affected in any manner whatsoever by reason only of such event but the Debenture Trustee shall, within 90 days after ceasing to be authorized to carry on the business of trust company in the Province of British Columbia, either become so authorized or resign in the manner and with the effect specified in Section 11.2.

11.15 Compensation and Indemnity

- (a) Friday Night shall pay to the Debenture Trustee from time to time compensation for its services hereunder as agreed separately by Friday Night and the Debenture Trustee, and shall pay or reimburse the Debenture Trustee upon its request for all expenses, disbursements and advances reasonably incurred or made by the Debenture Trustee in the administration or execution of its duties under this Indenture (including the documented compensation and disbursements of its Counsel and all other advisers and assistants not regularly in its employ), both before any default hereunder and thereafter until all duties of the Debenture Trustee under this Indenture shall be finally and fully performed. The Debenture Trustee's compensation shall not be limited by any law on compensation of a trustee of an express trust.
- (b) Friday Night hereby indemnifies and saves harmless the Debenture Trustee and its directors, officers, shareholders and employees from and against any and all loss, damages, charges, expenses, claims, demands, actions or liability whatsoever which may be brought against the Debenture Trustee or which it may suffer or incur as a result of or arising out of the performance of its duties and obligations or the exercise of its rights hereunder save only in the event that such liability arises principally and directly from the gross negligence, wilful misconduct or bad faith of the Debenture Trustee. This indemnity will survive the termination or discharge of this Indenture and the resignation or removal of the Debenture Trustee. The Debenture Trustee shall notify Friday Night promptly of any claim for which it may seek indemnity. Friday Night shall defend the claim and the Debenture Trustee shall co-operate in the defence. The Debenture Trustee may have separate counsel and Friday Night shall pay the reasonable fees and expenses of such Counsel. Friday Night need not pay for any settlement made without its consent, which consent must not be unreasonably withheld. This indemnity shall survive the resignation or removal of the Debenture Trustee or the discharge of this Indenture.
- (c) Friday Night need not reimburse any expense or indemnify against any loss or liability arising principally and directly from the Debenture Trustee's gross negligence, wilful misconduct or bad faith.

11.16 Anti-Money Laundering & Privacy

The Debenture Trustee shall retain the right not to act and shall not be liable for refusing to act if, due to a lack of information or for any other reason whatsoever, the Debenture Trustee, in its sole judgment, acting reasonably, determines that such act might cause it to be in noncompliance with any applicable anti-money laundering, anti-terrorist or economic sanctions legislation, regulation or guideline. Further, should the Debenture Trustee, in its sole judgment, acting reasonably, determine at any time that its acting under this Agreement has resulted in its being in non-compliance with any applicable anti-money laundering, anti-terrorist or economic sanctions legislation, regulation or guideline, then it shall have the right to resign on 10 days prior written notice sent to all parties provided that (i) the Debenture Trustee written notice shall describe the circumstances of such non-compliance; and (ii) that if such circumstances are rectified to the Debenture Trustee's satisfaction within such 10 day period, then such resignation shall not be effective.

The parties acknowledge that the Trustee may, in the course of providing services hereunder, collect or receive financial and other personal information about such parties and/or their representatives, as individuals, or about other individuals related to the subject matter hereof, and use such information for the following purposes:

- (a) to provide the services required under this Agreement and other services that may be requested from time to time;
- (b) to help the Debenture Trustee manage its servicing relationships with such individuals;
- (c) to meet the Debenture Trustee's legal and regulatory requirements; and
- (d) if Social Insurance Numbers are collected by the Debenture Trustee, to perform tax reporting and to assist in verification of an individual's identity for security purposes.

Each party acknowledges and agrees that the Debenture Trustee may receive, collect, use and disclose personal information provided to it or acquired by it in the course of its acting as agent hereunder this Indenture for the purposes described above and, generally, in the manner and on the terms described in its Privacy Code, which the Debenture Trustee shall make available on its website, www.Odyssey.com, or upon request, including revisions thereto. The Debenture Trustee may transfer personal information to other companies in or outside of Canada that provide data processing and storage or other support in order to facilitate the services it provides.

