

**CREDIT AGREEMENT**

**MARBLE FINANCIAL INC.**

as Parent

- and -

**TPFM THE PHOENIX FUND MANAGEMENT LTD.**

as TPFM and initial Servicer

- and -

**1301771 B.C. LTD.**

as Borrower

- and -

**CHP AGENT SERVICES INC.**

as Administrative and Collateral Agent

- and -

the Lenders from time to time party hereto

**July 23, 2021**

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## LOAN AGREEMENT

THIS CREDIT FACILITY AGREEMENT is made as of July 23, 2021

**BETWEEN:**

**MARBLE FINANCIAL INC.**, a corporation existing under the laws of Canada, as parent

(the “**Parent**”)

- and –

**TPFM THE PHOENIX FUND MANAGEMENT LTD.**, a corporation existing under the laws of British Columbia, as initial servicer

(“**TPFM**”)

- and -

**1301771 B.C. LTD.**, a corporation existing under the laws of British Columbia, as borrower  
(the “**Borrower**”)

- and -

**CHP AGENT SERVICES INC.**, a corporation existing under the laws of British Columbia, as collateral agent and administrative agent

(the “**Agent**”)

- and -

the Lenders from time to time party hereto

**WHEREAS** TPFM is in the business of originating and servicing Customer Loan Assets;

**WHEREAS** the Parent has incorporated Borrower as a wholly-owned, special purpose vehicle for the purposes of procuring financing of Customer Loan Assets originated by TPFM and subsequently assigned to Borrower;

**WHEREAS** the Lenders have agreed to make available to the Borrower a senior secured revolving loan facility under which the Lenders will make Advances (as defined herein) for the purpose of periodically funding Customer Loan Assets of the Borrower;

**AND WHEREAS** the Agent has agreed to act, on behalf of the Lenders, as administrative agent for the purposes of administering the Loan and as collateral agent for the purposes of holding and administering the collateral securing the Loan;

**NOW THEREFORE** the parties hereto, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby covenant and agree as hereinafter set forth:

## ARTICLE 1 INTERPRETATION

### 1.1 Definitions

In this Agreement, unless the context requires otherwise, the following terms shall have the following meanings, respectively:

**“Advance”** means an advance of credit made hereunder by the Lenders to the Borrower which advance shall be added to the then outstanding Debt Balance of the Loan.

**“Advance Rate”** means a rate between 80% and 95%, as chosen by the Borrower in its most recent Funding Notice, at which the Loan will be advanced against the outstanding principal amount of the Borrowing Base Assets. The Advance Rate shall initially be 95% on the date of this Agreement.

**“Advisory Agreement”** means the advisory agreement, dated as of the date hereof, among the Agent and the Parent.

**“Agent”** means CHP Agent Services Inc. in its capacity as administrative and collateral agent for the Lenders under this Agreement, and any successor administrative agent appointed in accordance with this Agreement.

**“Affiliate”** means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified. As used in this definition, **“Control”** means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise.

**“Agent’s Notice”** has the meaning set forth in Section 2.1(b)(iv).

**“Applicable Interest Rate”** means, at any time, the per annum interest rate payable on the Loan equal to the Prime Rate plus 13.00%, minus the discount, if any, which shall not be cumulative, set forth below based on the then applicable Advance Rate of the Loan:

Advance Rate	Discount
95%	[PERCENTAGE REDACTED]
90%-94%	[PERCENTAGE REDACTED] per each [PERCENTAGE REDACTED] below an Advance Rate of 95%
80%-89%	[PERCENTAGE REDACTED] plus an additional [PERCENTAGE REDACTED] per each 1% below a 90% Advance Rate

**“Assignment Agreement”** has the meaning set forth in Section 11.1(c).

**“Backup Servicer”** means Spartan Services Inc., or any other Person whom the Agent designates from time to time as the Backup Servicer.

**“Backup Servicer Fee”** means the ongoing fees charged by the Backup Servicer to maintain current backups of required data relating to the Loan.

**“Blocked Account Agreement”** shall mean a springing blocked account agreement, in form and substance satisfactory to Agent, acting reasonably, entered into by the Borrower (as applicable), the Agent and the Blocked Account Bank and which shall provide that upon notice delivered by the Agent, the Blocked Account Bank shall comply solely with the Agent’s directions as to the control of, and distributions from, the deposit account subject to the Blocked Account Agreement.

**“Blocked Account Bank”** shall mean Bank of Montreal, or such other financial institution as Borrower or Parent may from time to time designate, subject to Lender’s reasonable prior consent and the availability of a satisfactory Blocked Account Agreement.

**“Borrowers Securities”** means all of the issued and outstanding securities of the Borrower including all options or rights to acquire any future interest in securities of the Borrower.

**“Borrowing Base”** means, at any time the amount equal to the then applicable Advance Rate multiplied by the aggregate outstanding principal amount of the Borrowing Base Assets, plus all collections held in the Blocked Account, less accrued and unpaid amounts owing to the Agent or the Lenders hereunder.

**“Borrowing Base Assets”** means, at any time, all of the Eligible Customer Loan Assets held by the Borrower.

**“Business Day”** means any day (other than a Saturday, Sunday or public holiday) on which banks generally are open for business in Vancouver and Toronto.

**“Change of Control”** means, any of the following, whether direct or indirect: (i) the sale, lease, transfer, conveyance or other disposition, in one or a series of transactions, of all or substantially all of the properties or assets of the Parent, the Borrower, or TPFM, as applicable; (ii) the adoption of a plan relating to the liquidation of the Parent, the Borrower or TPFM, as applicable, or (iii) the consummation of any transaction, the result of which is that any person or group of persons acting in concert becomes the beneficial owner of more than 50% of the voting shares of the Parent, the Borrower or TPFM, as applicable (other than by an Affiliate of such entity).

**“Closing Date”** means the date of this Agreement.

**“Collection Account”** shall mean that certain deposit account of the Borrower with the Blocked Account Bank, that is subject to a Blocked Account Agreement (or such other deposit account subject to a Blocked Account Agreement as may be designated by the Borrower and reasonably approved by the Agent in advance), into which the Borrower shall deposit all Collections.

**“Collection Period”** means the period commencing on the first of day of each month and ending on the last day of the same month; provided that the first Collection Period shall commence on the First Funding Date and the last Collection Period shall end on the Final Termination Date.

**“Compliance Certificate”** means a certificate in the form of Schedule A.

**“Credit and Collection Policies”** means, collectively, the policies and procedures of the Borrower and TPFM relating to the origination, funding, administration, servicing and enforcement of Customer Loan Assets, as may be amended from time to time by the Borrower and TPFM, subject to and in accordance with the terms of this Agreement.

**“Cumulative Loss Rate”** means the amount of the Customer Loan Losses divided by the aggregate outstanding principal amount of Customer Loan Assets held by the Borrower.

**“Customer Loan Asset”** means a loan originated by the TPFM pursuant to which one or more Obligor is indebted to the Borrower (pursuant to assignment from TPFM) and includes loan assets that are Ineligible Customer Loan Assets.

**“Customer Loan File”** means, with respect to a given Customer Loan Asset: (i) the fully executed loan agreement evidencing the related Customer Loan Asset (including any written agreements modifying, amending, extending or supplementing such loan), (ii) a copy of the executed application of the related Obligor, if any, and (iii) any and all other documents that the Borrower keeps on file in accordance with its customary practices relating to Customer Loan Assets and Obligors.

**“Customer Loan Losses”** means, at any time, the aggregate “loss allowance” taken by the Borrower or required to be taken by the Borrower in respect of Customer Loan Assets in accordance with IFRS at such time and reviewed no less frequently than monthly; provided that, in every case, the following shall be considered Customer Loan Losses: 100% of the value of all Non Performing Assets. For clarity, any recovery on Customer Loan Assets for which a Customer Loan Loss has been taken will be deducted from the calculation of Customer Loan Losses.

**“Debt Balance”** means the sum of the following (without duplication):

- (i) the principal amount of all Advances (less any repayments made pursuant Section 2.1(h), Section 2.1(i) or Section 3.1(g)); *plus*
- (ii) all accrued and unpaid interest on the Loan; *plus*
- (iii) all accrued and unpaid Minimum Utilization Fees; *plus*
- (iv) all other amounts owing by any Loan Party to the Agent or the Lenders under this Agreement or any Loan Document.

**“Default Rate”** means the Applicable Interest Rate plus [PERCENTAGE REDACTED].

**“Eligible Customer Loan Asset”** means a Customer Loan Asset satisfying the eligibility criteria set forth in Section 5.2.

**“Event of Default”** has the meaning given to such term in Section 7.1.

**“Final Termination Date”** means the later of (i) the Maturity Date and (ii) the date on which the Debt Balance is fully repaid.

**“Free Cashflow”** means all sources of income from the Customer Loan Assets, including interest, principal, monthly fees, insurance premiums, commissions or proceeds on insurance products related to Customer



Loan Assets and internal and third party collections (net of third party collection costs), but excluding NSF fees which shall be earned and retained by the Servicer.

**“Funding Date”** means the date specified in the Funding Notice on which the Borrower requests the Lenders to make an Advance, or if such a date is not a Business Day, the next succeeding Business Day, and which will not occur more than once in any seven day period.

**“Funding Notice”** means a request for an Advance by the Borrower to the Agent substantially in the form of Schedule H to this Agreement.

**“Governmental Authority”** means the government of any sovereign state or any political subdivision thereof, or of any political subdivision of a political subdivision thereof, and any entity exercising executive, legislative, judicial, regulatory, administrative or other functions of or pertaining to government.

**“GSA”** means the general security agreement, to be entered into between the Borrower and the Agent, in substantially the form set out in Schedule B.

**“IFRS”** means International Financial Reporting Standards issues by the IFRS Foundation and the International Accounting Standards Board.

**“Ineligible Customer Loan Asset”** means a Customer Loan Asset that fails to satisfy the eligibility criteria set forth in Section 5.2.

**“Joinder Agreement”** has the meaning set forth in Section 11.2(b).

**“Laws”** means, collectively, all international, foreign, federal, provincial and local statutes, treaties, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

**“Lender”** means each lender that from time to time becomes a party to this Agreement (either as a result of signing the signature pages below or by signing a joinder to this Agreement) and provides a Loan to the Borrower.

**“Loan”** means the senior secured revolving loan facility established hereunder, pursuant to which the Lenders shall make Advances to the Borrower for the purpose of funding Customer Loan Assets.

**“Loan Documents”** means this Agreement, the Security Documents, the Promissory Notes (if any) and the Advisory Agreement.

**“Loan Parties”** means, collectively, the Borrower, the Parent, and TPFM.

**“Material Adverse Effect”** means (a) a material adverse change in, or a material adverse effect upon, the operations, business, properties, liabilities (actual or contingent), condition (financial or otherwise) or prospects of any Loan Party; (b) material impairment of the rights and remedies of the Agent or any Lender under any Loan Document or of the ability of the any Loan Party to perform its obligations under any Loan

Document to which it is a party; or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against any Loan Party of any Loan Document to which it is a party.

**“Maturity Date”** means the date that is the 36 month anniversary of the First Funding Date.

**“Maximum Advance Rate”** means 95%.

**“Maximum Facility Amount”** means \$10,000,000, unless increased by mutual agreement of the parties in accordance with this Agreement.

**“Minimum Utilization Fee”** has the meaning given to that term in Section 2.1(d).

**“Non Performing Asset”** means any Customer Loan Asset (i) for which an Obligor’s payments are 60 days or longer past due; (ii) which has been sent to third party collections; or (iii) for which the applicable Obligor has made a consumer proposal or entered credit counseling or has become subject to any bankruptcy or insolvency proceedings.

**“Obligor”** means, in respect of a Customer Loan Asset, the debtor thereunder together with any Person, who is shown as a party to such Customer Loan Asset, including any co-debtor, guarantor or other Person who owes or is responsible for payments under such Customer Loan Asset.

**“Parent”** has the meaning set forth in the preamble.

**“Parent Guarantees”** means the limited guarantee agreement in substantially the form set out in Schedule C and the bad act guarantee agreement in substantially the form set out in Schedule D, to be entered into by the Parent.

**“Parent GSA”** means the general security agreement, to be entered into between the Parent and the Agent, in substantially the form set out in Schedule E.

**“Participant”** has the meaning set forth in Section 10.1.

**“Person”** means an individual, partnership, corporation, trust, joint venture, unincorporated organization, association, board or body established by statute, government (or any agency or political subdivision thereof) or other entity.

**“PPSA”** means the *Personal Property Security Act* (British Columbia) together with the equivalent or comparable legislation in every other jurisdiction of Canada applicable to the Customer Loan Assets.

**“Prime Rate”** means, for any day, the per annum interest rate published as the “prime rate” by the Bank of Canada, currently located at the following web site: <https://www.bankofcanada.ca/rates/daily-digest/>, except that if such rate shall exceed 5.00% the prime rate shall be deemed to be 5.00%, and if such rate shall fall below 3.50%, the prime rate shall be deemed to be 3.50%.

**“Promissory Note”** means a promissory note in substantially the same form as Schedule G granted from the Borrower to the Agent, on behalf of the applicable Lenders, that evidences the debt owed by the Borrower for a Loan.

**“Records”** all contracts, books, records and other documents and information maintained by or on behalf of the Borrower or Parent evidencing or otherwise relating to any Customer Loan Assets, Obligors, Free Cashflow or the Collection Account and, after the funding of any Loan by the Lenders, shall include all such

records, information and material maintained or required to be maintained by the Borrower in respect thereof.

**“Replacement Servicer”** means any Person whom the Agent designates as a replacement Servicer in accordance with the terms of this Agreement following the occurrence of a Servicer Termination Event.

**“Replacement Servicer Fee”** means the fees payable to the Replacement Servicer following the Replacement Servicer’s appointment.

**“Required Lenders”** means, as of any date of determination, Lenders holding more than two thirds of the sum of the aggregate outstanding Debt Balance.

**“Responsible Officer”** means the chief executive officer, president, chief financial officer, treasurer, secretary or director of a Loan Party. Any document delivered hereunder that is signed by a Responsible Officer shall be conclusively presumed to have been authorized by all necessary corporate action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

**“Security Documents”** means, collectively, the Parent Guarantees, the TPFM Guarantees, the GSA, the Parent GSA, the TPFM GSA, the Blocked Account Agreement and each of the collateral assignments, security agreements, pledge agreements or other similar agreements that creates or purports to create a Security Interest in favour of the Agent for the benefit of the Agent and/or the Lenders.

**“Security Interest”** means a lien, security interest, hypothec, title retention agreement, pledge, assignment (whether or not by way of security), charge, encumbrance, mortgage, explicit right of set off, lease or other right or claim of any Person.

**“Servicer”** means the Person designated as the Servicer pursuant to Article 6 and, after a Servicer Transfer, means any Replacement Servicer.

**“Servicer Termination Event”** has the meaning ascribed thereto in Section 6.8.

**“Servicer Transfer”** has the meaning ascribed thereto in Section 6.9.

**“Settlement Date”** means the 2<sup>nd</sup> Business Day following the end of a Collection Period.

**“Standard Form Agreements”** means the forms of loan agreements and security agreements disclosed to the Agent and used by the Borrower or TPFM to constitute the agreements pursuant to which Customer Loan Assets are originated, as the same may be amended from time to time by the Borrower upon reasonable advance notice to the Agent.

**“Tax”** means any withholding, stamp, general corporation, property, capital, large corporations, excise, goods and services, harmonized goods and services, sales or other tax or any fee, levy, assessment or other governmental charge (excluding any tax imposed upon the Lender with respect to any income or gains of the Lender), including any related penalties or interest.

**“Term”** means the term of this Agreement commencing on the date hereof and ending on the Maturity Date.

“**TPFM Guarantees**” means the limited guarantee agreement in substantially the form set out in Schedule C and bad act guarantee agreement in substantially the form set out in Schedule D, to be entered into by the TPFM.

“**TPFM GSA**” means the general security agreement, to be entered into between TPFM and the Agent, in substantially the form set out in Schedule E.

## **1.2 Headings**

The division of this Agreement into Articles, Sections, subsections, paragraphs, clauses and other subdivisions, 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 Agreement. The terms “this Agreement”, “hereof”, “hereunder” and similar expressions refer to this Agreement and not to any particular Article, Section, subsection, paragraph, clause, Schedule or other portion hereof and include the recitals and any agreement supplemental hereto. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles, Sections, subsections, paragraphs, clauses and Schedules are to Articles, Sections, subsections, paragraphs, clauses and Schedules of this Agreement.

## **1.3 Number, Gender, Etc.**

Words importing the singular number shall include the plural and vice versa, words importing the masculine gender shall include the feminine and neuter genders and vice versa.

## **1.4 Non Business Days**

Whenever any payment to be made hereunder shall be stated to be due or any action to be taken hereunder shall be stated to be required to be taken on a day other than a Business Day, unless otherwise specifically provided for herein, such payment shall be made or such action shall be taken on the next succeeding Business Day.

## **1.5 Governing Law**

This Agreement shall be governed by and construed in accordance with the Laws of the Province of British Columbia. Each of the parties hereto hereby attorns to the non-exclusive jurisdiction of the courts of the Province of British Columbia.

## **1.6 Reference to Statutes**

All references herein to any statute or any provision thereof shall, unless otherwise specified herein, mean such statute or provision as the same may be amended, re-enacted or replaced from time to time.

## **1.7 Severability**

In the event that one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect under any applicable Law, the validity, legality or enforceability of the remaining provisions hereof shall not be affected or impaired thereby. Each of the provisions of this Agreement is hereby declared to be separate and distinct.

## **1.8 Currency**

All amounts expressed herein in terms of money refer to lawful currency of Canada and all payments to be made hereunder shall be made in such currency.

## **1.9 Accounting Principles**

Where the character or amount of any asset or liability or item of revenue or expense is required to be determined, or any consolidation or other accounting computation or presentation is required to be made for the purpose of this Agreement, such determination, consolidation, computation or presentation shall, to the extent applicable and except as otherwise specified herein or as otherwise agreed to in writing by the parties, be made in accordance with IFRS applied on a consistent basis. Wherever in this Agreement reference is made to IFRS or International Financial Reporting Standards, such reference shall be deemed to be to IFRS applicable as at the date on which such determination, consolidation, computation or presentation is made or required to be made.

## **1.10 Schedules**

The following Schedules annexed hereto are incorporated herein by reference and are deemed to be part hereof:

Schedule A	Form of Compliance Certificate
Schedule B	Form of GSA
Schedule C	Form of Parent & TPFM Limited Guarantee
Schedule D	Form of Parent Bad Act Guarantee
Schedule E	Form of Parent & TPFM GSA
Schedule F	-intentionally left blank-
Schedule G	Form of Promissory Note
Schedule H	Funding Notice
Schedule I	Form of Opinion
Schedule J	Chief Executive Office and Chief Place of Business
Schedule K	Additional Eligibility Criteria
Schedule L	Assignment Agreement
Schedule M	Joinder Agreement

## ARTICLE 2 LOAN

### 2.1 Loan

- (a) Loan. During the Term, upon and subject to the terms and conditions of this Agreement, the Borrower may request that the Lenders make revolving Advances to the Borrower. Subject to the satisfaction of the terms and conditions set forth herein and the aggregate principal amount of the Loan (after giving effect to such Advance) not exceeding the lesser of (i) the Borrowing Base and (ii) the Maximum Facility Amount, the Agent shall use commercially reasonable efforts to identify Lenders to fund such Advances. Amounts borrowed and repaid hereunder may be re-borrowed (subject to the Borrowing Base and the Maximum Facility Amount). Notwithstanding that multiple Advances may be made by the Lenders hereunder, all Advances shall be deemed to constitute a single Loan.
- (b) Funding Notices and Agent's Notices.
- (i) At least 2 Business Days prior to each Funding Date, the Borrower shall deliver to the Agent a completed Funding Notice and such other information as Agent may reasonably request to review the proposed Borrowing Base and any proposed additions to the Borrowing Base Assets. The Agent may waive all or part of such 2 Business Day notice period in its sole discretion.
  - (ii) Each Funding Notice shall contain the information set forth in Schedule H hereto, including (A) proposed amount of the Advance, (B) the proposed Funding Date and (C) a calculation of the Borrowing Base and the Advance Rate of the Loan after giving of the Advance and the addition of any Eligible Customer Loan Assets to the Borrowing Base Assets.
  - (iii) At the Agent's request, the Borrower will provide the Agent with the Customer Loan File for any Customer Loan Asset proposed as a Borrowing Base Asset addition and such other information as may be reasonably requested by the Agent for the purpose of determining whether the Customer Loan Assets are Eligible Customer Loan Assets.
  - (iv) The Borrower shall not submit more than one (1) Funding Notice per week and each Funding Notice shall request an Advance of not less than \$20,000 and not exceeding \$125,000, unless approved by the Agent, Lender, or if the facility is increased pursuant to 2.1(e) herein.
  - (v) No later than the Funding Date, the Agent may notify the Borrower in writing of any disagreement the Agent has in the calculation of the Borrowing Base or Advance Rate set forth in the Funding Notice (and the amount of the Advance, if any, that the Lenders will fund based on a revised calculation of the Borrowing Base or Advance Rate) or, subject to Section 2.6, any inability of the Lenders to fund the full amount of the Advance (such notice, an "**Agent's Notice**").
- (c) Funding of Advances. On the applicable Funding Date, the Lenders shall fund the Advance requested by the Borrower in the Funding Notice (subject to any adjustments set forth in an Agent's Notice).

- (d) Minimum Utilization Fee. If at any time, the Debt Balance of the Loan is less than the product of (1) the minimum utilization rate for the applicable period set forth in the table below *multiplied by* (2) the Maximum Facility Amount, *then* a minimum utilization fee (the “**Minimum Utilization Fee**”) shall accrue on the amount of such shortfall at the Applicable Interest Rate. The Minimum Utilization Fee shall be calculated on a monthly basis based on the average daily shortfall during the preceding month and shall be payable by the Borrower in accordance with Section 3.1.

Months After Closing Date	Minimum Utilization Rate
0-3 months	[PERCENTAGE REDACTED]
4-5 months	[PERCENTAGE REDACTED]
6-8 months	[PERCENTAGE REDACTED]
9-11 months	[PERCENTAGE REDACTED]
12-17 months	[PERCENTAGE REDACTED]
18+ months	[PERCENTAGE REDACTED]

- (e) Decrease to Maximum Facility Amount. The Borrower may request to reduce the Maximum Facility Amount on 30 days’ notice to the Agent, to accommodate a decrease in origination volumes caused by COVID-19 or otherwise, which request shall not be unreasonably denied by the Agent on behalf of the Lenders.
- (f) Interest. The Loan shall accrue interest on the average outstanding Debt Balance in respect of a Collection Period at a rate equal to the Applicable Interest Rate (or, if applicable, interest may accrue at the Default Rate pursuant Section 7.1). Interest shall be calculated and accrue on the last day of each Collection Period, before and after judgment, default or the commencement of any insolvency proceedings. Interest shall be payable by the Borrower in accordance with Section 3.1.
- (g) Maturity. The Loan shall mature and all amounts then outstanding hereunder shall be immediately due and payable by the Borrower in full, along with all accrued and unpaid interest, on the Maturity Date. No Advances may be requested by the Borrower after the Maturity Date.
- (h) Mandatory Prepayments; Borrowing Base Overages. If at any time the outstanding Debt Balance exceeds the lesser of (A) the Borrowing Base and (B) the Maximum Facility Amount, then, unless waived by the Agent, subject to available Free Cashflow, and at the Borrower’s option, the Borrower shall:
- (i) apply Free Cashflow to make the mandatory prepayments on the Debt Balance in accordance with Section 3.1(g)(i);

- (ii) in the case where only the Borrowing Base (and not the Maximum Facility Amount) is exceeded:
  - (A) select a higher Advance Rate (not to exceed the Maximum Advance Rate and subject to Section 2.1(j)) such that the outstanding Debt Balance no longer exceeds the Borrowing Base, subject to no material adverse changes to the Customer Loan Asset portfolio of the Borrower, taken as a whole;
  - (B) cause TPFM or the Parent to transfer additional Eligible Customer Loan Assets to the Borrower sufficient to cure any such shortfall in the Borrowing Base; or
  - (C) any combination of (A) and (B) above.

In the event the Borrower causes additional Eligible Customer Loan Assets to be transferred to it pursuant to clause (B) or (C) above, it may simultaneously transfer Ineligible Customer Loan Assets of an equal or lesser principal amount to TPFM or the Parent.

- (i) Voluntary Prepayments. During the first 24 months following the initial Funding Date, no early prepayments by the Borrower of any Loan amounts shall be permitted without the prior consent of the Agent, with the exception of (A) principal payments made in accordance with Section 3.1, (B) mandatory prepayments pursuant to Section 2.1(h), and (C) any other mandatory repayments required by this Agreement. After the first 24 months following the initial Funding Date, the Borrower may make voluntary prepayments of the outstanding Debt Balance provided that:
  - (i) all accrued and unpaid interest on the prepayment amount of the Debt Balance is paid concurrently; and
  - (ii) such prepayment is accompanied by a prepayment fee as follows:
    - (A) for prepayments made during the period that is 24-29 months following the initial Funding Date, a fee of 8% of the aggregate Debt Balance prepaid; and
    - (B) for prepayments made during the period that is 30-36 months following the initial Funding Date, a fee of 4% of the aggregate Debt Balance prepaid.

Voluntary prepayments made under this Section 2.1(i) shall not reduce the Minimum Utilization Fee, except that the Minimum Utilization Fee shall be waived where, in connection with a termination of the credit facilities, 100% of the outstanding Debt Balance is prepaid in accordance with the terms of this Section 2.1(i), and an additional fee of 2% of the cumulative Debt Balance prepaid is paid to the Agent by the Borrower in addition to the applicable fee under either Section 2.1(i)(ii)(A) or 2.1(i)(ii)(B).



- (j) Advance Rate. The Advance Rate may be selected by the Borrower in its sole discretion; provided that the Borrower may not increase the Advance Rate by more than 5% in the aggregate during the Term without the consent of the Agent.

## **2.2 Ineligible Customer Loan Assets**

The Agent, on behalf of the Lenders, may, in its sole discretion, permit Customer Loan Assets that are Ineligible Customer Loan Assets to be included in the calculation of the Borrowing Base. In such event, the Agent, on behalf of the Lenders, is entitled to propose changes to the conditions and terms of funding. If the Borrower accepts the changes to the conditions and terms, then the Agent on behalf of the Lenders shall be deemed to have waived its rights to characterize such Customer Loan Assets as Ineligible Customer Loan Assets, but only with respect to any non-conformities with the eligibility criteria for Eligible Customer Loan Assets disclosed by the Borrower prior to the date of funding of the applicable Advance. If the Borrower does not accept the proposed additional conditions, such Ineligible Customer Loan Assets shall not be included in the calculation of the Borrowing Base. Any additional conditions and terms agreed to in respect of any Ineligible Customer Loan Assets shall be in writing, signed by the Borrower and the Agent on behalf of the Lenders.

## **2.3 Extension; Effect of End of Term**

The Term of this Agreement may be extended for a further period of 6 months upon mutual agreement of the Borrower and the Agent, evidenced in writing. In the event of such an extension, the Term of this Agreement shall be deemed to be extended until the end of the extension period, and all terms and conditions of this Agreement shall remain in effect, including the Minimum Utilization obligations pursuant to Section 2.1.

## **2.4 Taxes; Payments Generally**

All payments to be made by the Borrower hereunder shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff, including any deduction for any present or future Taxes, levies, imposts, deductions, charges or withholdings and all liabilities with respect thereto imposed by any Governmental Authority. If the Borrower will be required by Law to deduct any Taxes from or in respect of any sum payable hereunder to the Lenders or the Agent, (i) the amount payable will be increased as may be necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 2.4) the Lenders or the Agent (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Borrower will make such deductions and (iii) the Borrower will pay the full amount deducted to the relevant taxation authority or other authority in accordance with applicable Law.

All payments by the Borrower shall be made to the Agent, for the account of the respective Lenders to which such payment is owed, in immediately available funds and at the office or to the account of the Agent as the Agent may from time to time designate to the Borrower in writing.

## **2.5 Increased Costs**

If any change in applicable Law shall:

- (a) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against the assets of, deposits with or for the account of, or credit extended or participated in by any Lender;

- (b) subject any Lender to any Tax of any kind whatsoever with respect to this Agreement or change the basis of taxation of payments to such Lender (except to the extent such Taxes are addressed by the Borrower pursuant to Section 2.4); or
- (c) impose on any Lender any other condition or expense affecting this Agreement or the Loans made by such Lender,

and the result of any of the foregoing shall be to increase the cost of such Lender of making or maintaining any Loan or to reduce the amount of any sum received or receivable by such Lender hereunder (whether of principal, interest or otherwise), then, upon the request of such Lender, the Borrower will pay to the Agent for the account of such Lender such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered. If any Lender requests compensation pursuant to this Section 2.5 or the Borrower is required to pay an additional amount to a Lender pursuant to Section 2.4, the applicable Lender shall use commercially reasonable efforts to mitigate such amounts and/or assign its Loans to an Affiliate or third-party Lender that would eliminate or reduce amounts payable pursuant to Section 2.4. For greater certainty, any liability of the Borrower pursuant to this Section 2.5 shall only be applicable for any such increased costs occurring or applicable to the period after the Borrower has received notice of such increased costs, and not for any such costs charged or relating to the period prior to such notice. In the event that the increased costs arising from a change in applicable Law increase, or are anticipated to increase, annual costs to the Borrower or Parent by greater than 5%, the Borrower or Parent may within 90 days of receiving notice of such increased costs repay in full the outstanding Debt Balance, together with all accrued and unpaid interest thereon, without notice, bonus or penalty and terminate this Agreement.

## **2.6 Funding by Lenders**

Each Lender shall fund its proportionate share of an Advance to the Agent no later than the Business Day prior to the applicable Funding Date. If a Lender has not made its share of an applicable Advance to the Agent, then, at the Agent's option, it may either (i) reduce the principal amount of the Advance or Loan by the amount that the Lender has not funded or (ii) fund the entire principal amount of the Advance or Loan, in which case the applicable Lender will be deemed to agree to pay to the Agent such amount on demand with interest thereon from each day from and including the date such amount is funded to the Borrower.

Should the Agent become aware that it, on behalf of the Lenders, will be unable to fund future Advances up to the maximum weekly funding amount, it shall provide the Borrower with at least [TIME PERIOD REDACTED] written notice of its inability to fund such Advances. Following such [TIME PERIOD REDACTED] notice period, if the Agent is unable to fund the full amount of a requested Advance or Loan under Section 2.6(i) (other than a refusal to make an Advance in excess of the maximum weekly funding amount set out in Section 2.1(b)(iv) or Maximum Amount of Loan), and such refusal or inability continues for the greater of (a) [TIME PERIOD REDACTED] following the expiration of the [TIME PERIOD REDACTED] notice period or (b) the period corresponding to the receipt by the Agent of [NUMBER REDACTED] consecutive Funding Notices under this Agreement, then the following shall apply: (i) the Minimum Utilization Fee shall be waived for the remainder of the Term, (ii) the Applicable Interest Rate shall be reduced by [PERCENTAGE REDACTED] per annum for the remainder of the Term, and (iii) notwithstanding any other provisions contained herein, the Borrower will have the option to prepay the entire Debt Balance of the Loan (including all accrued and unpaid interest and any other amounts owing under this Agreement) on [TIME PERIOD REDACTED] written notice without penalty.

## 2.7 Promissory Notes

- (a) To further evidence the Borrower's obligation to pay the principal amount of Loan with interest as herein provided, the Borrower will, if requested by a Lender, issue and deliver to such Lender a Promissory Note.
- (b) The execution and delivery by the Borrower of a Promissory Note will not limit, reduce or otherwise affect the obligations of the Borrower under this Agreement, and the rights and claims of a Lender under a Promissory Note will not replace or supersede the rights and claims of the Lender hereunder.
- (c) Upon discharge of all of the obligations of the Borrower under this Agreement, each Lender will cancel and return any Promissory Note issued to it by the Borrower under this Agreement.

## ARTICLE 3 REMITTANCES FROM COLLECTION ACCOUNT

### 3.1 Remittances from Free Cashflow

The Servicer shall, on the Settlement Date immediately following the end of a Collection Period, apply the Free Cashflow collected during the immediately preceding Collection Period in respect of the Loan in the following order of priority:

- (a) *first*, to the Replacement Servicer if one has been appointed in accordance with the terms of this Agreement following a Servicer Termination Event, any outstanding Replacement Servicer Fees;
- (b) *second*, to the Backup Servicer, if applicable, any outstanding Backup Servicer Fees;
- (c) *third*, to the Agent, any outstanding fees payable under the Advisory Agreement;
- (d) *fourth*, to the Agent on behalf of the Lenders, any interest accrued pursuant to Section 2.1(f) (or, if applicable, any interest accrued at the Default Rate pursuant Section 7.1) that is unpaid, including any interest that accrued during prior Collection Periods and remains unpaid;
- (e) *fifth*, to the Agent on behalf of the Lenders the Minimum Utilization Fee payable in accordance with Section 2.1(d), if any;
- (f) *sixth*, to the Agent, any other fees, reimbursements, indemnities or other amounts payable under this Agreement to the Agent or any Lender;
- (g) *last*, any balance, as follows:
  - (i) if the Debt Balance exceeds the Borrowing Base or the Maximum Facility Amount on the Settlement Date, to the Agent on behalf of the Lenders, the amount required, if any, to reduce the outstanding Debt Balance to an amount that is

equal to or less than the lesser of the Borrowing Base and the Maximum Facility Amount; *then*

- (ii) following the occurrence and continuance of an Event of Default, to the Agent on behalf of the Lenders until such Event of Default is cured or until the Debt Balance and any other obligations of the Borrower under this Agreement have been repaid in full; *then*
- (iii) if no Event of Default has occurred and is continuing or the Debt Balance and any other obligations of the Borrower under this Agreement have been repaid in full, 100% to the Borrower.

All payments shall be made net of any third party collection costs (to the extent not already deducted in the calculation of Free Cashflow). To the extent Free Cashflow is insufficient to pay the Replacement Servicer, the Lenders may agree to fund such deficiency, in which case such amount shall be deemed to be an Advance by the Lenders and shall be added to the Debt Balance.

## **ARTICLE 4**

### **CONDITIONS PRECEDENT**

#### **4.1 Conditions Precedent for the Effectiveness of this Agreement**

The effectiveness of this Agreement is conditional upon the satisfaction of the following conditions for the benefit of the Agent on behalf of the Lenders:

- (a) counterparts of the following agreements, executed by each Loan Party that is a party thereto shall have been delivered to the Agent:
  - (i) this Agreement;
  - (ii) the Parent Guarantees;
  - (iii) the TPFM Guarantees;
  - (iv) the Advisory Agreement;
  - (v) the GSA;
  - (vi) the Parent GSA;
  - (vii) the TPFM GSA;
- (b) a no-interest letter between TPF the Phoenix Fund Inc. (“**TPF**”) and the Agent, in which TPF agrees it has no interest in Customer Loan Assets transferred to the Borrower;
- (c) the Agent shall have received evidence that financing statements have been filed with the Personal Property Security Registry in each province that the Agent deems advisable against the Parent, TPFM and the Borrower in order to perfect the Security Interests created under the Security Documents;

- (d) the Agent shall have received evidence of the completion of all other actions, recordings and filings of or with respect to the Security Documents that the Agent may deem necessary or advisable in order to perfect the Security Interests created under the Security Documents;
- (e) the Agent shall have received evidence that each of the Borrower, TPFM and the Parent is:
  - (i) duly incorporated and existing in good standing pursuant to the Laws of the jurisdiction of its incorporation;
  - (ii) duly qualified, licensed or registered to carry on business in each of the provinces of Canada where it conducts its operations, except where the failure to be so qualified, licensed or registered in any such province could not reasonably be expected to have a Material Adverse Effect;
- (f) the Agent shall have received copies of the articles, bylaws and other constating documents of each of the Borrower, TPFM and the Parent, certified by a Responsible Officer;
- (g) the Agent shall have received evidence that the execution, delivery and performance of this Agreement, the other Loan Documents and any other documents to be delivered hereunder are within the powers of each of the Borrower, TPFM and the Parent and resolutions of the board of directors of each of the Borrower, TPFM and the Parent approving and authorizing the execution, delivery and performance of this Agreement and other documents to be delivered by it hereunder, certified by a Responsible Officer;
- (h) the Agent shall have received a certificate signed by a Responsible Officer of each of the Borrower, TPFM and the Parent certifying that (A) the conditions specified in Section 4.3(a) have been satisfied and (B) there has been no event or circumstance since the balance sheet date of the last externally prepared financial statements of the Parent that has had or could reasonably be expected to have a Material Adverse Effect;
- (i) the Agent shall have received a favorable opinion of Imperium Law Group, counsel to the Loan Parties, addressed to the Agent on behalf of the Lenders, substantially in the form of Schedule I;
- (j) such other assurances, certificates, documents, consents or opinions as the Agent may reasonably require;
- (k) all fees required to be paid by the Loan Parties to the Agent on or before the date hereof shall have been paid; and
- (l) the Borrower shall have paid all fees, charges and disbursement of counsel to the Agent to the extent invoiced prior to or on the date hereof, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred through the closing proceedings; provided that such fees (exclusive of disbursements and taxes) shall not exceed \$30,000.

#### **4.2 Conditions Precedent for Initial Advance**

Prior to the initial Advance hereunder, the conditions in Section 4.1 shall have been satisfied and the following additional conditions for the benefit of the Agent on behalf of the Lenders shall have occurred, or the Borrower and Parent shall have delivered to the Agent the following, as the case may be, in each case in form and substance satisfactory to the Agent:

- (a) counterparts of the Blocked Account Agreement for the Collection Account, executed by the Blocked Account Bank and the Borrower;
- (b) a Promissory Note executed by the Borrower in favour of each Lender requesting a Promissory Note in respect of the Loan;
- (c) certificates representing the Borrowers Securities pledged to the Agent on behalf of the Lenders pursuant to the Parent GSA, along with corresponding powers of attorney endorsed in blank (or if the Borrowers Securities are not evidenced by certificates, other evidence of perfection of the Agent's Security Interest in such Borrowers Securities as the Agent may request); and
- (d) a Funding Notice executed by the Borrower in respect of the Advance.

#### **4.3 Conditions Precedent for each Funding**

Prior to each Advance hereunder, the following conditions for the benefit of the Agent and the Lenders shall have occurred, or the Borrower shall have delivered to the Agent the following, as the case may be, in each case in form and substance satisfactory to the Agent:

- (a) the following statements will be true, and the Borrower, TPFM and Parent will be deemed to have certified that:
  - (i) the representations and warranties contained in Section 5.1 of this Agreement or in any other Loan Document shall be true and correct on and as of the date of such Advance (except to the extent such representations and warranties specifically refer to an earlier date, in which case such representations and warranties shall be true of such earlier date);
  - (ii) with respect to the Eligible Customer Loan Assets that are used to calculate the Borrowing Base, the representations and warranties in Section 5.2, are true and correct on date of the Advance;
  - (iii) the Borrower, TPFM and the Parent are each in all material respects in compliance with all of their covenants and obligations under this Agreement and each other Loan Document that it is a party thereto; and
  - (iv) no event has occurred and is continuing, or would result from the advancing of the Loan, that constitutes an Event of Default or a Servicer Termination Event, or that would constitute an Event of Default or a Servicer Termination Event by the giving of notice or the lapse of time or both;
- (b) the Agent shall have received a Funding Notice;

- (c) the Debt Balance, after giving effect to the proposed Advance, shall not exceed the lesser of the Borrowing Base and the Maximum Facility Amount; and
- (d) all documents, instruments and agreements required by the terms hereof to be delivered to the Agent shall be so delivered and shall be satisfactory in form and substance to the Agent, acting reasonably, and the Agent shall have received such other approvals, opinions or documents as it may reasonably request.