11.17 Third Party Interests

Each party to this Indenture hereby represents to the Debenture Trustee that any account to be opened by, or interest to be held by the Debenture Trustee in connection with this Indenture, for or to the credit of such party is not intended to be used by or on behalf of any third party.

11.18 Acceptance of Trust

The Debenture Trustee hereby accepts the trusts in this Indenture declared and provided for and agrees to perform the same upon the terms and conditions herein set forth and to hold all rights, privileges and benefits conferred hereby and by law in trust for the various persons who shall from time to time be Debentureholders, subject to all the terms and conditions herein set forth.

11.19 Force Majeure

Except for the payment obligations of the Corporation contained herein, neither party shall be liable to the other, or held in breach of this Indenture, if prevented, hindered, or delayed in the performance or observance of any provision contained herein by reason of act of God, riots, terrorism, acts of war,

epidemics, governmental action or judicial order, earthquakes, economic sanctions or any other similar causes (including, but not limited to, mechanical, electronic or communication interruptions, disruptions or failures). Performance times under this Indenture shall be extended for a period of time equivalent to the time lost because of any delay that is excusable under this section.

ARTICLE 12 SUPPLEMENTAL INDENTURES

12.1 Supplemental Indentures

From time to time the Debenture Trustee and, when authorized by a resolution of the directors of Friday Night, Friday Night, may, and they shall when required by this Indenture, execute, acknowledge and deliver by their proper officers deeds or indentures supplemental hereto which thereafter shall form part hereof, for any one or more of the following purposes:

- (a) providing for the issuance of Additional Debentures under this Indenture;
- (b) adding to the covenants of Friday Night herein contained for the protection of the Debentureholders or providing for events of default, in addition to those herein specified;
- (c) making such provisions not inconsistent with this Indenture as may be necessary or desirable with respect to matters or questions arising hereunder, including the making of any modifications in the form of the Debentures which do not affect the substance thereof and which in the opinion of the Debenture Trustee relying on an opinion of Counsel will not be prejudicial to the interests of the Debentureholders;
- (d) evidencing the succession, or successive successions, of others to Friday Night and the covenants of and obligations assumed by any such successor in accordance with the provisions of this Indenture;
- (e) giving effect to any Extraordinary Resolution passed as provided in Article 10; and
- (f) for any other purpose not inconsistent with the terms of this Indenture.

Unless the supplemental indenture requires the consent or concurrence of Debentureholders by Extraordinary Resolution, the consent or concurrence of Debentureholders shall not be required in connection with the execution, acknowledgement or delivery of a supplemental indenture. Friday Night and the Debenture Trustee may without the consent or concurrence of the Debentureholders by supplemental indenture or otherwise, make any changes or corrections in this Indenture which it shall have been advised by Counsel are required for the purpose of curing or correcting any ambiguity or defective or inconsistent provisions or clerical omissions or mistakes or manifest errors contained herein or in any indenture supplemental hereto or any Written Direction of Friday Night provided for the issue of Debentures, providing that in the opinion of the Debenture Trustee (relying upon an opinion of Counsel) the rights of the Debentureholders are in no way prejudiced thereby.

ARTICLE 13 EXECUTION AND FORMAL DATE

13.1 Execution

This Indenture may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

13.2 Formal Date

For the purpose of convenience this Indenture may be referred to as bearing the formal date of September 14, 2018 irrespective of the actual date of execution hereof.

IN WITNESS whereof the parties hereto have executed these presents under their respective corporate seals and the hands of their proper officers in that behalf.

FRIDAY NIGHT INC.

By: *“Authorized Signatory”*

By: *“Authorized Signatory”*

ODYSSEY TRUST COMPANY

By: *“Authorized Signatory”*

By: *“Authorized Signatory”*

SCHEDULE "A"

**TO THE TRUST INDENTURE BETWEEN
FRIDAY NIGHT INC. AND
ODYSSEY TRUST COMPANY**

FORM OF DEBENTURE

[To be included on the Debentures issued and sold, or transferred, to, or for the account or benefit of, a person in the United States or a U.S. Person, other than Debentures originally issued to U.S. Purchasers in the Offering.]