## **ARTICLE 5**

### **REPRESENTATIONS AND WARRANTIES AND COVENANTS**

#### **5.1 Representations and Warranties of the Borrower and the Parent**

Each of the Borrower, TPFM and the Parent represent and warrant to and in favour of the Agent and each Lender, as of the date of each Advance hereunder, acknowledging that the Agent and the Lenders are relying upon such representations and warranties in consummating the transactions contemplated hereby, as follows:

- (a) it is a corporation duly incorporated, validly existing and in good standing under its jurisdiction of incorporation, and has full power and authority to execute and deliver this Agreement and the other documents to be delivered hereunder, as applicable, and to perform the terms and conditions hereof and thereof and is duly qualified, licensed or registered in each of the provinces of Canada in which it conducts its business to carry on its present business and operations except where the failure to be so qualified, licensed or registered does not and will not result in a Material Adverse Effect;
- (b) the execution, delivery and performance by it of this Agreement and all other instruments, agreements and documents to be delivered by it hereunder, as applicable, and the transactions contemplated hereby and thereby, are within its powers, have been duly authorized by all necessary corporate or other action (as applicable) and do not contravene (i) its constating documents, or (ii) any Law or any contractual restriction binding on or affecting it and do not result in or require the creation of any Security Interest (other than any Security Interests created pursuant to this Agreement in favour of the Agent), upon or with respect to any of its properties, and the consummation of the transactions contemplated hereby and thereby does not require approval of shareholders or beneficiaries or approval or consent of any Person under any contract to which it is a party;
- (c) no authorization or approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body is required for the due execution, delivery and performance by it of this Agreement, any other Loan Document or any other instrument, agreement or document to be delivered hereunder, as applicable;
- (d) this Agreement, the other Loan Documents and the other instruments, agreements and documents to be executed and delivered by it hereunder, as applicable, constitute legal, valid and binding obligations of it, enforceable against it in accordance with their terms and it has not and will not take any steps to repudiate or disavow this Agreement or any other Loan Document;

- (e) the Parent Guarantees and the TPFM Guarantees constitute legal, valid and binding obligations of the applicable guarantor, enforceable against such guarantor in accordance with its terms, and no guarantor has taken or will take any steps to repudiate or disavow the Parent Guarantees or the TPFM Guarantees;
- (f) all reasonable actions to validate, preserve, perfect, and protect the Security Interests of the Lender in the collateral described in the Security Documents and the rights of the Agent thereunder have been taken;
- (g) as of the date hereof, the chief executive office and chief place of business of the Borrower, TPFM and Parent are located at the locations identified beside their names on Schedule J and all Records and Customer Loan File documents are located at such offices;
- (h) the Records and Customer Loan File documents relating to each Eligible Customer Loan Asset used to calculate the Borrowing Base are maintained by or on behalf of the Borrower and such Records and Customer Loan File documents relating to each such Eligible Customer Loan Asset are correct and complete in all material respects at the date hereof and contain, and will be updated on a regular basis to contain, all of the documents and information that a prudent originator and servicer of similar assets would obtain or maintain at the time of the origination thereof and throughout the term thereof;
- (i) since the date of this Agreement, there has been no Material Adverse Effect;
- (j) all written information provided by it to the Agent or any Lender with respect to each Eligible Customer Loan Asset used to calculate the Borrowing Base is true and complete in all material respects as of the date of this Agreement, and all other written information heretofore furnished by it to the Agent or any Lender (and their delegates) for purposes of or in connection with this Agreement or any transaction contemplated hereby is, and all such information hereafter furnished by it in writing to the Agent or any Lender will be, true and accurate in all material respects or based on reasonable estimates on the date on which such information is stated or certified;
- (k) there is no order, judgment or decree of any court, arbitrator or similar tribunal or Governmental Authority purporting to enjoin or restrain, and there are no proceedings before any court, arbitrator or similar tribunal or Governmental Authority seeking to enjoin or restrain it from consummating the transactions contemplated hereby, or its agents or the Agent or any Lender and their agents from making any collection in respect thereof, or which might otherwise materially adversely affect its ability to perform its obligations hereunder;
- (l) there are no actions, suits or proceedings in existence or, to its knowledge, pending or threatened, against or affecting it or its property in any court, or before any arbitrator of any kind, or before or by any governmental body, which may materially adversely affect its financial condition or materially adversely affect its ability to perform its obligations under this Agreement and all instruments, agreements and documents contemplated to be executed and delivered hereunder, as applicable; and
- (m) as at each Funding Date and after giving effect to any proposed Advance, the Debt Balance will not exceed the lower of (1) the Borrowing Base and (2) the Maximum Facility Amount.



## 5.2 Eligibility Criteria for Customer Loan Assets

Each Eligible Customer Loan Asset used to calculate the Borrowing Base shall satisfy the following eligibility criteria as at each Funding Date:

- (a) such Customer Loan Asset shall be denominated in Canadian dollars, and shall be governed by the Laws of any Province or Territory in Canada;
- (b) such Customer Loan Asset shall have been duly authorized, shall be in full force and effect and shall represent a legal, or valid and binding agreement, enforceable by the Borrower against the applicable Obligor in accordance with its terms without any litigation, right of rescission, offset, counterclaim, dispute, discount, adjustment or defense, except to the extent that enforceability may be limited by debtor relief Laws and general principles of equity, and shall not be contingent in any respect for any reason, there shall be no conditions precedent to the enforceability or validity of such Customer Loan Asset that have not been satisfied or waived, and no Obligor shall have a *bona fide* claim against the Borrower or the Parent, and there shall be no restrictions or prohibitions on the sale, transfer, or assignment of such Customer Loan Asset by the holder thereof as of any date of determination;
- (c) the loan agreement related to such Customer Loan Asset shall be in the form of the Standard Form Agreements;
- (d) such Customer Loan Asset shall not arise out of an unenforceable contract or a contract that makes assignment void;
- (e) such Customer Loan Asset shall exist under a fully executed loan agreement between the TPFM or the Borrower, on the one hand, and the Obligor thereunder, on the other hand, and all representations and warranties of the Obligor set forth therein shall, to the knowledge of the Loan Parties, be true and correct in all material respects as of the date of the funding of the Customer Loan Asset and as of the date such Customer Loan Asset is funded by the Lenders pursuant to a Loan;
- (f) no instrument of release or waiver shall have been executed by the Borrower or Parent in connection with the loan agreement related to such Customer Loan Asset, and the Obligor thereunder shall not have been released from their obligations under such Customer Loan Asset, in whole or in part;
- (g) such Customer Loan Asset shall have been originated by the Borrower or TPFM (and have been validly assigned to the Borrower free and clear of any Security Interests, other than the Security Interest of the Agent on behalf of the Lenders) in accordance with the Credit and Collection Policies;
- (h) the use of proceeds of the Customer Loan Asset shall be for the purpose of paying off the applicable Obligor's consumer proposal under the Parent's Fast-Track program, and such proceeds shall be paid directly by the Borrower, TPFM or Parent to [IDENTITIES REDACTED] and not to [IDENTITIES REDACTED];
- (i) the Customer Loan Asset must not be a Non Performing Asset; and

- (j) the Customer Loan Asset shall meet such other criteria as established by the Agent and set forth on Schedule K hereto, which Schedule K may be amended from time to time by the Agent upon 30 days' notice to the Borrower or immediately upon the occurrence of any of the following: (i) any Event of Default; (ii) a Servicer Termination Event; (iii) a Material Adverse Effect or (iv) any other event or events that alone or in the aggregate result in a significant and adverse change to the performance of the Loans or the Customer Loan Assets, including but not limited to material economic, political or health related disruptions.

### **5.3 Ineligible Customer Loan Assets**

- (a) Promptly upon discovering that any Customer Loan Asset included in the calculation of the Borrowing Base is an Ineligible Customer Loan Asset, the Borrower shall inform the Agent in writing, in reasonable detail, with respect thereto, or the Agent shall so inform the Borrower with respect thereto, as the case may be. Thereafter, such Ineligible Customer Loan Asset shall be excluded from the calculation of the Borrowing Base and the Advance Rate (until such time as such asset becomes an Eligible Customer Loan Asset).

### **5.4 Covenants of the Borrower**

From the date of this Agreement until the Final Termination Date, the Borrower covenants and agrees, unless the Agent otherwise consents in writing, as follows:

- (a) Payment of Agent's Costs and Expenses. The Borrower shall pay all reasonable and documented out of pocket expenses of the Agent and any Lender associated with the preparation, execution, delivery, administration (limited to costs associated with amended, renewing or extending this Agreement) and enforcement of this Agreement and the other Loan Documents and any amendment or waiver with respect thereto, including the reasonable legal fees and disbursements of counsel to the Agent.
- (b) Payment of Blocked Account Costs and Expenses. The Borrower shall pay all bank fees and expenses (including any legal fees and expenses of counsel to any bank) related to setting up and maintaining the Collection Account.
- (c) Compliance with Laws. The Borrower shall comply with all Laws, rules, regulations and orders applicable to it, its business and properties.
- (d) Corporate Existence. The Borrower shall preserve and maintain its corporate existence, rights, franchises and privileges in the jurisdiction of its incorporation, and qualify and remain qualified as an extra provincial or other out of jurisdiction corporation in each jurisdiction where the failure to preserve and maintain such extra-provincial qualification would have a Material Adverse Effect.
- (e) Legal Proceedings. Promptly after the Borrower becomes aware of any proceeding pending or threatened against or affecting the Borrower where the potential liability to the Borrower (net of insurance) aggregated with all such other claims against the Borrower exceeds \$50,000, the Borrower shall furnish to the Lender a certificate duly executed by the Borrower specifying the nature thereof and what action the Borrower has taken, is taking or proposes to take with respect thereto.

- (f) Inspections by Agent. The Borrower shall permit the Agent (or the representative thereof) at the Agent's expense, upon reasonable advance notice under the circumstances, to visit the Borrower and inspect and review such books of account and records of the Borrower. The Borrower agrees to pay all reasonable out-of-pocket expenses incurred by the Agent (or any such representative) in connection with the exercise of rights pursuant to this Section 5.4(f) at any time when an Event of Default or Servicer Termination Event has occurred and is continuing.
- (g) Books and Records. The Borrower shall keep proper books or records in accordance with IFRS.
- (h) Principal Place of Business; Continuances. The Borrower shall maintain its principal place of business and chief executive office in British Columbia and shall not continue its corporate existence to another jurisdiction unless 30 days' notice has been provided to the Agent.
- (i) Licenses and Permits. The Borrower shall do or cause to be done all things necessary to obtain, preserve and maintain in full force and effect all permits and licenses of the Borrower reasonably required for the operation of its business where failure to have such permit or license could reasonably be expected to result in a Material Adverse Effect.
- (j) Taxes. The Borrower shall pay and discharge or cause to be paid and discharged all material Taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits or upon any of its property or upon any part thereof, prior to the date on which penalties attach thereto; provided, however, that the Borrower will not be required to pay any such Tax, if the amount, applicability or validity thereof will currently be contested in good faith by appropriate proceedings, and if such reserve or other appropriate provision, if any, as will be required by IFRS will have been made therefor.
- (k) Insurance. The Borrower shall maintain insurance with responsible and reputable insurance companies or associations in such amounts and covering such risks for the Borrower as is usually carried by companies engaged in businesses of a similar size and nature as the Borrower.
- (l) No Name Change. The Borrower shall not make any change in its corporate name, or the location of its chief executive office or chief place of business or of any office in which Documents and Records are kept without providing 30 days' prior written notice to the Agent.
- (m) No Merger, Sale of All Assets. The Borrower shall not, directly or indirectly, amalgamate, consolidate with or merge with or into, or originate, lease or otherwise dispose of its assets (other than pursuant to this Agreement) as an entirety or substantially as an entirety to, any Person.
- (n) No Change of Control. The Borrower will not undergo a change of Control.
- (o) Limitation on Business Activities. The Borrower shall not be engaged in any business other than the acquisition, origination, servicing and financing of Customer Loan Assets.

- (p) No Amendments to Constatng Documents. The Borrower shall not amend its articles, bylaws or other constating documents.
- (q) No Interest in Borrowers Securities. The Borrower shall not permit any Person other than the Parent and the Agent on behalf of the Lenders to acquire any interest (including as security) in the Borrowers Securities.
- (r) No Subsidiaries. The Borrower shall not create or maintain any subsidiaries or hold any investments (other than Customer Loan Assets) in any other Person.
- (s) Use of Proceeds. The Borrower shall use the proceeds of the Loan and all Advances hereunder only in compliance with Law and for the purposes set forth in this Agreement.
- (t) Liens. The Borrower shall not create, incur, assume or suffer to exist any Security Interest upon any of its property, assets or revenues, whether not owned or hereafter acquired, other than Security Interests in favour of the Agent or the Lenders created by the Loan Documents.
- (u) Debt. Without prior consent of the Agent, the Borrower shall not create, incur, assume or suffer to exist any indebtedness other than:
  - (i) the indebtedness owing to the Lenders under the Loan Documents; and
  - (ii) amounts owing from the Borrower to the Parent or TPFM in connection with the acquisition of Customer Loan Assets by the Borrower, which amounts are subordinated and postponed to the repayment of the Loan.
- (v) Annual Financial Statements. The Borrower shall provide the Agent with annual audited financial statements of the Borrower or annual audited financial statements of the Parent in which the Borrower's financials are consolidated as soon as possible and, in an event, within 120 days of the end of each fiscal year of the Borrower or Parent, as applicable, accompanied by a report and opinion of a recognized accounting firm reasonably acceptable to the Agent.
- (w) Other Annual Reporting. The Borrower shall provide the Agent with the following as soon as possible, and, in any event, within 120 days after the Borrower's fiscal year end:
  - (i) a 3 year financial forecast including detailed capital and operating expenditure budget;
  - (ii) a Compliance Certificate executed by a Responsible Officer of the Borrower, delivered concurrently with the financial statements referred to in Section 5.4(v).
- (x) Interim Financial Statements. The Borrower shall provide the Agent with quarterly interim financial statements or quarterly interim financial statements of the Parent in which the Borrower's financial statements are consolidated as soon as possible and, in any event, within 60 days of the end of each fiscal quarter of the Borrower or Parent, as applicable, in either case prepared by management in accordance with IFRS.

- (y) Other Quarterly Reporting. The Borrower shall provide the Agent with the following as soon as possible, and, in any event, within 60 days after the Borrower's fiscal quarter:
  - (i) a comparison of results against annual budget and forecast; and
  - (ii) a compliance certificate executed by a Responsible Officer of the Borrower, concurrently with the delivery of the financial statements referred to in Section 5.4(x).
- (z) Monthly Reporting. Once per month the Borrower shall provide the Agent with a Compliance Certificate signed by a Responsible Officer.
- (aa) Weekly Reporting. The Borrower shall provide the Agent with periodic financial reports, containing information that the Agent may reasonably request, on a weekly basis, and which reports shall at a minimum include calculation of Free Cashflow received during the preceding week and other reports as reasonably requested by the Agent, or alternatively, an API which provides the Agent with raw data from the Borrower's platform sufficient for the Agent to independently prepare such requested reports.
- (bb) Further Assurances. The Borrower shall, promptly upon request by the Agent or any Lender, (i) correct any material defect or error that may be discovered in any Loan Document or in the execution, acknowledgement, filing or recordation thereof; and (ii) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, certificates, assurances and other instruments as the Agent or any Lender may reasonably require in order to (A) more effectively carry out the purposes of the Loan Documents, (B) to the fullest extent permitted by applicable Law, subject any Loan Party's properties, assets, rights or interests to the Security Interests now or hereafter intended to be covered by any of the Security Documents, (C) perfect and maintain the validity, effectiveness and priority of any of the Security Documents and any Security Interests intended to be created thereunder, and (D) assure, convey, grant, assign, transfer, preserve, protect and confirm more effectively unto the Agent and the Lenders the rights granted now or hereafter intended to be granted under any Loan Document.

## 5.5 Covenants of Parent and TPFM

From the date of this Agreement until the Final Termination Date, each of the Parent and TPFM jointly and severally covenants and agrees, unless the Agent otherwise consents in writing, as follows:

- (a) Compliance with Laws. The Parent and TPFM shall comply with all Laws, rules, regulations and orders applicable to it, its business and properties.
- (b) Corporate Existence. Each of the Parent and TPFM shall preserve and maintain its corporate existence, rights, franchises and privileges in the jurisdiction of its incorporation, and qualify and remain qualified as an extra provincial or other out of jurisdiction corporation in each jurisdiction where the failure to preserve and maintain such extra-provincial qualification would have a Material Adverse Effect.
- (c) Legal Proceedings. Promptly after the Parent or TPFM becomes aware of any proceeding pending or threatened against or affecting the Parent or TPFM where the potential

liability to the Borrower (net of insurance) aggregated with all such other claims against the Borrower exceeds \$150,000, the Parent shall furnish to the Lender a certificate duly executed by the Parent specifying the nature thereof and what action the Parent has taken, is taking or proposes to take with respect thereto.

- (d) Inspections by Agent. Each of the Parent and TPFM shall permit the Agent (or the representative thereof) at the Agent's expense, upon reasonable advance notice under the circumstances, to visit it and inspect and review such books of account and records as the Agent requires. The Parent agrees to pay all reasonable out-of-pocket expenses incurred by the Agent (or any such representative) in connection with the exercise of rights pursuant to this Section 5.5(d) at any time when an Event of Default or Servicer Termination Event has occurred and is continuing, if such information is not readily available to the Agent in electronic form by the Borrower.
- (e) Books and Records. Each of the Parent and TPFM shall keep proper books or records in accordance with IFRS.
- (f) Principal Place of Business; Continuances. Each of the Parent and TPFM shall maintain its principal place of business and chief executive office in British Columbia and shall not continue its corporate existence to another jurisdiction without providing 30 days' prior written notice to the Agent.
- (g) Licenses and Permits. Each of the Parent and TPFM shall do or cause to be done all things necessary to obtain, preserve and maintain in full force and effect all permits and licenses of the Borrower reasonably required for the operation of its business where failure to have such permit or license would reasonably be expected to have a Material Adverse Effect.
- (h) Taxes. Each of the Parent and TPFM shall pay and discharge or cause to be paid and discharged all material Taxes, assessments and governmental charges or levies imposed upon it or upon its income or profits or upon any of its property or upon any part thereof, prior to the date on which penalties attach thereto; provided, however, that the Borrower will not be required to pay any such Tax, if the amount, applicability or validity thereof will currently be contested in good faith by appropriate proceedings, and if such reserve or other appropriate provision, if any, as will be required by IFRS will have been made therefor.
- (i) No Name Change. Each of the Parent and TPFM shall not make any change in its corporate name, or the location of its chief executive office or chief place of business or of any office in which Documents and Records are kept without providing 30 days' prior written notice to the Agent.
- (j) No Merger, Sale of All Assets. Each of the Parent and TPFM shall not, directly or indirectly, amalgamate, consolidate with or merge with or into, or originate, lease or otherwise dispose of its assets (other than pursuant to this Agreement) as an entirety or substantially as an entirety to, any Person except for assets being transferred from TPFM to Parent.
- (k) No Change of Control. TPFM shall not undergo any Change of Control. The Parent shall not undergo any Change of Control set out in clauses (i) and (ii) of the definition of Change

of Control. The Parent and TPFM shall cause the Borrower to not undergo any Change of Control.

- (l) Minimum Liquidity. The Parent shall at all times maintain an end of day cash balance of at least \$300,000 in unrestricted cash held in non-blocked bank accounts of the Parent.
- (m) Annual Financial Statements. The Parent shall provide the Agent with annual audited financial statements of the Parent as soon as possible and, in an event, within 120 days of the end of each fiscal year of the Parent, accompanied by a report and opinion of a recognized accounting firm reasonably acceptable to the Agent.
- (n) Other Annual Reporting. The Parent shall provide the Agent with the following as soon as possible, and, in any event, within 120 days after the Parent's fiscal year end:
  - (i) a 3 year financial forecast including detailed capital and operating expenditure budget; and
  - (ii) a Compliance Certificate executed by a Responsible Officer of the Parent, delivered concurrently with the financial statements referred to in Section 5.5(m).
- (o) Interim Financial Statements. The Parent shall provide the Agent with quarterly interim financial statements as soon as possible and, in any event, within 60 days of the end of each fiscal quarter of the Parent, as prepared by management in accordance with IFRS.
- (p) Other Quarterly Reporting. The Parent shall provide the Agent with the following as soon as possible, and, in any event, within 60 days after the Parent's fiscal quarter:
  - (i) a comparison of results against annual budget and forecast; and
  - (ii) a compliance certificate executed by a Responsible Officer of the Parent, concurrently with the delivery of the financial statements referred to in Section 5.5(o).
- (q) Monthly Reporting. Once per month the Parent shall provide the Agent with a Compliance Certificate signed by a Responsible Officer of the Parent.
- (r) Further Assurances. Each of the Parent and TPFM shall, promptly upon request by the Agent or any Lender, (i) correct any material defect or error that may be discovered in any Loan Document or in the execution, acknowledgement, filing or recordation thereof; and (ii) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, certificates, assurances and other instruments as the Agent or any Lender may reasonably require in order to (A) more effectively carry out the purposes of the Loan Documents, (B) to the fullest extent permitted by applicable Law, subject any Loan Party's properties, assets, rights or interests to the Security Interests now or hereafter intended to be covered by any of the Security Documents, (C) perfect and maintain the validity, effectiveness and priority of any of the Security Documents and any Security Interests intended to be created thereunder, and (D) assure, convey, grant, assign, transfer, preserve, protect and confirm

more effectively unto the Agent and the Lenders the rights granted now or hereafter intended to be granted under any Loan Document.

#### **5.6 Change in Beneficial Ownership Covenants.**

Prior to the consummation of a transaction described in clause (iii) of the definition of Change of Control as it relates to the Parent, the Parent, shall provide written notice of such transaction to the Agent as soon as possible (“Change of Control Notice”).

The Agent will perform due diligence on the new controlling person(s) and the effect of the Change of Control on the Parent, TPFM, the Borrower and their respective operations. The Parent will provide all information and assistance reasonably requested by the Agent in order to conduct such review.

**Within 90 days from the Change of Control Notice**, the Agent will send written notice to the Parent notifying of the discussion to either: 1) accept the new beneficial owner; or 2) provide notice (a “**Run-Off Notice**”) to the Parent of its intention to convert the facility to a run-off facility, in which case, no further loans shall be advanced under this Agreement, and the Loan shall be payable in full (including all accrued and unpaid interest and any other amounts payable under this Agreement) on the date that is 12 months following delivery of the Run-Off Notice.

#### **5.7 Survival**

The representations and warranties of the Loan Parties contained in this Agreement shall survive the consummation of the transactions contemplated by this Agreement and, notwithstanding the occurrence of such events, shall continue in full force and effect indefinitely.

## **ARTICLE 6 ADMINISTRATION**

#### **6.1 Designation of the Initial Servicer**

By executing and delivering this Agreement, TPFM is designated as the initial Servicer hereunder and hereby agrees to perform the duties and obligations of the Servicer pursuant to the terms hereof until the occurrence of a Servicer Transfer. Subject to the term and conditions of this Agreement, the Servicer shall administer, service and collect the Customer Loan Assets owned by the Borrower until the Final Termination Date. The Servicer may in its sole discretion elect to delegate (at its own cost and expense) any of its duties and obligations under this Article 6 provided Servicer shall remain liable to the Agent and the Lenders hereunder for the performance of such duties and obligations as if no such delegation had occurred.

#### **6.2 Acknowledgment re Fully Serviced Loan Assets**

The Borrower, TPFM and Parent acknowledge and agree that the funding of the Loan provided for hereunder is conditional upon the Borrower acquiring the Customer Loan Assets on a fully serviced basis and TPFM as Servicer shall not be entitled to any remuneration from the Lenders for performing its servicing obligations hereunder.



### **6.3 Authorization of Servicer**

Without limiting the generality of the authority granted by the designation of any Person as Servicer, and subject to the Servicing Guide and the other provisions of this Agreement, the Servicer is hereby authorized and empowered to take any and all reasonable steps necessary or desirable and not inconsistent with the Credit and Collection Policies in connection with servicing the Customer Loan Assets. Pursuant to the authority hereby conferred, the Servicer shall have the power to take all actions that are required, in the determination of the Servicer, acting reasonably, to collect all amounts due under any and all Customer Loan Assets, including, without limitation, to settle or to compromise with the Obligor and to execute and deliver any and all instruments of satisfaction or cancellation, or partial or full release or discharge, and all other comparable instruments, with respect to the Customer Loan Assets and, after delinquency of any Customer Loan Asset, and to the extent permitted under and in compliance with applicable Law and regulations, to commence proceedings with respect to enforcing payment of such Customer Loan Asset.

### **6.4 Deposit to Collection Account**

The Servicer will ensure that all Free Cashflow is directly deposited into the Collection Account by the applicable Obligor or other payees on behalf of such Obligor who are not Loan Parties. In the event the any Loan Party receives any Free Cashflow other than as a result of it being deposited into the Collection Account, Servicer shall immediately deposit (or cause to be deposited) such amount into the Collection Account. Servicer shall ensure no Free Cashflow is received by any Loan Party prior to it being deposited into the Collection Account and disbursed in accordance with the terms of this Agreement. Free Cashflow deposited to the Collection Account shall be withdrawn from the Collection Account and paid out only in accordance with the terms of this Agreement and shall not be used by Servicer for any other purpose.

### **6.5 Description of Services**

The Servicer shall, unless the Agent directs otherwise, take or cause to be taken all such reasonable actions as may be necessary or advisable from time to time to administer and service each Customer Loan Asset in accordance with this Agreement and applicable Laws. Without limiting the generality of the foregoing, the Servicer shall:

- (a) take or cause to be taken all such actions as may be necessary or desirable from time to time to collect each Customer Loan Asset in accordance with the terms and provisions thereof;
- (b) keep an individual record with respect to each Customer Loan Asset and post to it all payments received under or in respect thereof;
- (c) deposit or cause to be directly deposited by Obligor all Free Cashflow in respect of each Customer Loan Asset to the Collection Account as required by Section 6.4, regardless of any set-off right or counterclaim;
- (d) give timely notice to the Obligor of each Customer Loan Asset of any payment or other default thereunder;
- (e) record any Customer Loan Asset that is delinquent or defaulted as being delinquent or defaulted;

- (f) investigate all delinquencies and defaults under each Customer Loan Asset;
- (g) respond to all reasonable enquiries of the Obligor of each Customer Loan Asset;
- (h) make all payments to Governmental Authorities and others where an amount due to a Governmental Authority or others having priority over the Borrower's, the Agent's or any Lenders' interest in the Customer Loan Asset has arisen (provided that nothing herein shall preclude the Servicer from contesting any claim in the ordinary course of business and in good faith);
- (i) determine the advisability of taking action and instituting and carrying out legal proceedings in case of default by an Obligor and take such action and institute and carry out such legal proceedings determined by it to be advisable;
- (j) maintain Records with respect to each Customer Loan Asset and grant representatives of the Agent reasonable access to examine and make copies of the Records, and provide reasonable opportunity to discuss matters relating to the administration and servicing thereof with personnel of the Servicer involved in such administration and servicing during business hours, including the opportunity to see and review information systems and software in operation;
- (k) until the Final Termination Date, hold as trust property for and on behalf of the Agent and the Lenders, free of any Security Interest (other than the Security Interests created pursuant to the Loan Documents), all Records with respect to the Customer Loan Assets at the offices identified in Schedule J;
- (l) monitor the occurrence of Events of Default and Servicer Termination Events and provide prompt notice to the Agent of the occurrence of any such event;
- (m) execute and deliver all such assignments, releases and discharges of the Customer Loan Assets as are required by the terms thereof upon receipt of all amounts due thereunder; and
- (n) settle, compromise and otherwise deal with any claims under the Customer Loan Assets if necessary, advisable or otherwise permitted thereby, subject always to the Credit and Collection Policies.

## **6.6 Affirmative Covenants of the Servicer**

From the date of this Agreement until the Final Termination Date, the Servicer covenants and agrees that it shall:

- (a) comply with all applicable Laws, rules, regulations and orders with respect to it, its business and properties and all Customer Loan Assets;
- (b) preserve and maintain its corporate existence, rights and privileges in the jurisdiction of its incorporation, and qualify and remain qualified as an extra provincial or other out of jurisdiction corporation in each jurisdiction where the failure to preserve and maintain such extra-provincial qualification would result in a Material Adverse Effect;

- (c) not make any change in its corporate name, or the location of its chief executive office or chief place of business or of any office in which Documents and Records are kept without providing 30 days' prior written notice to the Agent;
- (d) comply with the Credit and Collection Policies;
- (e) at its own expense, employ and provide general administrative, supervisory and accounting staff and general overhead as may from time to time be reasonably required to carry out its servicing obligations hereunder;
- (f) pay from its own funds all general administrative expenses and other costs incurred by it in carrying out its obligations hereunder and all fees and expenses of any administrator appointed or subcontractor retained by it;
- (g) at the request of the Agent (i) make such notations on the Records relating to the Customer Loan Assets in its possession as may be requested by the Agent to evidence the interest of the Agent or any Lender therein;
- (h) maintain and implement administrative and operating procedures to keep and maintain all Records and other information reasonably necessary or advisable to enable any Replacement Servicer to produce the information required to be produced by it pursuant hereto or reasonably necessary or advisable for the enforcement of all Customer Loan Assets (including, without limitation, Records adequate to permit the daily identification of all Free Cashflow under and adjustments to each Customer Loan Asset);
- (i) (i) at any time and from time to time during regular business hours, upon reasonable notice, and (ii) immediately following the occurrence of an Event of Default or a Servicer Termination Event, (A) assemble the Records and other documents as may be requested by the Agent and make the same available to the Agent at the principal place of business of the Servicer and permit the Agent, its agents or representatives to examine and make copies of such Records and requested documents and (B) permit the Agent or its agents to visit the offices and properties of the Servicer for the purpose of discussing matters relating to the Customer Loan Assets and the Servicer's performance hereunder with any of the Servicer's officers or employees having knowledge of such matters;
- (j) take all reasonable actions to validate, preserve, perfect, and protect the Security Interests of the Agent under the Security Documents and the rights of the Agent to collect and realize on any and all of the collateral described therein;
- (k) co-operate with, and offer such assistance as may reasonably be requested by, the certified public accountants selected by the Agent to furnish reports in respect of the Agent, the Customer Loan Assets and the servicing thereof under this Agreement;
- (l) upon request of the Agent, direct the Servicer's auditors to assist the Agent's auditors to the extent and in such manner as is reasonably required for the Agent's auditors to report on the status of the Customer Loan Assets under this Agreement;
- (m) promptly after the Servicer becomes aware thereof, provide the Agent with notice of any litigation or other court or arbitration proceeding brought against the Servicer or the Borrower; and

- (n) maintain valid general liability insurance coverage in respect of its servicing activities hereunder in an amount and coverage commensurate with prudent industry practice.

## **6.7 Negative Covenants of Servicer**

From the date of this Agreement until the Final Termination Date, the Servicer covenants and agrees that it shall not:

- (a) except as otherwise provided herein, and whether by operation of Law or otherwise, originate, assign or otherwise dispose of, or create or suffer to exist, any Security Interest upon or with respect to any of the Customer Loan Assets except as otherwise agreed by the Agent (including pursuant to any intercreditor or like agreements in respect of which the Agent is a party) or assign any right to receive payment thereunder;
- (b) extend, amend, waive or otherwise modify the terms of any Customer Loan Asset or any contract related thereto (other than adjusting, settling or compromising the account or payment thereof pursuant to this Article 6 and except for deferments and extensions in the ordinary course of business which are consistent with the Credit and Collection Policies or which are available to Obligors under the terms of the Customer Loan Assets) except modifications or waivers that (i) do not affect the payment terms of any Customer Loan Asset and (ii) do not adversely affect the collectability of any Customer Loan Asset;
- (c) take or omit to take any action if the taking or omitting to take such action by the Servicer would constitute a breach by the Servicer of any representation, warranty or covenant in this Agreement; or
- (d) resign or purport to resign as Servicer.

## **6.8 Servicer Termination Events**

The occurrence or existence of one or more of the following events or facts shall constitute a “**Servicer Termination Event**”:

- (a) any failure of the Servicer to pay or deposit any amount to be paid or deposited by it under this Agreement (including any failure to remit Free Cash Flow to the Collection Account in accordance with Section 6.4) and any failure of Servicer, or compromise of Servicer’s ability to, collect payments from Obligors (including, without limitation, software, hardware or other problems with Servicer’s platform for collecting payments, but excluding non-payments by fault of the Obligors), and such failure continues unremedied for a period of 3 Business Days after the earlier of the date on which the Servicer receives notice thereof from the Agent and the date the Servicer becomes aware thereof;
- (b) any withdrawal from or other use of funds on deposit in the Collection Account by the Servicer, other than as expressly permitted hereunder;
- (c) any failure on the part of the Servicer to duly perform or observe any material terms, conditions, covenants or agreements of the Servicer set forth in this Agreement, and if such failure is capable of being remedied, such failure continues unremedied for a period

of 10 Business Days after the earlier of the date on which the Servicer receives notice thereof from the Agent and the date the Servicer becomes aware thereof;

- (d) any representation or warranty made or deemed to have been made by the Servicer (or any of its officers) in or pursuant to this Agreement or any document or instrument delivered pursuant hereto proves to have been false, misleading or incorrect in any material respect when made and, if capable of being cured, has not been cured within 3 Business Days after the earlier of the date notice thereof has been delivered to the Servicer and the date the Servicer becomes aware thereof;
- (e) the failure by the Servicer to generally pay its debts as they become due, the admission in writing by the Servicer of its inability to pay its debts generally or the making by the Servicer of an assignment for the benefit of its creditors;
- (f) any Security Document shall for any reason fail to create a valid and perfected first priority Security Interest (or in the case of TPFM and Servicer, a valid and perfected second priority security interest) in any collateral purported to be covered thereby, or any Security Document shall fail to remain in full force or effect or any action shall be taken to discontinue or to assert the invalidity or unenforceability of any Security Document, or the Servicer shall fail to comply with any of the terms or provisions of any Security Document;
- (g) the filing by the Servicer of a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or other similar legislation in the applicable jurisdiction, to some or all of its creditors;
- (h) the commencement or filing of a petition, notice or application by or against the Servicer of any proceedings to adjudicate it a bankrupt or insolvent or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any Law of any jurisdiction, whether now or after the date of this Agreement in effect, relating to the dissolution, liquidation or winding up, bankruptcy, insolvency, reorganization of insolvent debtors, arrangement of insolvent debtors, readjustment of debt or moratorium of debts, or to obtain an order for relief by the appointment of a receiver, receiver manager, administrator, inspector, liquidator or trustee or other similar official for it or for any substantial part of its property and, if any such proceeding has been instituted against the Servicer, either such proceeding has not been stayed or dismissed within 45 days or any of the actions sought in such proceeding (including the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official) are granted in whole or in part, or the performance by the Servicer of any act, or the omission to perform any act, that authorizes or indicates its consent to, approval of or acquiescence in, any such proceeding; or
- (i) the occurrence of a Change of Control.

## 6.9 Effecting a Servicer Transfer

At any time following the occurrence of a Servicer Termination Event that has not been waived, the Agent may terminate the Servicer's appointment as Servicer hereunder by giving notice to the Servicer of its decision to terminate the Servicer's engagement as Servicer, which termination (a "**Servicer Transfer**")

shall take effect at the time specified in such notice, or, failing the specification of any time, upon the appointment of a Replacement Servicer.

#### **6.10 Appointment of Replacement Servicer**

At any time following the occurrence of a Servicer Termination Event that has not been cured or waived, the Agent may by instrument in writing designate and appoint the Replacement Servicer and effect a Servicer Transfer.

#### **6.11 Additional Covenants Following a Servicer Transfer**

From and after a Servicer Transfer until the Final Termination Date, the Borrower covenants and agrees that it shall, in addition to any other obligations, upon the request of the Agent and at its own expense:

- (a) instruct the Obligor of each Customer Loan Asset (and any other Persons, if applicable) to remit all payments due under the Customer Loan Assets to the Replacement Servicer;
- (b) hold in trust for and remit as soon as possible to the Replacement Servicer all payments received from Obligors and from other Persons, if applicable;
- (c) immediately following receipt thereof, (i) segregate all cash, cheques and other instruments constituting Free Cashflow in a manner acceptable to the Agent, and (ii) deposit all such cash, cheques and instruments, duly endorsed or with duly executed instruments of transfer, with the Replacement Servicer or directly into the Collection Account;
- (d) deliver all Records (including electronic files containing all information necessary or reasonably desirable to enable the Agent or its agent to collect the amounts owing under the Customer Loan Assets) to the Agent or as it may direct in writing (or retain the same in segregated storage if so directed), and provide the Agent or its agent with all reasonable assistance necessary to decipher the information contained in the electronic files; and
- (e) perform any and all acts and execute and deliver any and all documents as may reasonably be requested by the Agent in order to effect the purposes of the Loan Documents or to enable the Replacement Servicer to collect and enforce the Customer Loan Assets.

#### **6.12 Agent's Rights Following a Servicer Transfer**

Without in any way limiting the rights of the Agent in respect of the Customer Loan Assets, upon a Servicer Transfer, the Agent may, but is not required to, at any time, directly or through the Replacement Servicer:

- (a) perform the services, duties and functions specified in Sections 6.5, 6.6 and 6.12 of this Agreement with respect to the Customer Loan Assets;
- (b) contact any Obligor for any purpose, including for the performance of audits and verification analyses, and the determination of account balances and other data maintained by the predecessor Servicer;

- (c) direct any Obligor to make all payments on account of any Customer Loan Assets directly to the Agent at an address designated by the Agent or to such third party (including the Replacement Servicer) or bank or depository as may be designated by the Agent;
- (d) request any Obligor to change the instructions for any direct debit or electronic funds transfer otherwise payable to the Borrower or the predecessor Servicer; and
- (e) proceed directly against any Obligor and take any and all other actions, in the Borrower's name or otherwise, necessary or reasonably desirable to collect the Customer Loan Assets or effect any related result.

#### **6.13 Servicer Defaults re Customer Loan Assets**

If on any day the amount owing under any Customer Loan Asset is reduced or cancelled as a result of any breach by the Servicer of the terms thereof or hereof or of any applicable Law, rule or regulation (including without limitation any consumer protection Laws), in the reasonable discretion of the Agent, which shall be deemed exercised unless notice is provided to the Servicer to the contrary, the Servicer shall pay to the Agent on the next following Settlement Date an amount sufficient to reimburse such reduction or cancellation.

#### **6.14 Appointment of Backup Servicer**

The parties will as soon as practicable enter into an agreement with the Backup Servicer to provide those services that the Agent determines are necessary, acting reasonably.

## **ARTICLE 7 EVENTS OF DEFAULT**

### **7.1 Events of Default; Remedies**

In respect of any Loan, the occurrence of any of the following events shall constitute an “**Event of Default**” under this Agreement:

- (a) The Debt Balance and any other outstanding obligations of the Borrower are not fully repaid on or before the Maturity Date, and such failure continues unremedied for a period of 30 days after the earlier of the date on which the Borrower receives notice thereof from the Agent and the date the Borrower becomes aware thereof;
- (b) At any time the annualized Cumulative Loss Rate for the Customer Loan Assets is equal to or greater than 14%, and such failure continues unremedied for a period of 5 Business Days after the earlier of the date on which the Borrower receives notice thereof from the Agent and the date the Borrower becomes aware thereof;
- (c) The Debt Balance of the Loan exceeds the lesser of the Borrowing Base and the Maximum Facility Amount, and such failure continues unremedied for a period of 30 days after the earlier of the date on which the Borrower receives notice thereof from the Agent and the date the Borrower becomes aware thereof;

- (d) Interest accrued pursuant to Section 2.1(f) or, Section 7.2 is not paid on the date due hereunder, and such failure continues unremedied for a period of 5 Business Days after the earlier of the date on which the Borrower receives notice thereof from the Agent and the date the Borrower becomes aware thereof;
- (e) Any failure on the part of any Loan Party to duly perform or observe any material terms, conditions, covenants or agreements of it set forth in any Loan Document, and if such failure is capable of being remedied, such failure continues unremedied for a period of 10 Business Days after the earlier of the date on which the Borrower receives notice thereof from the Agent and the date the Borrower becomes aware thereof;
- (f) The failure by the Borrower or Parent to generally pay its debts as they become due, the admission in writing by the Borrower or Parent of its inability to pay its debts generally or the making by the Borrower or Parent of an assignment for the benefit of its creditors;
- (g) Any representation or warranty made by any Loan Party in or pursuant to any Loan Document proves to have been false, misleading or incorrect in any material respect when made and, if capable of being cured, has not been cured within 5 Business Days after the earlier of the date notice thereof has been delivered to the Borrower and the date the Borrower becomes aware thereof;
- (h) One or more judgments or decrees shall be entered against any Loan Party involving in the aggregate a liability (not paid or fully covered by insurance as to which the relevant insurance company has acknowledged coverage) of \$50,000 or more, and all such judgments or decrees shall not have been vacated, discharged, stayed or bonded pending appeal within 30 days from the entry thereof;
- (i) Any Security Document shall for any reason fail to create a valid and perfected first priority security interest in any collateral purported to be covered thereby, or any Security Document shall fail to remain in full force or effect or any action shall be taken to discontinue or to assert the invalidity or unenforceability of any Security Document, or any Loan Party shall fail to comply with any of the terms or provisions of any Security Document;
- (j) Any material provision of any Loan Document for any reason ceases to be valid, binding and enforceable in accordance with its terms;
- (k) The filing by the Borrower of a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or other similar legislation in the applicable jurisdiction, to some or all of its creditors;
- (l) The commencement or filing of a petition, notice or application by or against the Borrower or Parent of any proceedings to adjudicate it a bankrupt or insolvent or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any Law of any jurisdiction, whether now or after the date of this Agreement in effect, relating to the dissolution, liquidation or winding up, bankruptcy, insolvency, reorganization of insolvent debtors, arrangement of insolvent debtors, readjustment of debt or moratorium of debts, or to obtain an order for relief by the appointment of a receiver, receiver manager, administrator, inspector, liquidator or trustee or other similar official for it or for any substantial part of its property and, if any such proceeding has been instituted against the Borrower or Parent, either such proceeding has not been stayed or dismissed within 45 days or any of the actions sought in such proceeding (including the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official) are granted in whole or in part, or the performance by the Servicer



of any act, or the omission to perform any act, that authorizes or indicates its consent to, approval of or acquiescence in, any such proceeding;

- (m) The Borrower, TPFM or the Parent fails to pay any principal or interest in respect of any indebtedness (including any guarantee obligation, but excluding indebtedness outstanding under this Agreement) when due and such failure continues after the applicable grace period, if any, specified in the agreement or instrument relating to such indebtedness and such failure continues unremedied for a period of 30 days after the earlier of the date on which the Borrower, TPFM or the Parent receives notice thereof from the Agent and the date the Borrower, TPFM or the Parent becomes aware thereof;
- (n) The Borrower, TPFM or the Parent fails to perform or observe any other covenant, term, condition or agreement relating to any indebtedness (including any guarantee obligation, but excluding indebtedness under this Agreement), or any other event occurs or condition exists, the effect of which is to cause, or to permit the holder or beneficiary of such debt to cause, with the giving of notice, if required, such debt to become due prior to its stated maturity (or, in the case of any guarantee obligation, to become payable); or any such debt is declared to be due and payable, or required to be prepaid prior to the stated maturity thereof, and such failure continues unremedied for a period of 30 days after the earlier of the date on which the Borrower, TPFM or the Parent receives notice thereof from the Agent and the date the Borrower, TPFM or the Parent becomes aware thereof; or
- (o) A Material Adverse Effect.