THE SECURITIES REPRESENTED HEREBY AND THE SECURITIES ISSUABLE UPON CONVERSION HEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "1933 ACT"), OR UNDER THE SECURITIES LAWS OF ANY STATE. THE HOLDER HEREOF, BY PURCHASING THESE SECURITIES, AGREES FOR THE BENEFIT OF FRIDAY NIGHT INC. THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY: (A) TO FRIDAY NIGHT INC., (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT ("REGULATION S") AND IN COMPLIANCE WITH APPLICABLE LOCAL LAWS, (C) IN COMPLIANCE WITH THE EXEMPTION FROM REGISTRATION UNDER THE 1933 ACT PROVIDED BY (1) RULE 144A THEREUNDER, IF AVAILABLE, OR (2) RULE 144 THEREUNDER, IF AVAILABLE, AND, IN EITHER CASE, IN COMPLIANCE WITH ANY APPLICABLE U.S. STATE SECURITIES LAWS, OR (D) IN ANOTHER TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE 1933 ACT OR ANY APPLICABLE U.S. STATE SECURITIES LAWS; AND, IN THE CASE OF A TRANSFER UNDER CLAUSE (C)(2) OR (D), AFTER THE HOLDER HEREOF HAS, PRIOR TO SUCH TRANSFER, FURNISHED TO FRIDAY NIGHT INC. (AND THE TRUSTEE OR TRANSFER AGENT) AN OPINION OF COUNSEL OF RECOGNIZED STANDING TO SUCH EFFECT, IN EITHER CASE, REASONABLY SATISFACTORY IN FORM AND SUBSTANCE TO FRIDAY NIGHT INC. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE "GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

No. •

\$•

FRIDAY NIGHT INC.

(A CORPORATION INCORPORATED UNDER THE LAWS OF ALBERTA)

**10% SENIOR UNSECURED CONVERTIBLE DEBENTURE
DUE SEPTEMBER 14, 2021**

[Holder]

Friday Night Inc. (Friday Night) for value received hereby acknowledges itself indebted and, subject to the provisions of the trust indenture (the **Indenture**) dated as of September 14, 2018 between Friday Night and Odyssey Trust Company (the **Debenture Trustee**), promises to pay to the registered holder hereof on the Maturity Date of this Initial Debenture, as hereinafter described, or on such earlier date as the principal amount hereof may become due in accordance with the provisions of the Indenture, the principal sum of • Dollars (\$•) in lawful money of Canada on presentation and surrender of this Initial Debenture at the main branch of the Debenture Trustee in Calgary, Alberta or Vancouver, British Columbia in accordance with the terms of the Indenture. This Initial Debenture shall mature on September 14, 2021 (the **Maturity Date**). Subject as hereinafter provided, Friday Night further promises to pay interest on the principal amount hereof from the date hereof at the rate of 10% per annum, calculated and payable semi-annually in arrears on the last day of June and December in each year, and

on the Maturity Date, the first such payment to fall due on December 31, 2018 and the last such payment to fall due on the Maturity Date, payable after as well as before maturity and after as well as before default and judgment, with interest on amounts in default at the same rate, compounded semi-annually. The first interest payment will include accrued interest from the issue date to and including December 31, 2018 and shall be \$27.44 per \$1,000. Interest shall be computed on the basis of a 360-day year composed of twelve 30-day months.

Upon and subject to the receipt of any required regulatory or stock exchange approvals and provided no Event of Default has occurred and is continuing, Friday Night shall satisfy Interest hereon via the issuance of Common Shares. Such interest shall be payable by share certificates or cheque, as applicable, mailed by prepaid ordinary mail or by wire transfer of funds to the registered holder hereof and, subject to the provisions of the Indenture, the mailing of such cheque or wire transfer of funds, as the case may be, shall, to the extent of the sum represented thereby (plus the amount of any tax withheld), satisfy and discharge all liability for interest on this Initial Debenture.

This Initial Debenture is one of the 10% Senior Convertible Secured Debentures (referred to herein as the **Initial Debentures**) of Friday Night issued under the provisions of the Indenture. The Initial Debentures are limited to an aggregate principal amount of \$17,250,000 in lawful money of Canada. Reference is hereby expressly made to the Indenture for a description of the terms and conditions upon which the Initial Debentures are issued and held and the rights and remedies of the holders of the Initial Debentures and of Friday Night and of the Debenture Trustee, all to the same effect as if the provisions of the Indenture were herein set forth to all of which provisions the holder of this Initial Debenture by acceptance hereof assents. Capitalized words or expressions used in this Initial Debenture shall, unless otherwise defined herein, have the meaning ascribed thereto in the Indenture.