## 7.2 Remedies

Following and during the continuance of an Event of Default, the Agent may, in addition to any other remedies available to it hereunder and under applicable Law, exercise the following remedies:

- (a) by written notice to the Borrower, immediately declare that the outstanding Debt Balance of the Loan will begin accruing interest at the Default Rate until such Event of Default is cured;
- (b) decrease the then applicable Advance Rate in its sole discretion;
- (c)
  - (i) exercise its rights under the Blocked Account Agreement to assume control over the Collection Account; or
  - (ii) sweep or demand that the Borrower sweep all Free Cashflow from the Collection Account to be applied in accordance with Section 3.1 (including clause 3.1(g)(ii));

*provided* that the remedies set forth in this Section 7.2(c) shall be immediately available to the Agent on the upon occurrence of any Event of Default or any default which, with the passage of time or the giving of notice or both, would become an Event of Default (without, for clarity, giving regard to any cure periods set out in Section 7.1 hereof);

- (d) effect a Service Transfer;
- (e) by written notice to the Borrower, immediately declare the outstanding Debt Balance of the Loan to be immediately due and payable;
- (f) require the Loan Parties to take or refrain from taking any action which may be necessary to cure such Event of Default and to obtain affirmative or negative injunctions or restraining orders with respect thereto;
- (g) file suit for any sums owing or for damages; and
- (h) exercise any other remedy or right provided in law or in equity or permitted under this Agreement, the Security Documents or any other Loan Document, including without limitation, taking ownership of the Borrowers Securities pledged to the Agent pursuant to the Parent GSA,

except that:

- (i) in the case of an Event of Default under Section 7.1(c), the remedy in Section 7.2(d) shall not apply, and
- (j) in the case of an Event of Default under Section 7.1(g), the remedy in Section 7.2(a) shall not apply.

Notwithstanding the above, the Agent may waive any Event of Default or refrain from enforcing any of the remedies above in its sole discretion. Any remedies conferred upon the Agent shall be deemed cumulative with, and nonexclusive of any other remedy conferred hereby or by law, and the Agent in the exercise of any one remedy shall not be precluded from the exercise of any other.

### **7.3 Notice of Default**

From the date hereof until the Final Termination Date, each of the Borrower and the Parent covenants and agrees that it will send to the Agent promptly, and in any event within 2 Business Days, after it becomes aware of the occurrence of a Servicer Termination Event or Event of Default or the occurrence of an event or the existence of any fact, which, with the giving of notice or lapse of time, may constitute a Servicer Termination Event or Event of Default, a statement of a Responsible Officer of the Borrower setting forth details as to such fact or event and the action which it has taken and is proposing to take with respect thereto.

### **7.4 Cumulative Loss Rate Cures**

The Borrower may cure an Event of Default under Section 7.1(b) by either:

- (a) causing the Parent or TPFM to transfer additional Eligible Customer Loan Assets to the Borrower; or
- (b) causing the Parent or TPFM to repurchase from the Borrower Ineligible Customer Loan Assets,

in either case, sufficient to cause the Cumulative Loss Rate to be less than [PERCENTAGE REDACTED].

In the event the Borrower causes additional Eligible Customer Loan Assets to be transferred to it pursuant to clause (a) above, it may simultaneously transfer Ineligible Customer Loan Assets of an equal or lesser principal amount to TPFM or the Parent.

In the event the Borrower exercises its right to cure pursuant to clause (b) above, the repurchase price for the Ineligible Customer Loan Assets purchased by TPFM or the Parent shall be not less than the aggregate outstanding principal amount of such Ineligible Customer Loan Assets multiplied by the Maximum Advance Rate. The proceeds of any such repurchase shall be treated as Free Cash Flow and be immediately deposited into the Collection Account.

## **7.5 Borrowing Base Cures**

The Borrower may cure an Event of Default under Section 7.1(c) where the Debt Balance exceeds the Borrowing Base (and not the Maximum Facility Amount) by exercising its cure rights under Section 2.1(h)(ii).

# **ARTICLE 8 POWER OF ATTORNEY**

## **8.1 Power of Attorney**

- (a) The Borrower hereby grants to the Agent an irrevocable power of attorney, with full power of substitution, coupled with an interest, to take in the name of the Borrower or in the name of the Agent all steps necessary or advisable to endorse or negotiate an instrument, bill of exchange or other writing or to otherwise enforce or realize on any Customer Loan Asset held by the Borrower or transmitted to or received by the Borrower or the Agent as payment on account or otherwise in respect of the Customer Loan Asset, and to execute and deliver, in the Borrower's name and on the Borrower's behalf, such instruments and documents necessary or desirable to evidence or protect the interests of the Agent in the Customer Loan Assets and to execute and file, in the Borrower's name and on the Borrower's behalf, such recording, registration, financing or similar statements (including any amendments, renewals and continuation statements) under applicable Laws, including, without limitation, the PPSA, in such jurisdictions where it may be necessary to validate, perfect or protect the interests of the Agent as aforesaid. The Borrower shall execute and deliver to the Agent such documents, including powers of attorney, as may be necessary or appropriate to enable the Agent to endorse for payment any cheque, draft or other instrument delivered to the Agent or the Borrower or deposited into an account of the Agent or the Borrower in payment of any amount under or in respect of a Customer Loan Asset.
- (b) The Agent hereby covenants and agrees not to exercise any of the rights conferred by this Section 8.1 unless the Borrower is in default hereunder (which default is continuing) and is unwilling or unable to execute and deliver such agreements, documents or instruments as are necessary or advisable to preserve, protect or perfect the Agent's interests in any Customer Loan Asset or its ability to obtain Free Cashflow thereunder.

## ARTICLE 9

### THE AGENT AND THE LENDERS

#### 9.1 Appointment and Authority

Each Lender hereby irrevocably appoints CHP Agent Services Inc. to act on its behalf as the Agent hereunder and under all other documents referred to herein, and authorizes the Agent to take such actions on its behalf and to exercise such powers as are delegated to the Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Agent and the Lenders. No Loan Party or any subsidiary thereof shall have rights as a third party beneficiary of any of the provisions of this Article 9. The use of the term "agent" in any Loan Document with reference to the Agent is not intended to connote any fiduciary or other implied (or express) obligation arising under agency doctrine of any applicable Laws. Instead, the term is used as a matter of market custom and is intended to create or reflect only an administrative relationship between contracting parties.

#### 9.2 Rights as a Lender

The Person serving as the Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Agent, and the term "Lender" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Loan Parties or any Affiliate thereof, all as if such Person were not the Agent hereunder and without any duty to account to the Lender.

#### 9.3 No Fiduciary Duty and Exculpatory Provisions

- (a) The Agent shall not have any duties or obligations except those expressly set out in the Loan Documents, which shall be administrative in nature. Without limiting the generality of the foregoing, the Agent:
  - (i) shall not be subject to any fiduciary (i) or other implied duties, regardless of whether a Default has occurred and is continuing;
  - (ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary actions and powers expressly contemplated by the Loan Documents; *provided that*, the Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Agent to liability or that is contrary to any Loan Document or applicable Laws; and
  - (iii) shall not, except as expressly set out in the Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Loan Parties or any of their Affiliates that is communicated to the Agent.
- (b) The Agent shall not be liable for any action taken or not taken by it: (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as is necessary or as the Agent believes in good faith is necessary, under the Loan

Documents); or (ii) in the absence of its own gross negligence or willful misconduct as determined by a judgment of a court of competent jurisdiction.

- (c) The Agent shall be deemed not to have knowledge of any default unless and until notice describing the default is given to the Agent by the Borrower or a Lender.
- (d) Except as otherwise expressly provided in this Agreement, the Agent shall not be responsible for or have any duty to ascertain or inquire into: (i) any statement, warranty or representation made in or in connection with the Loan Documents; (ii) the contents of any certificate, report or other document delivered in connection with the Loan Documents; (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set out in the Loan Documents or the occurrence of any Default; (iv) the validity, enforceability, effectiveness or genuineness of the Loan Documents; or (v) the satisfaction of any condition specified in this Agreement, other than to confirm receipt of items expressly required to be delivered to the Agent.

#### **9.4 Reliance by the Agent**

The Agent shall be entitled to rely on, and shall not incur any liability for relying on any notice, request, certificate, consent, statement, instrument, document or other writing (including, any electronic message, internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Agent may rely on any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. The Agent may consult with legal counsel (who may be counsel for any Loan Party), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

#### **9.5 Delegation of Duties**

The Agent may perform any and all of its duties and exercise its rights and powers under the Loan Documents by or through any one or more sub-agents appointed by the Agent. The Agent will provide written notice to the Borrower, TPFM and Parent when a sub-agent is appointed or removed. The Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Affiliates. The exculpatory provisions of this Article shall apply to any such sub-agent and Affiliates of the Agent. The Agent shall have no responsibility for the conduct or negligence of any sub-agent appointed by it hereunder, except to the extent that a court of competent jurisdiction determines that the Agent acted with gross negligence or willful misconduct in the appointment of such sub-agent.

#### **9.6 Duties and Actions of Administrative Agent**

- (a) Duties of the Administrative Agent. Unless otherwise specified in this Agreement, the Agent shall perform the following duties:
  - (i) receive and distribute payments contemplated by this Agreement that are to be made by the Lenders to the Borrower and payments that are to be made by the Borrower to the Lenders;

- (ii) hold and execute, as agent on behalf of the Lenders, any security documents or collateral and take all required steps to perfect (whether by registration, possession, control or otherwise) and maintain such security documents;
- (iii) release and discharge the security interest of the Lenders under security documents with respect to any property or assets to the extent necessary to complete any disposition permitted by this Agreement;
- (iv) hold all legal documents relating to the Loan, maintain complete and correct records showing all Advances by the Lenders to the Borrower under this Agreement, all remittances and payments made by the Borrower to the Agent, all remittances and payments made by the Agent to the Lenders, and all fees or any other sums received by the Agent, except for fees payable concurrently with the execution of this Agreement, and allow any Lender and its advisors to examine such accounts, records and documents at its own expense;
- (v) promptly forward to each Lender, upon receipt, copies of all financial information and notices received from the Borrower;
- (vi) promptly notify the Lender of the occurrence of any material default under this Agreement of which the Agent has actual knowledge; and
- (vii) except as otherwise provided in this Agreement, act in accordance with any reasonable instructions given to the Agent by the Lender.

## **9.7 Indemnification**

Each Lender agrees to indemnify the Agent and hold it harmless (to the extent not reimbursed by the Borrower) from and against any and all losses, claims, damages, liabilities and related expenses, including the fees, charges and disbursements of any counsel, which may be incurred by or asserted against the Agent in any way relating to or arising out of the Loan Documents or the transactions therein contemplated. However, no Lender shall be liable for any portion of such losses, claims, damages, liabilities and related expenses resulting from the Agent's gross negligence or willful misconduct as determined by a final and non-appealable judgment of a court of competent jurisdiction. The Agent shall not be required to take or continue any action unless the Agent has received sufficient funds or arrangements satisfactory to it for indemnification to cover the cost of the proposed action.

## **9.8 Replacement of Agent**

- (a) The Agent may at any time give written notice of its resignation to the Lenders and the Borrower. On receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor Agent. The Agent may also be removed at any time by the Required Lenders on 30 days' notice to the Agent and the Borrower as long as the Required Lenders, in consultation with the Borrower, appoint and obtain the acceptance of a successor within those 30 days.
- (b) If no successor has (i) been appointed by the Required Lender, and (ii) accepted the appointment within thirty (30) days after the retiring Agent gives notice of its resignation, or by such earlier date as agreed by the Required Lenders, then the resignation shall nonetheless become effective in accordance with the retiring Agent's notice and (i) the

retiring Agent shall be discharged from its duties and obligations under the Loan Documents and the Agent will deliver to the Lenders all documents under the Agents control relating its duties hereunder, and (ii) all payments, communications and determinations provided to be made by, to or through the Agent shall instead be made by or to the Lenders directly, until the Required Lenders appoint a successor Agent.

- (c) On the successor's appointment as Agent, the successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the former Agent, and the former Agent shall be discharged from all of its duties and obligations under the Loan Documents (if not already discharged from them as provided in the previous subsection). After the termination of the service of the former Agent, the provisions of this Article shall continue in effect for the benefit of the former Agent, its sub-agents and their respective Affiliates in respect of any actions taken or omitted to be taken by any of them while the former Agent was acting as Agent.

### **9.9 Non-Reliance on Agent**

Each Lender acknowledges that it has, independently and without reliance on the Agent and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and based on such documents, and other information as it may from time to time deem appropriate, continue to make its own decisions in taking or not taking action under Agreement and in relation to the transactions contemplated therein.

### **9.10 Provisions Operate Only Between Lender and Agent**

The provisions of this Article relating to the rights and obligations of the Lenders and the Agent *inter se* shall be operative as between the Lenders and the Agent only, and the Loan Parties shall not have any rights or obligations under, or be entitled to rely for any purpose on, such provisions.

## **ARTICLE 10 PARTICIPATION**

### **10.1 Participation**

- (a) Each Lender may at any time, without the consent of, or notice to, the Borrower, TPFM, the Parent or the Agent, sell participations to any Person (each, a "**Participant**") in all or a portion of such Lender's rights and obligations under this Agreement provided that, (i) the Lender's obligations under this Agreement shall remain unchanged; (ii) the Lender shall remain solely responsible to the other parties hereto for the performance of such obligations; (iii) the Borrower, the Parent, and the Agent shall continue to deal solely and directly with such Lender in connection with the Lender's rights and obligations under this Agreement. Any payment by a Participant to a Lender in connection with a sale of a participation shall not be deemed to be a repayment by the Borrower or a new Advance to the Borrower or the Parent.
- (b) Any agreement or instrument under which any Lender sells a participation shall provide that the Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that, such agreement or instrument may provide that the Lender will not, without the consent

of the Participant, agree to any amendment, waiver or other modification that would materially affect the Participant's rights or obligation in regard to the Lender Loans in which it is participating.

## **ARTICLE 11**

### **LENDERS**

#### **11.1 Assignment by Lenders**

Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Loans), provided that any such assignment shall be subject to the following conditions:

- (a) Proportionate Amount. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loan(s) assigned; except that this clause shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate Loans on a non-pro rata basis.
- (b) Consents. Any assignment must be consented to by the Agent, which consent shall not be unreasonably withheld or delayed.
- (c) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Agent an assignment and assumption agreement substantially in the form set out in Schedule L or any other form approved by the Agent (the "**Assignment Agreement**"), together with all consents required hereunder, and Agent's customary processing and recordation fee payable to the Agent; and the assignee, if it is not a Lender, shall deliver any administrative questionnaire required by the Agent.
- (d) No Assignment to Certain Persons. No assignments may be made (i) to the Parent, the Borrower or any of the Parent's or Borrower's Affiliates or subsidiaries, or (ii) to a natural person.

Subject to acceptance and recording thereof by the Agent, from and after the effective date specified in each Assignment Agreement, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment Agreement, have the rights and obligations of a Lender under this Agreement and the other Loan Documents, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment Agreement, be released from its obligations under this Agreement (and, in the case of an Assignment Agreement covering all the assigning Lender's rights and obligations under this Agreement, such assigning Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 2.4 and 2.5 and shall continue to be liable for any breach of this Agreement by such Lender with respect to facts and circumstances occurring before the effective date of such assignment. Any payment by an assignee to an assigning Lender in connection with an assignment or transfer shall not be deemed to be a repayment by the Borrower or a new Advance to the Borrower.



## 11.2 Additional Lenders

From time to time the Agent may invite new persons to make Loans to the Borrower or the Parent pursuant to this Agreement and thereby become a Lender under this Agreement, subject to the following conditions:

- (a) Consents. Any prospective Lender must be consented to in advance by the Agent.
- (b) Joinder. A prospective Lender shall execute and deliver to the Agent a joinder agreement substantially in the form set out in Schedule M or any other form approved by the Agent (the "**Joinder Agreement**"), together with all consents required hereunder, and Agent's customary processing and recordation fee payable to the Agent; and such prospective Lender shall deliver any administrative questionnaire required by the Agent.
- (c) No Assignment to Certain Persons. No person may enter into a Joinder Agreement to become a Lender under this Agreement who is (A) the Parent, the Borrower or any of the Parent's or Borrower's Affiliates or subsidiaries, or (B) a natural person.

Subject to acceptance and recording thereof by the Agent pursuant to Section 11.3, from and after the effective date specified in each Joinder Agreement, the joining lender thereunder shall be a party to this Agreement and, to the extent of the interest created by such Joinder Agreement, have the rights and obligations of a Lender under this Agreement and the other Loan Documents.

## 11.3 Register

The Agent shall maintain at its offices a copy of each Assignment Agreement and Joinder Agreement delivered to it and a register recording the names and addresses of the Lenders, and the Advances by each Lender in respect of the Loan under the terms hereof from time to time. The entries in such register shall be conclusive, absent manifest error, and the Borrower, the Parent, the Agent and the Lenders shall treat each person whose name is recorded in such register under the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower and the Parent and by any Lender at any reasonable time and from time to time upon reasonable prior notice.

# ARTICLE 12 MISCELLANEOUS

## 12.1 Amendments, Waivers, Entire Agreement

No amendment or waiver of any provision of this Agreement nor consent to any departure therefrom shall, except as permitted herein, be effective unless the same shall be in writing and signed by (i) each of the Borrower, the Agent on behalf of the Lenders and the Parent or (ii) the Agent on behalf of the Lenders (with respect to a waiver or consent by the Lenders) or the Borrower or the Parent (with respect to a waiver or consent by either of them), as the case may be, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. This Agreement contains the final and complete integration of all prior expressions by the parties hereto with respect to the subject matter hereof and shall constitute the entire agreement among the parties hereto with respect to the subject matter hereof, superseding all prior oral or written agreements or undertakings.

## **12.2 Notices, Etc.**

All notices and other communications provided for hereunder shall, unless otherwise stated herein, be in writing (including fax or e-mail) and faxed, mailed, emailed or delivered, to each party hereto, at its address set forth under its name on the signature page hereof or at such other address as shall be designated by such party in a written notice to the other parties hereto. All such notices and communications shall be effective, in the case of written notice, on the Business Day it is delivered, and, in the case of notice by e mail or fax, when e-mailed or faxed and receipt confirmed back, in each case addressed as aforesaid.

## **12.3 No Waiver; Remedies**

No failure on the part of the Agent or any Lender to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by Law.