The Initial Debentures are issuable only in denominations of \$1,000 and integral multiples thereof (except as set out herein and the Indenture). Upon compliance with the provisions of the Indenture, Initial Debentures of any denomination may be exchanged for an equal aggregate principal amount of Initial Debentures in any other authorized denomination or denominations.

Upon and subject to the provisions and conditions of the Indenture, the holder of this Initial Debenture shall have the right at such holder's option to prior to the close of business on the earlier of: (i) the last Business Day immediately preceding the Maturity Date, and (ii) the Put Date (the earlier of which will be the **Time of Expiry** for the purposes of the Indenture in respect of the Initial Debentures), to convert any part, which is \$1,000 or an integral multiple thereof, of the principal amount of such Debenture into Common Shares at the Conversion Price in effect on the Date of Conversion.

The Conversion Price in effect on the date hereof for each Common Share to be issued upon the conversion of Initial Debentures shall be equal to \$0.45 such that 2,222 Common Shares shall be issued for each \$1,000 principal amount of Initial Debentures so converted. Except as provided in the Indenture, no adjustment will be made for dividends or distributions on Common Shares issuable upon conversion the record date for the payment of which precedes the date upon which the holder becomes a holder of Common Shares in accordance with the Indenture. The Conversion Price applicable to and the Common Shares, securities or other property receivable on the conversion of the Initial Debentures is subject to adjustment pursuant to the provisions of the Indenture. If the Date of Conversion in respect of this Initial Debenture converted occurs on an Interest Payment Date, the holders will receive all interest which has accrued prior to that Interest Payment Date and which has not been paid. Holders converting their Debentures will receive accrued and unpaid interest thereon for the period from and including the date of the latest interest payment date to, and including, the date of conversion.

This Debenture and the Common Shares issuable upon conversion hereof have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), or the securities laws of any state of the United States. This Debenture may not be converted by, or for the account or benefit of, a person in the "United States" or a "U.S. person" (as such terms are defined in Rule 902 of Regulation S under the 1933 Act) unless an exemption is available from the registration requirements under the 1933 Act, and the securities laws of all applicable states, and Friday Night has received an

opinion of counsel or other evidence to such effect reasonably satisfactory to it; provided that the original U.S. Purchaser in Friday Night's Offering of the Debentures will not be required to deliver an opinion of counsel or any other such evidence in connection with the conversion of such Debentures.

Friday Night, when not in default under the Indenture, shall have the right, at its option, after the first anniversary of the Closing Date to and including the Maturity Date, to redeem in whole at any time, at the option of Friday Night (in the manner provided in the Indenture and in accordance with and subject to the provisions of the Indenture) at a price equal to the principal amount thereof to be redeemed, together with accrued and unpaid interest on the principal amount of this Initial Debenture, so redeemed to and including the date fixed for redemption.

Upon the occurrence of a Change of Control of Friday Night, Friday Night shall offer to purchase all of each holder's Initial Debentures at a price equal to 104% of the principal amount of such Initial Debentures plus accrued and unpaid interest (if any) up to, but excluding, the date the Initial Debentures are so repurchased.

At any time after four months and one day from the Closing Date and from time to time until the Maturity Date, if the daily volume weighted average trading price of the Common Shares on the CSE (or any other recognized Canadian stock exchange on which the Common Shares trade at the applicable time) is greater than \$0.70 for a period of 10 consecutive trading days, Friday Night shall have the option to force the conversion of this Initial Debenture (if convertible by the Holder) by giving not less than 30 days' notice to the Holder and in such case this Initial Debenture (if convertible by the Holder) will be converted into Common Shares on the 30th day following the date on which such notice is given by Friday Night at the Conversion Price in effect on the date on which such notice was given by Friday Night. Upon conversion, interest accrued to but excluding the date of conversion will be payable to the holder.

The indebtedness evidenced by this Initial Debenture, and by all other Initial Debentures now or hereafter certified and delivered under the Indenture, is a direct unsecured obligation of Friday Night. The payment of the principal of, and premium (if any) and interest on, this Initial Debenture, and all other Initial Debentures now or hereafter certified and delivered under the Indenture, shall rank senior in right of payments on the Common Shares, and any preferred shares of Friday Night.

The principal hereof may become or be declared due and payable before the stated maturity in the events, in the manner, with the effect and at the times provided in the Indenture.

The Indenture contains provisions making binding upon all holders of Debentures outstanding thereunder resolutions passed at meetings of such holders held in accordance with such provisions and instruments signed by the holders of a specified majority of Debentures outstanding, which resolutions or instruments may have the effect of amending the terms of this Initial Debenture or the Indenture.

This Initial Debenture may only be transferred, upon compliance with the conditions prescribed in the Indenture, in the register to be kept at the principal office of the Debenture Trustee in Calgary, Alberta or Vancouver, British Columbia and in such other place or places and/or by such other registrars (if any) as Friday Night with the approval of the Debenture Trustee may designate. No transfer of this Initial Debenture shall be valid unless made on the register by the registered holder hereof or his executors or administrators or other legal representatives, or his or their attorney duly appointed by an instrument in form and substance satisfactory to the Debenture Trustee or other registrar, and upon compliance with such reasonable requirements as the Debenture Trustee and/or other registrar may prescribe and upon surrender of this Initial Debenture for cancellation. Thereupon a new Initial Debenture or Initial Debentures in the same aggregate principal amount shall be issued to the transferee in exchange hereof.

This Initial Debenture shall not become obligatory for any purpose until it shall have been certified by the Debenture Trustee under the Indenture.

If any of the provisions of this Initial Debenture are inconsistent with the provisions of the Indenture, the provisions of the Indenture shall take precedence and shall govern.

IN WITNESS WHEREOF FRIDAY NIGHT INC. has caused this Initial Debenture to be signed by its authorized representatives as of the 14th day of September, 2018.

FRIDAY NIGHT INC.

By: _____

(FORM OF DEBENTURE TRUSTEE'S CERTIFICATE)

This Initial Debenture is one of the 10% Senior Unsecured Convertible Debentures due September 14, 2021 referred to in the Indenture within mentioned.

ODYSSEY TRUST COMPANY

By: _____
(Authorized Officer)

(FORM OF REGISTRATION PANEL)

(No writing hereon except by Debenture Trustee or other registrar)

Date of Registration	In Whose Name Registered	Signature of Debenture Trustee or Registrar

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____, whose address and social insurance number, if applicable, are set forth below, this Initial Debenture (or \$_____ principal amount hereof*) of Friday Night Inc. standing in the name(s) of the undersigned in the register maintained by the Debenture Trustee with respect to such Initial Debenture and does hereby irrevocably authorize and direct the Debenture Trustee to transfer such Initial Debenture in such register, with full power of substitution in the premises.

Dated: _____

Address of Transferee: _____
(Street Address, City, Province and Postal Code)

Social Insurance Number of Transferee, if applicable: _____

*If less than the full principal amount of the within Initial Debenture is to be transferred, indicate in the space provided the principal amount (which must be \$1,000 or an integral multiple thereof, unless you hold an Initial Debenture in a non-integral multiple of 1,000 by reason of your having exercised your right to exchange upon the making of an Offer, in which case such Initial Debenture is transferable only in its entirety) to be transferred.

1. The signature(s) to this assignment must correspond with the name(s) as written upon the face of this Initial Debenture in every particular without alteration or any change whatsoever. The signature(s) must be guaranteed by a Canadian chartered bank or trust company or by a member of an acceptable Medallion Guarantee Program. Notarized or witnessed signatures are not acceptable as guaranteed signatures. The Guarantor must affix a stamp bearing the actual words: "SIGNATURE GUARANTEED".
2. The registered holder of this Initial Debenture is responsible for the payment of any documentary, stamp or other transfer taxes that may be payable in respect of the transfer of this Initial Debenture.
3. In the case of a Debenture with a restrictive U.S. Legend, the undersigned hereby represents, warrants and certifies that (one (only) of the following must be checked):
 - (A) the transfer is being made to Friday Night;
 - (B) the transfer is being made outside the United States in accordance with Rule 904 of Regulation S under the 1933 Act, and in compliance with any applicable local laws and regulations, and the holder has provided herewith a Declaration in the form of Schedule "D" to the Indenture,
 - (C) the transfer is being made pursuant to the exemption from the registration requirements of the 1933 Act provided by (i) Rule 144 thereunder or (ii) Rule 144A thereunder, and, in either case, in accordance with applicable state securities laws, or
 - (D) the transfer is being made in another transaction that does not require registration under the 1933 Act or any applicable state securities laws.
4. In the case of a transfer in accordance with (C)(i) or (D) in paragraph 3 above, the Debenture Trustee and the Corporation shall first have received an opinion of counsel of recognized standing in form and substance reasonably satisfactory to the Corporation, to such effect.