## **12.4 Binding Effect; Assignability**

This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns; provided, however, the Borrower may not assign its rights hereunder or any interest herein without the prior written consent of the Agent on behalf of the Lenders. This Agreement shall create and constitute the continuing obligations of the parties hereto in accordance with its terms.

## **12.5 Confidentiality**

Each of the parties hereto shall make all reasonable efforts to hold this Agreement and all non-public information obtained pursuant to this Agreement and the transactions contemplated hereby or effected in connection herewith in accordance with its customary procedures for handling its confidential information of this nature, provided that, notwithstanding the foregoing, such parties may make disclosure of such non-public information (i) as requested or required by any Governmental Authority or representative thereof or pursuant to legal process or when required under applicable Law, or (ii) to their respective professional advisors who use such information solely for the purposes of the transactions contemplated hereby; provided that, unless specifically prohibited by applicable Law or court order, each party hereto shall notify the other party hereto of any request by any Governmental Authority or representative thereof or other Person for disclosure of any such non-public information prior to disclosure of such information to permit the party affected to contest such disclosure, if possible. Notwithstanding the above the Agent and the Lenders shall keep all information concerning the Borrower or the Parent learned or obtained by the Agent or the Lenders strictly confidential (subject to disclosure to its business or legal representatives). This provision shall survive termination of this Agreement for a period of 5 years after any such termination.

## **12.6 Termination**

This Agreement shall remain in full force and effect until the Final Termination Date.

## **12.7 Execution in Counterparts**

This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which

when taken together shall constitute one and the same agreement. Counterparts may be executed electronically and delivered by e-mail, fax or other electronic means.

*-Signature page follows-*

**IN WITNESS WHEREOF** the parties have caused this Agreement to be executed by their respective authorized officers as of the date first above written.

**MARBLE FINANCIAL INC.**

*"Michele Marrandino"*

---

Name: Michele Marrandino  
Title: Executive Chair  
I have authority to bind the corporation

**Address:** Suite 404-999 Canada Place,  
Vancouver, BC V6C 3E2

**Attention:** Michele Marrandino

**Phone:** [PHONE NUMBER REDACTED. PLEASE SEE  
COMPANY'S SEDAR PROFILE FOR THE  
COMPANY'S CONTACT DETAILS]

**Email:** [EMAIL ADDRESS REDACTED. PLEASE SEE  
COMPANY'S SEDAR PROFILE FOR THE  
COMPANY'S CONTACT DETAILS]

**1301771 B.C. LTD.**

*"Michele Marrandino"*

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Name: Michele Marrandino  
Title: Executive Chairman and Secretary  
I have authority to bind the corporation

**Address:** Suite 404-999 Canada Place,  
Vancouver, BC V6C 3E2

**Attention:** Michele Marrandino

**Phone:** [PHONE NUMBER REDACTED.]

**Email:** [EMAIL ADDRESS REDACTED.]

**TPFM THE PHOENIX FUND MANAGEMENT LTD.**

*"Michele Marrandino"*

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Name: Michele Marrandino  
Title: President and CEO  
I have authority to bind the corporation

**Address:** Suite 404-999 Canada Place,  
Vancouver, BC V6C 3E2

**Attention:** Michele Marrandino  
**Phone:** [PHONE NUMBER REDACTED]  
**Email:** [EMAIL ADDRESS REDACTED]

**CHP AGENT SERVICES INC.**

*"Kelly Klatik"*

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Name: Kelly Klatik  
Title: CEO  
I have authority to bind the corporation

**Address:** CHP Agent Services Inc.  
212 – 1080 Mainland Street  
Vancouver, BC V6B 2T4

**Attention:** Kelly Klatik  
**Email:** [EMAIL ADDRESS REDACTED]

**SCHEDULE A**

**FORM OF COMPLIANCE CERTIFICATE**

**TO:** **CHP Agent Services Inc.**  
**212 – 1080 Mainland Street,**  
**Vancouver, BC V6B 2T4**

**Attention:** **Kelly Klatik**  
**Email:** [EMAIL ADDRESS REDACTED]

**RE:** **Credit agreement dated as of July 23, 2021 (the “Credit Agreement”) between, among others, 1301771 B.C. Ltd., as borrower (the “Borrower”), Marble Financial Inc., as parent, TPFM, as initial servicer, CHP Agent Services Inc., as agent (the “Agent”), and the lenders party thereto from time to time.**

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I, \_\_\_\_\_, the \_\_\_\_\_ of the Borrower, hereby certify, in that capacity and not personally, that as of the date hereof:

1. I have read and am familiar with the provisions of the Credit Agreement and the Loan Documents and have made such examinations and investigations, including the review of the applicable books and records, as are necessary to enable me to express an informed opinion as to the matters set out herein. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.
2. As of the date hereof:
  - (a) the Borrower is in compliance with all covenants of the Credit Agreement and the Loan Documents;
  - (b) all representations and warranties contained in the Credit Agreement and the Loan Documents are true and accurate as if made on and as of such date; and
  - (c) no Event of Default, Servicer Termination Event or event which would constitute an Event of Default or Servicer Termination Event with the giving of notice or passage of time has occurred and is continuing.

Dated the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

By: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE B**

**FORM OF GSA**

**GENERAL SECURITY AGREEMENT**

made by

**1301771 BC Ltd.**

in favour of

**CHP AGENT SERVICES INC.,** as Agent

dated as of

**July 23, 2021**

This GENERAL SECURITY AGREEMENT, dated as of July 23, 2021 (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, this "**Agreement**"), is made by 1301771 BC Ltd., a British Columbia corporation (the "**Grantor**"), in favour of CHP Agent Services Inc., as administrative and collateral agent for the Secured Parties (as defined below) (in such capacity and together with any successors in such capacity, the "**Agent**").

**RECITALS**

**WHEREAS**, the Grantor, as borrower has entered into a credit agreement dated as of the date of this Agreement with Marble Financial Inc., TPFM The Phoenix Fund Management Ltd., the Agent, and the lenders party thereto from time to time as lenders (the "**Lenders**") (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, the "**Loan Agreement**") pursuant to which the Lenders have made and will make a credit facility available to the Grantor (the "**Credit Facility**");

**WHEREAS**, this Agreement is given by the Grantor in favour of the Agent for the benefit of the Secured Parties to secure the payment and performance of all of the Secured Obligations (defined below), including, without limitation, the obligations of the Grantor under the Loan Agreement; and

**WHEREAS**, it is a condition of the Lenders establishing the Credit Facility under the Loan Agreement that the Grantor execute and deliver this Agreement.

**NOW THEREFORE**, in consideration of the Secured Parties entering into the Loan Agreement, agreeing to establish the Credit Facility, providing other financial accommodations to the Grantor, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees as follows:

**ARTICLE I  
DEFINITIONS**

**Section 1.01 Definitions.**

(a) Capitalized terms that are used but not defined in this Agreement shall have the respective meanings assigned to such terms in the Loan Agreement. Unless otherwise defined herein or in the Loan Agreement, terms used herein that are defined in the PPSA shall have the meanings assigned to them in the PPSA.

(b) For purposes of this Agreement, the following terms shall have the following meanings:

"**Agent**" is defined in the preamble of this Agreement.

"**Collateral**" is defined in ARTICLE II.

"**Event of Default**" means any event of default as defined in the Loan Agreement.

"**Grantor**" is defined in the preamble of this Agreement.

"**Loan Document**" and "**Loan Documents**" have the meanings given to them in the Loan Agreement.

"**PPSA**" means the *Personal Property Security Act* as in effect from time to time in the Province of British Columbia.

"**Proceeds**" means "proceeds" as such term is defined in section 1(1) of the PPSA and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.

"**Secured Obligations**" is defined in ARTICLE III.

"**Secured Parties**" means the Agent, in its personal capacity and as administrative agent and collateral agent for the Lenders and, the Lenders, together with their respective successors and assigns.

"**STA**" means the *Securities Transfer Act*, as in effect from time to time in the Province of British Columbia.

**Section 1.02 Interpretation.** Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.

## **ARTICLE II GRANT OF SECURITY INTEREST**

**Section 2.01 Grant of Security Interest.** As security for the payment and performance of the Secured Obligations, the Grantor hereby grants, assigns, transfers, sets over, mortgages, charges, and pledges to the Agent for the benefit of the Secured Parties, and hereby creates a general and continuing security interest in favour of the Agent for the benefit of the Secured Parties in and to all of the Grantor's right, title and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the "**Collateral**"):

(a) all present and after-acquired property, assets and undertaking of the Grantor of every kind and nature whatsoever, including all Accounts, Goods (including Inventory, Equipment and motor vehicles, but excluding Consumer Goods), Intangibles, Chattel



Paper, Documents of Title, Instruments, Securities and all other Investment Property, Money, and any other contract rights or rights to the payment of money;

- (b) all Proceeds and products of each of the foregoing, including all Proceeds of any insurance, indemnity, compensation for loss or damage, warranty or guarantee payable to the Grantor from time to time with respect to any of the foregoing;
- (c) all books and records relating to the foregoing, including in any form or medium;
- (d) all supporting obligations relating to the foregoing;
- (e) all additions, accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing; and
- (f) the last day of the term of any lease, verbal or written, or any agreement to lease, now held or hereafter acquired by the Grantor is hereby excepted out of the security interests hereby created, but should the Secured Party need to enforce against the Collateral, the Grantor shall hold the last date in trust for the Secured Party and shall assign it to any person acquiring the term or that part of the term that is charged in the course of any enforcement or realization of the Collateral.

For greater certainty, the collateral does not include any Consumer Goods.

**Section 2.02 Attachment of Security Interest.** The Grantor acknowledges that value has been given, that the Grantor has rights in the Collateral, and that the parties have not agreed to postpone the time for attachment of any security interest in this Agreement. The Grantor acknowledges that any security interest created by this Agreement shall attach to existing Collateral upon the execution of this Agreement and to each item of after-acquired Collateral at the time that the Grantor acquires rights in such after-acquired Collateral.

### **ARTICLE III SECURED OBLIGATIONS**

**Section 3.01 Secured Obligations.** The Collateral secures the payment and performance of all present and future obligations of the Grantor to the Secured Parties from time to time, including without limitation, all present and future obligations of the Grantor, arising under the Loan Agreement, this Agreement and the other Loan Documents, whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, whether the indebtedness is reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether incurred by the Grantor alone or with another or others and whether as a principal or surety, and, without limiting the foregoing, the payment and discharge of: (i) the principal of and premium, if any, and interest on the Credit Facility, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise; and (ii) all other present and future obligations and liabilities including fees, costs, legal fees and disbursements, reimbursement obligations, contract causes of action, expenses and indemnities (all such obligations, covenants, duties, debts, liabilities, sums, fees and expenses being herein collectively called the "**Secured Obligations**").

**ARTICLE IV  
PERFECTION OF SECURITY INTEREST AND FURTHER ASSURANCES**

**Section 4.01 Perfection.** The Grantor shall, from time to time, as may be required by the Agent with respect to all Collateral, take all actions as may be requested by the Agent to perfect the security interest of the Secured Parties in the Collateral at the sole expense of the Grantor.

**Section 4.02 Intellectual Property.** The Grantor hereby further authorizes the Agent to file with the Canadian Intellectual Property Office this Agreement and other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interests in Intangibles granted by the Grantor hereunder, without the signature of the Grantor where permitted by law.

**Section 4.03 Chattel Paper, Documents of Title, Instruments.** If the Grantor shall at any time hold or acquire any certificated securities, promissory notes, chattel paper, negotiable documents of title or warehouse receipts relating to the Collateral, the Grantor shall immediately endorse, assign and deliver possession of the same to the Agent for the benefit of the Secured Parties, accompanied by such instruments of transfer or assignment duly executed in blank as the Agent may from time to time specify.

**Section 4.04 Control Agreement.** Where Investment Property is held in an account of a securities intermediary, the Grantor shall: (i) enter into, and use commercially reasonable efforts to cause any securities intermediary for any securities accounts or entitlements forming part of the Collateral to enter into, a securities account control agreement between the Agent for the benefit of the Secured Parties, the Grantor and said securities intermediary in a form and substance acceptable to the Agent; and (ii) enter into, and use commercially reasonable efforts to cause any issuer of uncertificated securities forming part of the Collateral to enter into, a securities account control agreement between the Agent for the benefit of the Secured Parties, the Grantor and said securities intermediary, in a form and substance acceptable to the Agent.

**Section 4.05 Copy of Verification Statement.** To the extent permitted by law, the Grantor hereby waives its right to receive a copy of any financing statement, financing change statement or verification statement filed or received by or on behalf of the Agent in connection with the Secured Parties' interest in the Collateral.

**Section 4.06 Further Assurances.** The Grantor agrees that, at any time and from time to time, at the expense of the Grantor, the Grantor will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Agent may reasonably request to create and maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby (including, without limitation, providing the secured party with a fixed and specific mortgage) or to enable the Agent and the Secured Parties to exercise and enforce their rights and remedies hereunder or under any other Loan Document with respect to any Collateral.

**ARTICLE V  
REPRESENTATIONS AND WARRANTIES**

**Section 5.01 Representations and Warranties.** The Grantor represents and warrants as follows:

- (a) **Location of Collateral and Places of Business.** The Grantor's place or places of business and the location of the Collateral, including all books and records in respect of Accounts, are set forth in Schedule "A" hereto.
- (b) **Ownership and Title.** The Grantor hereby represents and warrants to the Agent and the Secured Parties that it is the sole, direct, legal and beneficial owner of, and has good marketable title to all existing Collateral and shall be the sole, direct, legal and beneficial owner of, and have good marketable title to each item of after-acquired Collateral free and clear of any mortgages, charges, hypothecs, pledges, trusts, liens, security interests and other claims except for the security interests created by this Agreement and other encumbrances permitted by the Loan Agreement.
- (c) **Status.** The Grantor has full power, capacity, authority and legal right to grant a security interest in the Collateral, execute and deliver this Agreement and perform its obligations under this Agreement.
- (d) **Binding Obligation.** Each of this Agreement and the other Loan Documents to which it is a party has been duly authorized, executed and delivered by the Grantor and constitutes a legal, valid and binding obligation of the Grantor enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, arrangement, or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).
- (e) **No Governmental or Regulatory Approvals.** No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the Grantor to grant a security interest in the Collateral under this Agreement or for the execution and delivery of the other Loan Documents to which it is a party by the Grantor or the performance by the Grantor of its obligations thereunder.
- (f) **No Violation of Laws, Constating Documents, Agreements.** The execution and delivery of the Loan Documents to which it is a party by the Grantor and the performance by the Grantor of its obligations thereunder, will not violate any provision of any applicable law or regulation or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to the Grantor or any of its property, or the constating or governing documents of the Grantor or any agreement or instrument to which the Grantor is party or by which it or its property is bound.
- (g) **Perfection by Control.** The Grantor has taken all action required on its part for control to have been obtained by the Agent for the benefit of the Secured Parties over all Collateral with respect to which such control may be obtained pursuant to the PPSA and the STA. No person other than the Agent has control or possession of all or any part of the Collateral.

## ARTICLE VI VOTING, DISTRIBUTIONS AND RECEIVABLES

**Section 6.01 Voting.** Unless an Event of Default shall have occurred and be continuing, the Grantor may, to the extent the Grantor has such right as a holder of the Collateral consisting of securities, other equity interests or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that, in the Secured Party's reasonable judgment, any such vote, consent, ratification or waiver would detract from the value thereof as Collateral or which would be inconsistent with or result in any violation of any provision of the Loan Agreement or this Agreement.

**Section 6.02 Distributions.** The Grantor may, unless an Event of Default shall have occurred and be continuing, receive and retain all dividends and other distributions with respect to the Collateral consisting of securities, other equity interests or indebtedness owed by any obligor.

**Section 6.03 Receivables.** If any Event of Default shall have occurred and be continuing, the Agent may, or at the request and option of the Agent, the Grantor shall: (i) notify account debtors of the Secured Parties' security interests in any account, chattel paper, intangible, instrument or other Collateral; and (ii) direct that payment thereof is to be made directly to the Agent for the benefit of the Secured Parties.

## ARTICLE VII COVENANTS

The Grantor covenants and agrees with the Agent and the Secured Parties as follows:

### **Section 7.01 Covenants.**

- (a) **Consent re: Change of Legal Name and Place of Business.** The Grantor will not, without providing at least 30 days' prior written notice to the Agent, change its legal name, jurisdiction of incorporation, corporate structure, or the province or territory in which its registered office, chief executive office or its principal place of business, is located. The Grantor will, prior to any change described in the preceding sentence, take all actions requested by the Agent to maintain the perfection and priority of the Secured Parties' security interest in the Collateral.
- (b) **Consent re: Change of Location of Collateral.** The Collateral, to the extent not delivered to the Agent under ARTICLE IV, will be kept at those locations listed in Schedule "A", and, except for Inventory sold or leased in the ordinary course of business, the Grantor will not remove the Collateral from such locations without obtaining the Agent's prior written consent. The Grantor will, before any change described in the preceding sentence, take all actions required by the Agent to maintain the perfection and priority of the Secured Parties' security interest in the Collateral.
- (c) **Dealing with Collateral: No Sale or Encumbrances.** The Grantor will not sell, dispose of, lease, assign or otherwise transfer any of the Collateral except as expressly provided for in the Loan Agreement, in the ordinary course of business or with the prior written consent of the Agent. The Grantor will not grant, create, permit or suffer to exist any mortgage, hypothec, pledge, lien, security interest, option, right of first offer, right of first

refusal, encumbrance, statutory lien or trust (including any conditional sale or other title retention agreement or finance lease) or other restriction or limitation of any nature whatsoever on the Collateral except as expressly provided for in the Loan Agreement or with the prior written consent of the Agent.

- (d) **Maintenance and Protection of Collateral.** The Grantor will keep the Collateral in good order, condition and repair so as to protect and preserve the Collateral and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Agent. The Grantor will not use the Collateral in violation of this Agreement, or any other agreement relating to the Collateral or any policy of insurance thereon, or any applicable law. The Grantor will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Grantor in good standing. The Grantor shall register all existing and future trademarks, patents, copyrights and industrial designs. The Grantor shall, at its own cost and expense, defend title to the Collateral and the security interests of the Secured Parties therein against the claim or demand of any person claiming against or through the Grantor and shall maintain and preserve such perfected security interests for so long as this Agreement shall remain in effect.
- (e) **Performance of Obligations.** The Grantor will pay promptly when due all rents, taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement. The Grantor shall perform all of its obligations under material agreements, leases, licenses, arrangements to obtain and preserve its rights, powers, licences, privileges and goodwill thereunder and comply with all applicable laws, by-laws, rules and regulations so as to preserve and protect the Collateral and the Grantor's business.
- (f) **Access to Collateral, Inspection.** The Grantor will permit the Agent, or its representatives, to inspect the Collateral from time to time and to examine and take extracts of its books and records (electronic or hard copy), at any reasonable time and on reasonable notice, wherever located. The Grantor shall, upon request by the Agent, provide the Agent with any information concerning the Collateral, the Grantor and its business, as the Agent may reasonably request, including access to the Grantor's senior executives, accountants and auditors to discuss any information concerning the Collateral.
- (g) **Notification.** The Grantor shall notify the Agent within five business days of: (i) the details of any material acquisition of Collateral; (ii) the details of any material litigation in connection with the Grantor, the Collateral or the Grantor's business; (iii) any loss or damage to the Collateral or the value of the Collateral; and (iv) any default by any account debtor in the payment or performance of its obligations.
- (h) **Insurance.** The Grantor shall insure the Collateral against loss or damage by fire and such other risks and hazards, in such amounts and upon such other terms as set out in the Loan Agreement or as the Secured Parties may from time to time require. Any insurance proceeds received by the Agent may, at the option of the Secured Parties, be applied against the Secured Obligations or released to the Grantor without prejudice to any rights or remedies of the Secured Parties.

**ARTICLE VIII  
SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND COVENANTS**

**Section 8.01 Survival of Representations and Warranties and Covenants.** All representations, warranties and covenants made by the Grantor in this Agreement shall survive the execution and delivery of this Agreement and remain in full force and effect until the payment in full of the Secured Obligations.

**ARTICLE IX  
POWER OF ATTORNEY**

**Section 9.01 Power of Attorney.** The Grantor hereby constitutes and appoints the Agent and any officer or employee of the Agent to be the Grantor's true and lawful attorney in accordance with applicable legislation with full power of substitution, with full authority in the place and stead of the Grantor and in the name of the Grantor or otherwise, from time to time in the Agent's discretion to take any action and to execute any instrument which the Agent may deem necessary or advisable to accomplish the purposes of this Agreement (but the Agent shall not be obligated to and shall have no liability to the Grantor or any third party for failure to do so or take action). This appointment, being coupled with an interest, shall be irrevocable until the discharge of the security interests created by this Agreement. The Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof.

**ARTICLE X  
AGENT MAY PERFORM**

**Section 10.01 Agent May Perform.** If the Grantor fails to perform any obligation contained in this Agreement, the Agent may itself perform, or cause performance of, such obligation, and the costs and expenses of the Agent incurred in connection therewith shall be payable by the Grantor; *provided that* the Agent shall not be required to perform or discharge any obligation of the Grantor and the performance by the Agent shall not waive the rights of the Agent to enforce this Agreement.

**ARTICLE XI  
SET-OFF**

**Section 11.01 Set-Off.** Each Secured Party may, without notice to the Grantor or any other person, any notice being expressly waived, set-off and apply all amounts standing to or for the credit of the Grantor from the Secured Party or any of the Secured Party's affiliates, in any currency, against and on account of all or any part of the Secured Obligations, all as the Secured Party may see fit (in its sole discretion), whether or not the Secured Obligations are due and payable. The Secured Party's records are proof of such recording absent manifest error. When applying a deposit or other obligation in a different currency than the Secured Obligations to the Secured Obligations, the Secured Party will convert the deposit or other obligation to the currency of the Secured Obligations using the rate of exchange for the conversion of such currency as determined by the Secured Party.

**ARTICLE XII  
REMEDIES UPON DEFAULT**

**Section 12.01 Right to Accelerate Payment.** Upon the occurrence of an Event of Default that is continuing, the Agent may, for and on behalf of the Secured Parties, by notice and in accordance with the Loan Agreement, declare any or all of the Secured Obligations to be immediately due and payable, whereupon, all of the Secured Obligations shall become and be immediately due and payable without presentment, demand, protest or further notice, all of which are hereby expressly waived by the Grantor.

**Section 12.02 Enforcement of Security Interest.** Upon the occurrence of an Event of Default that is continuing, the Agent may, for and on behalf of the Secured Parties, and in accordance with the Loan Agreement, proceed to realize upon the Collateral and immediately enforce its rights and remedies.

**Section 12.03 Remedies upon Default.** Upon the occurrence of an Event of Default that is continuing, the Agent may exercise, for and on behalf of the Secured Parties, without any other notice to or demand upon the Grantor, and in addition to the other rights and remedies provided herein or in any other Loan Document or otherwise available to it, the following rights and remedies (which rights and remedies may be exercised independently or in combination):

- (a) the Agent may assert all rights and remedies of a secured party under the PPSA or other applicable law;
- (b) the Agent may take such steps as it considers desirable to maintain, preserve or protect the Collateral or its value;
- (c) the Agent may take possession of the Collateral by requiring the Grantor to assemble the Collateral or any part thereof and deliver the Collateral, or make the Collateral available, to the Agent at a place and time to be designated by the Agent;
- (d) the Agent may take possession of the Collateral by carrying on all or any part of the business of the Grantor; and may to the exclusion of others, including the Grantor, enter upon, occupy and use any of the premises, buildings, plant and undertaking owned, occupied or used by the Grantor and may use any of the tools, machinery, equipment and intangibles of the Grantor for such time as the Agent sees fit, free of charge and without liability, in order to carry on the business of the Grantor or to manufacture or complete the manufacture of Inventory and to pack and ship finished products;
- (e) the Agent may enter upon and occupy any land and premises owned, leased or occupied by the Grantor where the Collateral or any part thereof is assembled or located in order to effectuate its rights and remedies hereunder or under law, without obligation whatsoever to the Grantor;
- (f) the Agent may borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof, or to carry on the business, and may further charge the Collateral in priority to the security constituted by this Security Agreement;
- (g) the Agent may exercise and enforce all rights and remedies of the Grantor with respect to the Collateral including collecting or compromising all or any of the Grantor's Accounts;

- (h) the Agent may sell, lease, license, or otherwise dispose of all or any part of the Collateral by private sale or public sale or otherwise, and upon such other terms and conditions (including as to credit, upset or reserve bid or price) as the Agent may deem commercially reasonable;
- (i) the Agent may appoint, by instrument in writing, any person or persons (whether an officer or employee of the Agent or not) to be a receiver, manager, interim receiver, or receiver and manager (collectively, "**Receiver**"), of the Collateral or any part of the Collateral and remove or replace any person so appointed. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Agent under this ARTICLE XII;
- (j) the Agent may apply to a court of competent jurisdiction for the appointment of a Receiver of the Collateral or any part of the Collateral. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Agent under this Article XII;
- (k) all rights of the Grantor to: (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to Section 6.01; and (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain pursuant to Section 6.01, shall immediately cease, and all such rights shall thereupon become vested in the Agent for the benefit of the Secured Parties, which shall have the sole right to exercise such voting and other consensual rights and receive and hold such dividends and other distributions as Collateral; and
- (l) the Agent may retain the Collateral in satisfaction of the Secured Obligations.

**Section 12.04 Receiver Agent of Grantor.** In exercising any powers any such Receiver so appointed shall act as agent of the Grantor and not the Agent or the Secured Parties and neither the Agent nor the Secured Parties shall be in any way responsible for any of the actions of the Receiver, its employees, agents and contractors. The Agent or the Secured Parties may from time to time remove and appoint replacements for, any Receiver, and appoint another or others in their stead from time to time.

**Section 12.05 Distribution of Proceeds.** Any cash held by the Agent as Collateral and all cash Proceeds received by the Agent in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Agent to the payment of expenses incurred by the Agent in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Secured Parties hereunder, including reasonable legal and Receivers' fees, and the balance of such proceeds shall be applied or set-off against all or any part of the Secured Obligations in such order as the Agent shall elect. Any surplus of such cash or cash Proceeds held by the Agent and remaining after payment in full of all the Secured Obligations shall be paid over to the Grantor or to whomsoever may be lawfully entitled to receive such surplus. The Grantor shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any solicitor employed by the Agent to collect such deficiency.

**Section 12.06 Grantor Pays Expenses.** The Grantor agrees to pay all reasonable expenses incurred by the Agent or any Receiver in the preparation, perfection and enforcement of this Agreement, whether



directly incurred or for services rendered including legal and auditor's fees and expenses and remuneration of any Receiver.

### ARTICLE XIII MISCELLANEOUS

**Section 13.01 No Waiver and Cumulative Remedies.** None of the Agent and the Secured Parties shall by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

**Section 13.02 Amendments.** None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Grantor therefrom shall be effective unless the same shall be in writing and signed by the Agent and the Grantor, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

**Section 13.03 Notices.** All notices, consents, claims, demands, waivers and other communications hereunder shall be in writing and addressed to the parties at the addresses set forth in the Loan Agreement and shall be given in the manner and become effective as set forth in the Loan Agreement.

**Section 13.04 Continuing Security Interest; Further Actions.** This Agreement shall create a general and continuing security interest in the Collateral and shall (a) subject to Section 13.06, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Grantor, its successors and permitted assigns, and (c) enure to the benefit of the Secured Parties and their respective successors, transferees and assigns; *provided that* the Grantor may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Agent. Without limiting the generality of the foregoing clause (c), any assignee of a Secured Party's interest in any agreement or document which includes all or any of the Secured Obligations shall, upon assignment, become vested with all the benefits granted to the Secured Party herein with respect to such Secured Obligations.]

**Section 13.05 Assignment.** Each Secured Party may assign or transfer any of its rights under this Agreement without the consent of the Grantor. The Grantor may not assign its obligations under this Agreement without the prior written consent of the Agent.

**Section 13.06 Termination; Release.** On the date on which all Secured Obligations have been paid and performed in full (as determined by the Agent in its sole discretion), the Agent will, at the request and sole expense of the Grantor (a) duly assign, transfer and deliver to or at the direction of the Grantor (without recourse and without any representation or warranty) such of the Collateral as may then remain in the possession of the Agent, together with any monies at the time held by the Agent hereunder, and (b) execute and deliver to the Grantor a proper instrument or instruments acknowledging the satisfaction and termination of this Agreement.

**Section 13.07 Acknowledgement.** The Grantor acknowledges receipt of a fully executed copy of this Agreement.

**Section 13.08 Amalgamation.** The Grantor acknowledges that, if it amalgamates with another person, the term Grantor when used in this Agreement, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interests created hereby shall extend to the Collateral in which any amalgamating corporation has any rights at the time of the amalgamation and to any collateral in which the amalgamated corporation thereafter has any rights to secure the Secured Obligations of each of the amalgamating corporations and the amalgamated corporation to the Secured Party at the time of the amalgamation and any Secured Obligations of the amalgamated corporation to the Secured Party thereafter arising.

**Section 13.09 Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein.

**Section 13.10 Counterparts.** This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

**Section 13.11 Conflict with Loan Agreement.** To the extent of any conflict or inconsistency between the terms of this Agreement and the terms of the Loan Agreement, the terms of the Loan Agreement shall govern to the extent necessary to remove the conflict or inconsistency.

*[SIGNATURE PAGE FOLLOWS]*

IN WITNESS WHEREOF, the Grantor has executed this Agreement as of the date first written above.

1301771 BC Ltd., as Grantor

By: \_\_\_\_\_

Name:

Title:

**SCHEDULE A**

**LOCATION OF COLLATERAL**

Suite 404-999 Canada Place, Vancouver, BC V6C 3E2

**SCHEDULE C**

**FORM OF PARENT & TPFM LIMITED GUARANTEE**

**GUARANTEE**

made by

**TPFM THE PHOENIX FUND MANAGEMENT LTD.**

and by

**MARBLE FINANCIAL INC.**

in favour of

**CHP AGENT SERVICES INC.**

as administrative and collateral agent

dated as of

**July 23, 2021**

This guarantee (this "**Guarantee**") dated as of July 23, 2021, is made jointly and severally by TPFM The Phoenix Fund Management Ltd. and Marble Financial Inc., (together the "**Guarantors**") and each one a "**Guarantor**") in favour and for the benefit of CHP Agent Services Inc., as administrative and collateral agent for the Lenders from time to time party to the Credit Agreement (in such capacity and together with any successors in such capacity, the "**Agent**").

WHEREAS:

A. 1301771 BC Ltd., a British Columbia corporation (the "**Borrower**"), has entered into a credit agreement (as amended, restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, the "**Credit Agreement**"), dated as of the date hereof, among, the Borrower, as borrower, the Guarantors, the lenders party thereto from time to time, as Lenders and the Agent, as administrative and collateral agent (the Lenders and the Agent together being the "**Secured Parties**").

B. The Borrower is an affiliate the Guarantors.

C. The execution and delivery of this Guarantee by the Guarantors is a condition precedent to the Secured Parties making the loan facility available to the Borrower under the Credit Agreement to fund Loan Assets from time to time.

NOW THEREFORE, in consideration of the Secured Parties agreeing to establish the loan facility in favour of the Borrower under the terms of the Credit Agreement, and in order to induce the Lenders to Fund Loan Assets under the Credit Agreement from time to time, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each Guarantor hereby agrees as follows:

**ARTICLE I**  
**Definitions**

**Section 1.01 Definitions.** For purposes of this Guarantee, capitalized terms used herein without definition shall have the meanings ascribed to them in the Credit Agreement, and the following terms shall have the following meanings:

"**Agent**" is defined in the Preamble hereof.

"**Guaranteed Obligations**" is defined in Section 2.01.

"**Guarantor**" is defined in the Preamble hereof.

"**Secured Parties**" means the Agent and the Lenders, together with their successors and assigns.

"**Taxes**" means any and all present or future income, stamp or other taxes, levies, imposts, duties, deductions, charges, fees or withholdings imposed, levied, withheld or assessed by any Governmental Authority, together with any interest, additions to tax or penalties imposed thereon and with respect thereto.

## **ARTICLE II AGREEMENT TO GUARANTEE OBLIGATIONS**

**Section 2.01 Guarantee. Subject to Section 2.04 – Limitation of Guarantee, each** Guarantor hereby jointly and severally with each other Guarantor hereunder unconditionally and irrevocably guarantees, to the Agent for the benefit of the Lenders and their respective successors and assigns, as primary obligor and not merely as surety:

- (a) the due and prompt payment by the Borrower of (i) all present and future indebtedness and liabilities of the Borrower to the Secured Parties under or in connection with the Credit Agreement and the other Loan Documents including, without limitation, all principal and interest thereon at the rate specified in the Credit Agreement (both before and after demand and judgment) together with all fees, charges and expenses and including, without limitation, any reimbursement obligation for disbursements, costs, fees and interest in connection with letters of credit and any obligation to provide cash collateral with respect thereto, in each case, when and as due, whether at scheduled maturity, on the date set for prepayment, by acceleration or otherwise, and (ii) all other monetary obligations of the Borrower to the Secured Parties under the Credit Agreement and the other Loan Documents, as and when due, including fees, costs, expenses (including, without limitation, fees and expenses of counsel incurred by the Agent or any other Secured Party in enforcing any rights under this Guarantee or any other Loan Document), contract causes of action and indemnities, whether primary, secondary, direct or indirect, absolute or contingent, fixed or otherwise (including monetary obligations incurred during any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding); and
- (b) the due and prompt performance of all covenants, agreements, obligations and liabilities of the Borrower under or in respect of the Credit Agreement and the other Loan Documents;

all such obligations in subsections (a) through (b), whether now or hereafter existing, being referred to collectively as the “**Guaranteed Obligations**”). Each Guarantor further agrees that all or part of the Guaranteed Obligations may, subject to Section 2.04, be increased, extended, substituted, amended, renewed or otherwise modified without notice to or consent from such Guarantor and such actions shall not affect the liability of such Guarantor hereunder.

**Section 2.02 Demand.** Liability of a Guarantor to make payment under this Guarantee shall arise immediately upon delivery by the Agent to a Guarantor of a written demand for payment, which demand may only be delivered during the continuance of an Event of Default.

**Section 2.03 Reinstatement.** Each Guarantor agrees that its limited guarantee hereunder shall continue to be effective or be reinstated, as the case may be, if at any time all or part of any payment of any Guaranteed Obligation is voided, rescinded or must otherwise be returned by any Secured Party or any other person upon the insolvency, bankruptcy or reorganization of the Borrower or otherwise.

**Section 2.04 Limitation of Guarantee.** Notwithstanding anything else contained herein the Guarantors’ joint and several liability hereunder is limited to 10% of the Maximum Facility Amount (as defined in the Credit Agreement) in effect from time to time, plus expenses.

### **ARTICLE III GUARANTEE ABSOLUTE AND UNCONDITIONAL; WAIVERS**

**Section 3.01 Guarantee Absolute and Unconditional; No Waiver of Obligations.** Each Guarantor jointly and severally guarantees that the Guaranteed Obligations will be paid strictly in accordance with the terms of the Credit Agreement and the other Loan Documents, regardless of any law, regulation or order of any Governmental Authority now or hereafter in effect. The obligations of each Guarantor hereunder are independent of the obligations of any other Guarantor under any Loan Document. A separate action may be brought against each Guarantor to enforce this Guarantee, whether or not any action is brought against the Borrower or whether or not the Borrower is joined in any such action. The Secured Parties shall not be required to seek recourse against the Borrower or any other party or realize upon any security they may hold before being entitled to payment by a Guarantor under this Guarantee. The liability of the Guarantors hereunder is irrevocable, continuing, absolute and unconditional and the obligations of the Guarantors hereunder, to the fullest extent permitted by applicable law, shall not be discharged or impaired or otherwise effected by, and the Guarantors hereby irrevocably waive any defences to enforcement or liability hereunder it may have (now or in the future) by reason of:

- (a) any illegality, invalidity or unenforceability of any Guaranteed Obligation, any Loan Document or any related agreement, security or instrument for any reason whatsoever;
- (b) any change in, or variation of, the Guaranteed Obligations or any other obligation of the Borrower under any Loan Document including, without limitation, any increase in the Guaranteed Obligations, any change in the interest or fees payable, any renewal, extension, amendment, rescission, waiver, release, discharge, indulgence, compromise, arrangement or other variation in connection with the Guaranteed Obligations, any Loan Document or any other agreement;

- (c) any taking, exchange, substitution, variation, release, impairment, subordination or non-perfection of any security or collateral for the Guaranteed Obligations, or any taking, release, impairment, amendment, waiver or other modification of any guarantee of the Guaranteed Obligations;
- (d) any manner of sale, disposition or application of proceeds of any collateral or other assets to all or part of the Guaranteed Obligations;
- (e) any loss or diminution in value of the security or collateral held for the Guaranteed Obligations, whether such loss or diminution arises from any act or omission of the Secured Parties;
- (f) any default, failure or delay, willful or otherwise, in the performance of the Guaranteed Obligations;
- (g) any change, restructuring or termination of the corporate structure, ownership or existence of any Loan Party or any of its subsidiaries or any insolvency, bankruptcy, reorganization or other similar proceeding affecting the Borrower or its assets or any resulting restructuring, compromise, release or discharge of any Guaranteed Obligations;
- (h) any failure of any Secured Party to disclose to the Guarantor any information relating to the business, condition (financial or otherwise), operations, performance, properties or prospects of the Borrower or any other information now or hereafter known to such Secured Party;
- (i) the failure of any other person to execute or deliver this Guarantee, or any other guarantee or agreement or the release or reduction of liability of any Guarantor or other guarantor or surety with respect to the Guaranteed Obligations;
- (j) the failure of any Secured Party to assert any claim or demand or to exercise or enforce any right or remedy under the provisions of any Loan Document or otherwise;
- (k) any defence, set-off or counterclaim (other than a defence of payment or performance) that may at any time be available to, or be asserted by, the Borrower against any Secured Party; or
- (l) any other circumstance (including, without limitation, any statute of limitations) or manner of administering the Guaranteed Obligations or any existence of or reliance on any representation by any Secured Party that might vary the risk of any Guarantor or otherwise operate as a defence available to, or a legal or equitable discharge of, the Borrower or any other guarantor or surety.

**Section 3.02 Acknowledgements.**

- (a) The Guarantors hereby unconditionally and irrevocably waive any right to revoke this Guarantee and acknowledge that this Guarantee is continuing in nature, shall guarantee any ultimate balance owing to the Secured Parties, and applies to all presently existing and future Guaranteed Obligations, until the complete, irrevocable and indefeasible payment and satisfaction in full of the Guaranteed Obligations.



- (b) This Guarantee is a guarantee of payment and performance and not of collection. The Secured Parties shall not be obligated to enforce or exhaust their remedies against Borrower or under the Credit Agreement before proceeding to enforce this Guarantee. The liability of the Guarantors to make payment under this Guarantee shall arise immediately upon delivery to it of a written demand for payment hereunder.
- (c) This Guarantee is a direct guarantee and independent of the obligations of Borrower to the Secured Parties. The Secured Parties may resort to the Guarantors for payment and performance of the Guaranteed Obligations whether or not the Secured Parties shall have resorted to any collateral therefor or shall have proceeded against Borrower or any other guarantors with respect to the Guaranteed Obligations. The Secured Parties may, at their option, proceed against the Guarantors and the Borrower, jointly and severally, or against one or more Guarantors only without having obtained a judgment against Borrower.
- (d) The Guarantors hereby unconditionally and irrevocably waive promptness, diligence, notice of acceptance, presentment, demand for performance, notice of nonperformance, default, acceleration, protest or dishonour and any other notice with respect to any of the Guaranteed Obligations, the Credit Agreement and this Guarantee and any requirement that the Secured Parties protect, secure, perfect or insure any security interest, lien or other encumbrance or any property subject thereto.
- (e) The Guarantors agree that their guarantee hereunder shall continue to be effective or be reinstated, as the case may be, if at any time all or part of any payment of any Guaranteed Obligation is voided, rescinded or recovered or must otherwise be returned by the Secured Parties upon the insolvency, bankruptcy or reorganization of Borrower.
- (f) This Guarantee shall continue to apply to all Guaranteed Obligations owing to the Secured Parties by any amalgamated corporation resulting from the Borrower amalgamating with one or more other corporations.