The registered holder of this Debenture is responsible for the payment of any documentary, stamp or other transfer taxes that may be payable in respect of the transfer of this Debenture.

Signature of Guarantor:

Authorized Officer

Name of Institution

Signature of transferring registered holder

SCHEDULE "B"

**TO THE TRUST INDENTURE BETWEEN
FRIDAY NIGHT INC. AND
ODYSSEY TRUST COMPANY**

**Form of Notice of Conversion
CONVERSION NOTICE**

TO: FRIDAY NIGHT INC. ("Friday Night")

Note: All capitalized terms used herein have the meaning ascribed thereto in the Indenture mentioned below, unless otherwise indicated.

The undersigned registered holder of 10% Senior Unsecured Convertible Debentures bearing Certificate No. • irrevocably elects to convert such Debentures (or \$• principal amount thereof*) in accordance with the terms of the Indenture referred to in such Debentures and tenders herewith the Debentures, and, if applicable, directs that the Common Shares of Friday Night Inc. issuable upon a conversion (the **Common Shares**) be issued and delivered to the person indicated below. (If Common Shares are to be issued in the name of a person other than the holder, all requisite transfer taxes must be tendered by the undersigned).

Dated: _____

(Signature of Registered Holder)

*If less than the full principal amount of the Debentures, indicate in the space provided the principal amount (which must be \$1,000 or integral multiples thereof).

NOTE: If Common Shares are to be issued in the name of a person other than the holder, the signature must be guaranteed by a chartered bank, a trust company or by a member of an acceptable Medallion Guarantee Program. The Guarantor must affix a stamp bearing the actual words: "SIGNATURE GUARANTEED".

The undersigned represents, warrants and certifies as follows (only one of the following must be checked):

- A. The undersigned holder (a) at the time of conversion of these Debentures is not in the United States or a U.S. Person and is not converting such securities on behalf of a person in the United States or a U.S. Person, and (b) did not execute or delivery this Conversion Notice in the United States; **or**
- B. The undersigned holder is (a) a Qualified Institutional Buyer that is, or is acting for the account or benefit of, a person in the United States or a U.S. Person, (b) originally purchased these Debentures directly from Friday Night pursuant to a written subscription agreement for the purchase of such securities in the Offering, and (c) is converting these Debentures for its own account or for the account of another Qualified Institutional Buyer with respect to which it exercises sole investment discretion; **or**
- C. The undersigned holder has delivered to Friday Night a written opinion of counsel of recognized standing or such other evidence in form and substance reasonably satisfactory to Friday Night to the effect that an exemption from the registration requirements of the 1933 Act and applicable state securities laws is available for the issuance of the Common Shares.

The undersigned holder understands that unless either Box A or Box B above is checked, the certificate representing the Common Shares will bear a legend restricting transfer without registration under the 1933 Act and applicable state securities laws unless an exemption from registration is available. Unless Box B or C above is checked, certificates representing Common Shares will not be registered or delivered to an address in the United States.

If Box C is checked, any opinion tendered or other evidence delivered must be in form and substance reasonably satisfactory to Friday Night. Holders planning to deliver such documentation in connection with the conversion of Debentures should contact Friday Night in advance to determine whether such documentation will be acceptable to Friday Night.

(Print name in which Common Shares are to be issued, delivered and registered)

Name: _____

(Address)

(City, Province and Postal Code)

Name of guarantor: _____

Authorized signature: _____

SCHEDULE "C"

**TO THE TRUST INDENTURE BETWEEN
FRIDAY NIGHT INC. AND**

ODYSSEY TRUST COMPANY

NOTICE OF HOLDER'S EXERCISE OF PUT

TO: FRIDAY NIGHT INC.

Note: All capitalized terms used herein have the meaning ascribed thereto in the Trust Indenture mentioned below, unless otherwise indicated.

The undersigned registered holder of 10% Senior Unsecured Convertible Debentures bearing Certificate No. • irrevocably elects to put such Debentures to Friday Night Inc. (**Friday Night**) to be purchased by Friday Night on • (the "Put Date") in accordance with the terms of the Trust Indenture referred to in such Debentures at a price of \$1,040 for each \$1,000 principal amount of Debentures plus all accrued and unpaid interest thereon to, but excluding, the Put Date (collectively, the "Total Put Price") and tenders herewith the Debentures.

Dated: _____

(Signature of Registered Holder)

The Total Put Price will be payable upon presentation and surrender of the Debentures with this form on or after the Put Date at:

Odyssey Trust Company
Suite 350-300 5th Avenue SW
Calgary, AB T2P 3C4
Attention: Manager, Corporate Trust

The interest upon the principal amount of Debentures put to Friday Night shall cease to be payable from and after the Put Date unless payment of the Total Put Price shall not be made on presentation for surrender of such Debentures at the above-mentioned corporate trust office on or after the Put Date or prior to the setting aside of the Total Put Price pursuant to the Trust Indenture dated September 14, 2018 between Friday Night and Odyssey Trust Company as trustee.

SCHEDULE "D"

FORM OF DECLARATION FOR REMOVAL OF LEGEND

TO: Odyssey Trust Company, as [trustee and registrar of the 10% Senior Unsecured Convertible Debentures] OR [as registrar and transfer agent for the Common Shares] of Friday Night Inc.

AND TO: Friday Night Inc.

"The undersigned (i) acknowledges that the sale of the securities of Friday Night Inc. to which this declaration relates is being made in reliance on Rule 904 of Regulation S ("**Regulation S**") under the United States Securities Act of 1933, as amended (the "**1933 Act**"), and (ii) certifies that: (A) it is not an affiliate (as defined in Rule 405 under the 1933 Act) of Friday Night Inc. (except for any officer or director who is an affiliate solely by virtue of holding such position); (B) the offer of the securities was not made to a person in the United States and either (1) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believe that the buyer was outside the United States, or (2) the transaction was executed on or through the facilities of the Canadian Securities Exchange, and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States; (C) neither the seller nor any affiliate of the seller nor any person acting on any of their behalf has engaged or will engage in any "directed selling efforts" (as such term is defined in Regulation S) in the United States in connection with the offer and sale of the securities; (D) the sale is bona fide and not for the purpose of "washing off" the resale restrictions imposed because the securities are "restricted securities" (as that term is defined in Rule 144(a)(3) under the 1933 Act); (E) the seller does not intend to replace the securities sold in reliance on Rule 904 of Regulation S with fungible unrestricted securities; and (F) the contemplated sale is not a transaction, or part of a series of transactions which, although in technical compliance with Regulation S, is part of a plan or scheme to evade the registration provisions of the 1933 Act." Terms used herein have the meanings given to them by Regulation S.

Dated: _____

By: _____

Name: _____

Title: _____

Affirmation By Seller's Broker-Dealer (required for sales in accordance with Section (ii)(B)(2) above)

We have read the foregoing representations of our customer, _____ (the "**Seller**") dated _____, with regard to our sale, for such Seller's account, of the securities of Friday Night Inc. described therein, and on behalf of ourselves we certify and affirm that (A) we have no knowledge that the transaction had been prearranged with a buyer in the United States, (B) the transaction was executed on or through the facilities of designated offshore securities market, (C) neither we, nor any person acting on our behalf, engaged in any directed selling efforts in connection with the offer and sale of such securities, and (D) no selling concession, fee or other remuneration is being paid to us in connection with this offer and sale other than the usual and customary broker's commission that would be received by a person executing such transaction as agent. Terms used herein have the meanings given to them by Regulation S under the 1933 Act.

Name of Firm

By: _____

Authorized officer

Date: _____