#### **ARTICLE IV POSTPONEMENT OF RIGHTS; SUBORDINATION/ASSIGNMENT**

##### **Section 4.01 Postponement of Rights; Subordination/Assignment.**

- (a) **Postponement of Rights.** Until such time as the Guaranteed Obligations have been paid in full, each Guarantor agrees that it shall not (i) exercise any right of set-off or assert any counterclaim against the Borrower with respect to any indebtedness or liability of the Borrower to such Guarantor; (ii) exercise any of their rights of subrogation to the Agent or the Secured Parties' position with respect to any payments it has made hereunder; (iii) assert or enforce any claim to indemnification or reimbursement against the Borrower or any other guarantor; or (iv) assert any right of contribution against any other guarantor.
- (b) **Assignment.** All present and future indebtedness and liability of the Borrower to the Guarantors is hereby collaterally assigned to the Agent for the benefit of the Secured Parties and postponed to the Guaranteed Obligations. Any amounts received by the Guarantors on account of the assigned indebtedness and liability shall be held by the

Guarantors in trust for the benefit of the Secured Parties and promptly paid over to the Agent which will reduce the obligations of the Guarantors under this Guarantee.

**ARTICLE V  
REPRESENTATIONS AND WARRANTIES; COVENANTS**

**Section 5.01 Representations and Warranties.** Each Guarantor represents and warrants as to itself that all representations and warranties relating to it contained in the Loan Documents are true and correct. Each Guarantor further represents and warrants that:

- (a) There are no conditions precedent to the effectiveness of this Guarantee that have not been satisfied or waived.
- (b) It has the power and authority to enter into this Guarantee, to carry out its obligations hereunder and to consummate the transactions contemplated hereby. This Guarantee has been duly executed and delivered by the Guarantors, and constitutes a legal, valid and binding obligation of the Guarantors enforceable against the Guarantors in accordance with its terms.
- (c) It has, independently and without reliance upon any Secured Party and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Guarantee and any other Loan Document to which it is or may become a party, and has established adequate procedures for continually obtaining information pertaining to, and is now and at all times will be completely familiar with, the business, condition (financial or otherwise), operations, performance, properties and prospects of the Borrower and each other Loan Party.

**Section 5.02 Covenants.** Each Guarantor jointly and severally covenants and agrees that it will perform and observe, and cause each of its Subsidiaries to perform and observe, all of the terms, covenants and agreements set forth in the Loan Documents that are required to be, or that the Borrower has agreed to cause to be, performed or observed by such Guarantor or Subsidiary.

**ARTICLE VI  
MISCELLANEOUS**

**Section 6.01 Taxes.** Any and all payments by any Guarantor under or in respect of this Guarantee shall be made free and clear of and without deduction or withholding for any Taxes except as required by applicable law. If any Guarantor is required by applicable law (as determined in the good faith discretion of the applicable Guarantor) to deduct or withhold any Taxes from such payments, then, (i) the amount payable by such Guarantor shall be increased so that after all such required deductions or withholdings are made (including deductions or withholdings applicable to additional amounts payable under this Section), the applicable recipient receives an amount equal to the amount it would have received had no such deduction or withholding been made, (ii) such Guarantor shall make such deductions or withholdings and timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law, and (iii) such Guarantor shall, promptly after any such payment, deliver

to the Agent the original or certified copy of a receipt issued by such Governmental Authority evidencing such payment.

**Section 6.02 Right of Set-Off.** If an Event of Default shall have occurred and be continuing, each Secured Party and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, and without prior notice to any Guarantor, any such notice being expressly waived by the Guarantors, to set off and appropriate and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Secured Party or any such Affiliate to or for the credit or the account of any Guarantor or any other Loan Party against any and all of the obligations of such Guarantor or such Loan Party now or hereafter existing under this Guarantee or any other Loan Document to such Secured Party or its Affiliates whether direct or indirect, absolute or contingent, matured or unmatured, and irrespective of whether or not such Secured Party or Affiliate shall have made any demand under this Guarantee or any other Loan Document and although such obligations of such Guarantor or such other Loan Party are owed to a branch, office or Affiliate of such Secured Party different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness. The rights of each Secured Party and each of their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of set-off) that such Secured Party or such Affiliate may have. Each Secured Party agrees to notify such Guarantor and the Agent promptly after any such set off and appropriation and application; *provided* that the failure to give such notice shall not affect the validity of such set off and appropriation and application.

**Section 6.03 Amendments in Writing.** No term or provision of this Guarantee may be waived, amended, supplemented or otherwise modified except by an agreement in writing signed by the Guarantors and the Agent.

**Section 6.04 Indemnity.**

- (a) Each Guarantor hereby agrees to indemnify and hold harmless the Agent (and any sub-agent thereof), each other Secured Party and each such Person's Affiliates and the directors, officers, employees, partners, agents, trustees, administrators, managers, advisors and representatives of it and Affiliates of any of the foregoing Persons (each such Person being called an "**Indemnatee**") from any losses, damages, liabilities, claims and related expenses (including the fees and expenses of any counsel for any Indemnatee), and shall indemnify and hold harmless each Indemnatee from all fees, expenses and time charges for legal counsel who are employees of any Indemnatee, incurred by any Indemnatee or asserted against any Indemnatee by any Person (including any Guarantor) other than such Indemnatee and its Affiliates and the directors, officers, employees, partners, agents, trustees, administrators, managers, advisors and representatives of it and its Affiliates arising out of, in connection with or resulting from this Guarantee (including, without limitation, enforcement of this Guarantee) or any failure of any Obligations to be the legal, valid, and binding obligations of any Loan Party enforceable against such Loan Party in accordance with their terms, whether brought by a third party or by such Guarantor or any other Loan Party, and regardless of whether any Indemnatee is a party thereto; *provided* that such indemnity shall not, as to any Indemnatee, be available to the extent that such losses, claims, damages, liabilities or related expenses (i) are determined by a court of competent jurisdiction by final and unappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnatee or

- (ii) result from a claim brought by any Guarantor or any other Loan Party against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if such Guarantor or such Loan Party has obtained a final and unappealable judgment in its favour on such claim as determined by a court of competent jurisdiction. This clause (a) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, or similar items arising from any non-Tax claim.
- (b) To the fullest extent permitted by applicable law, each Guarantor hereby agrees not to assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Guarantee, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any amounts advanced or the use of proceeds thereof. No Indemnitee shall be liable for any damages arising from the use of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Guarantee or the other Loan Documents or the transactions contemplated hereby or thereby by unintended recipients.
- (c) All amounts due under this Section shall be payable within 10 days of demand by the Agent.
- (d) Without prejudice to the survival of any other agreement of any Guarantor under this Guarantee or any other Loan Documents, the agreements and obligations of the Guarantors contained in Section 2.01 (with respect to enforcement expenses), Section 2.03 , Section 6.01 and this Section shall survive termination of the Loan Documents and payment in full of the Obligations and all other amounts payable under this Guarantee.

**Section 6.05 Notices.**

- (a) **Notices Generally.** Except in the case of notices and other communications expressly permitted to be given by telephone (or by email as provided in paragraph (b) below), all notices and other communications provided for herein shall be made in writing and mailed by registered mail, delivered by hand or overnight courier service, or sent by facsimile as follows:
- (i) To the Guarantors:
- TPFM The Phoenix Fund Management Ltd. and  
Marble Financial Inc.  
Suite 404-999 Canada Place,  
Vancouver, BC V6C 3E2
- Attention: Michele Marrandino  
Email: [EMAIL ADDRESS REDACTED]  
Telephone No. [PHONE NUMBER REDACTED]
- (ii) To the Agent:

CHP Agent Services Inc.  
212 – 1080 Mainland Street, Vancouver, BC V6B 2T4

Attention: Kelly Klatik  
Email: [EMAIL ADDRESS REDACTED]  
Telephone No. [PHONE NUMBER REDACTED]

Notices mailed by registered mail or sent by hand or overnight courier service shall be deemed to have been given when received. Notices sent by facsimile during the recipient's normal business hours shall be deemed to have been given when sent (and if sent after normal business hours shall be deemed to have been given at the opening of the recipient's business on the next business day).

- (b) **Electronic Communications.** Notices and other communications to the Agent hereunder may be sent by electronic communication (including email) in accordance with procedures approved by the Agent. The Agent or any Guarantor may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; *provided* that approval of such procedures may be limited to particular notices or communications.

Unless the Agent specifies otherwise, (i) notices and other communications sent by email shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return email or other written acknowledgement); *provided* that if such notice, email or other communication is not sent during the recipient's normal business hours, such notice, email or communication shall be deemed to have been sent at the recipient's opening of business on the next business day.

- (c) **Change of Address, Etc.** Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto.

**Section 6.06 Continuing Guarantee.** This Guarantee is a continuing guarantee and shall remain in full force and effect until the full and final payment in full of the Guaranteed Obligations and all other amounts payable under this Guarantee.

**Section 6.07 Successors and Assigns; Assignments Under the Credit Agreement.**

- (a) **Successors and Assigns.** This Guarantee shall be binding on the Guarantors and their successors and permitted assigns, and shall inure to the benefit of and be enforceable by the Secured Parties and their respective successors and assigns.
- (b) **Assignment.** Any Secured Party may assign or otherwise transfer all or any portion of its rights and obligations under this Guarantee or under the Credit Agreement and any security relating to the Credit Agreement to any other Person without the consent of the Guarantors, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such Secured Party herein or otherwise, in each case as and to the extent provided in Article 11.1 of the Credit Agreement. The Guarantors shall not have the right to assign their rights hereunder or any interest herein without the prior written consent of the Agent.

**Section 6.08 Severability.** If any term or provision of this Guarantee is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other term or provision of this Guarantee or invalidate or render unenforceable such term or provision in any other jurisdiction.

**Section 6.09 Counterparts.** This Guarantee and any amendments, waivers, consents or supplements hereto may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, and all taken together shall constitute a single contract. This Guarantee and the other Loan Documents, and any separate letter agreements with respect to fees payable to the Secured Parties, constitute the entire contract among the parties with respect to the subject matter hereof and supersede all previous agreements and understandings, oral or written, with respect thereto. Delivery of an executed counterpart of a signature page to this Guarantee by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Guarantee.

**Section 6.10 Governing Law.** This Guarantee and any claim, controversy, dispute or cause of action based upon, arising out of or relating to this Guarantee shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

*[SIGNATURE PAGE FOLLOWS]*

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE CAUSED THIS GUARANTEE TO BE EXECUTED AS OF THE DATE FIRST WRITTEN ABOVE.

**Guarantor:**

**TPFM THE PHOENIX FUND MANAGEMENT LTD.**

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

Name: Michele Marrandino

Title: President and CEO

**Guarantor:**

**Marble Financial Inc.**

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

Name: Michele Marrandino

Title: Executive Chair

**SCHEDULE D**

**FORM OF PARENT BAD ACT GUARANTEE**

**BAD ACT GUARANTEE**

made by

**MARBLE FINANCIAL INC.**

in favour of

**CHP AGENT SERVICES INC.**

as administrative and collateral agent

dated as of

**July 23, 2021**

This bad act guarantee (this "**Guarantee**") dated as of July 23, 2021, is made by Marble Financial Inc., (the "**Guarantor**") in favour and for the benefit of CHP Agent Services Inc., as administrative and collateral agent for the Lenders from time to time party to the Credit Agreement (in such capacity and together with any successors in such capacity, the "**Agent**").

WHEREAS:

A. 1301771 B.C. Ltd. a British Columbia corporation (the "**Borrower**"), has entered into a credit agreement (as amended, restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, the "**Credit Agreement**"), dated as of the date hereof, among, the Borrower, as borrower, the Guarantor, as parent, TPFM The Phoenix Fund Management Ltd., as TPFM and servicer ("**TPFM**", together with the Guarantor and the Borrower, the "**Loan Parties**"), the lenders party thereto from time to time, as Lenders and the Agent, as administrative and collateral agent (the Lenders and the Agent together being the "**Secured Parties**").

B. The Guarantor is the parent of the Borrower.

C. The execution and delivery of this Guarantee by the Guarantor is a condition precedent to the Secured Parties making the loan facility available to the Borrower under the Credit Agreement to fund Advances from time to time.

D. NOW THEREFORE, in consideration of the Secured Parties agreeing to establish the loan facility in favour of the Borrower under the terms of the Credit Agreement, and in order to induce the Lenders to fund the Loan under the Credit Agreement from time to time, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Guarantor hereby agrees as follows:



**ARTICLE I**  
**Definitions**

**Section 1.01 Definitions.** For purposes of this Guarantee, capitalized terms used herein without definition shall have the meanings ascribed to them in the Credit Agreement, and the following terms shall have the following meanings:

"**Agent**" is defined in the Preamble hereof.

"**Guaranteed Obligations**" is defined in Section 2.01.

"**Guarantor**" is defined in the Preamble hereof.

"**Secured Parties**" means the Agent and the Lenders, together with their successors and assigns.

"**Taxes**" means any and all present or future income, stamp or other taxes, levies, imposts, duties, deductions, charges, fees or withholdings imposed, levied, withheld or assessed by any Governmental Authority, together with any interest, additions to tax or penalties imposed thereon and with respect thereto.

**ARTICLE II**  
**AGREEMENT TO GUARANTEE OBLIGATIONS**

**Section 2.01 Guarantee. The Guarantor** hereby unconditionally and irrevocably guarantees, to the Agent for the benefit of the Lenders and their respective successors and assigns, as primary obligor and not merely as surety:

- (a) the due and prompt payment by the Borrower, TPFM and the Guarantor of (i) all present and future indebtedness and liabilities of the Borrower, TPFM and the Guarantor to the Secured Parties under or in connection with the Credit Agreement and the other Loan Documents including, without limitation, all principal and interest thereon at the rate specified in the Credit Agreement (both before and after demand and judgment) together with all fees, charges and expenses and including, without limitation, any reimbursement obligation for disbursements, costs, fees and interest in connection with letters of credit and any obligation to provide cash collateral with respect thereto, in each case, when and as due, whether at scheduled maturity, on the date set for prepayment, by acceleration or otherwise, and (ii) all other monetary obligations of the Borrower, TPFM and the Guarantor to the Secured Parties under the Credit Agreement and the other Loan Documents, as and when due, including fees, costs, expenses (including, without limitation, fees and expenses of counsel incurred by the Agent or any other Secured Party in enforcing any rights under this Guarantee or any other Loan Document), contract causes of action and indemnities, whether primary, secondary, direct or indirect, absolute or contingent, fixed or otherwise (including monetary obligations incurred during any bankruptcy, insolvency, receivership or other similar proceeding, regardless of whether allowed or allowable in such proceeding); and

- (b) the due and prompt performance of all covenants, agreements, obligations and liabilities of the Borrower, TPFM and the Guarantor under or in respect of the Credit Agreement and the other Loan Documents;

(the “**Guaranteed Obligations**”)

to the extent that such Guaranteed Obligations arise out of or in connection with the matters listed below:

- (c) the Borrower, TPFM, the Guarantor, [NAMES OF CERTAIN OFFICERS OF THE COMPANY REDACTED] commits fraud or makes an intentional misrepresentation in relation to an obligation, responsibility, or term of the Credit Agreement or Loan Documents;
- (d) the Borrower, TPFM, the Guarantor, [NAMES OF CERTAIN OFFICERS OF THE COMPANY REDACTED] perpetrates a breach of the Criminal Code of Canada related to the services being performed under the Credit Agreement or Loan Documents;
- (e) the Borrower, TPFM, the Guarantor, [NAMES OF CERTAIN OFFICERS OF THE COMPANY REDACTED] misappropriates or misapplies funds provided by the Lenders or Agent under the Credit Agreement or Loan Documents, or otherwise commits an act constituting intentional misconduct with respect to the Credit Agreement or Loan Documents;
- (f) the Borrower, TPFM, the Guarantor, [NAMES OF CERTAIN OFFICERS OF THE COMPANY REDACTED] sells or re-assigns any Customer Loan Asset or any part of a Customer Loan Asset without the prior written approval of the Agent, if such sale or re-assignment is not authorized under the Credit Agreement or Loan Documents; and
- (g) the Borrower’s or TPFM’s failure to maintain any insurance required to be maintained under the Credit Agreement or to pay Taxes required to be paid under the Credit Agreement.

For greater certainty, the extent of the Guaranteed Obligations arising out of or in connection with an act or omission under Sections 2.01(c) through (g) shall correspond to the extent of such act or omission, and may be less than all of the Guaranteed Obligations.

The Guarantor further agrees that all or part of the Guaranteed Obligations may be increased, extended, substituted, amended, renewed or otherwise modified without notice to or consent from the Guarantor and such actions shall not affect the liability of the Guarantor hereunder.

**Section 2.02 Demand.** Liability of the Guarantor to make payment under this Guarantee shall arise immediately upon the occurrence of damages to the Secured Parties resulting from an act or omission listed in Section 2.01 and delivery by the Agent to the Guarantor of a written demand for payment.

**Section 2.03 Reinstatement.** The Guarantor agrees that its guarantee hereunder shall continue to be effective or be reinstated, as the case may be, if at any time all or part of any payment of any Guaranteed Obligation is voided, rescinded or must otherwise be returned by any Secured Party or any other person upon the insolvency, bankruptcy or reorganization of the Borrower or any other Loan Party or otherwise.

**ARTICLE III**  
**GUARANTEE ABSOLUTE AND UNCONDITIONAL; WAIVERS**

**Section 3.01 Guarantee Absolute and Unconditional; No Waiver of Obligations.** The Guarantor guarantees that the Guaranteed Obligations will be paid strictly in accordance with the terms of this Agreement. The obligations of the Guarantor hereunder are independent of the obligations of any other guarantor or any other Loan Party under any Loan Document. A separate action may be brought against the Guarantor to enforce this Guarantee, whether or not any action is brought against the Borrower or any other Loan Party or whether or not the Borrower or any other Loan Party is joined in any such action. The Secured Parties shall not be required to seek recourse against the Borrower, TPFM or any other party or realize upon any security they may hold before being entitled to payment by the Guarantor under this Guarantee. The liability of the Guarantor hereunder is irrevocable, continuing, absolute and unconditional and the obligations of the Guarantor hereunder, to the fullest extent permitted by applicable law, shall not be discharged or impaired or otherwise effected by, and the Guarantor hereby irrevocably waives any defences to enforcement or liability hereunder it may have (now or in the future) by reason of:

- (a) any illegality, invalidity or unenforceability of any Guaranteed Obligation, any Loan Document or any related agreement, security or instrument for any reason whatsoever;
- (b) any change in, or variation of, the Guaranteed Obligations or any other obligation of any Loan Party under any Loan Document including, without limitation, any increase in the Guaranteed Obligations, any change in the interest or fees payable, any renewal, extension, amendment, rescission, waiver, release, discharge, indulgence, compromise, arrangement or other variation in connection with the Guaranteed Obligations, any Loan Document or any other agreement;
- (c) any taking, exchange, substitution, variation, release, impairment, subordination or non-perfection of any security or collateral for the Guaranteed Obligations, or any taking, release, impairment, amendment, waiver or other modification of any guarantee of the Guaranteed Obligations;
- (d) any manner of sale, disposition or application of proceeds of any collateral or other assets to all or part of the Guaranteed Obligations;
- (e) any loss or diminution in value of the security or collateral held for the Guaranteed Obligations, whether such loss or diminution arises from any act or omission of the Secured Parties;
- (f) any default, failure or delay, willful or otherwise, in the performance of the Guaranteed Obligations;
- (g) any change, restructuring or termination of the corporate structure, ownership or existence of any Loan Party or any of its subsidiaries or any insolvency, bankruptcy, reorganization or other similar proceeding affecting the Borrower, TPFM, the Guarantor or its assets or any resulting restructuring, compromise, release or discharge of any Guaranteed Obligations;
- (h) any failure of any Secured Party to disclose to the Guarantor or any other Loan Party any information relating to the business, condition (financial or otherwise), operations,

performance, properties or prospects of the Borrower or any other Loan Party, or any other information now or hereafter known to such Secured Party;

- (i) the failure of any other person to execute or deliver this Guarantee, or any other guarantee or agreement or the release or reduction of liability of any Guarantor or other guarantor or surety with respect to the Guaranteed Obligations;
- (j) the failure of any Secured Party to assert any claim or demand or to exercise or enforce any right or remedy under the provisions of any Loan Document or otherwise;
- (k) any defence, set-off or counterclaim (other than a defence of payment or performance) that may at any time be available to, or be asserted by, the Borrower against any Secured Party; or
- (l) any other circumstance (including, without limitation, any statute of limitations) or manner of administering the Guaranteed Obligations or any existence of or reliance on any representation by any Secured Party that might vary the risk of the Guarantor or otherwise operate as a defence available to, or a legal or equitable discharge of, the Borrower, any Loan Party or any other guarantor or surety.

### **Section 3.02 Acknowledgements.**

- (a) The Guarantor hereby unconditionally and irrevocably waives any right to revoke this Guarantee and acknowledges that this Guarantee is continuing in nature, shall guarantee any ultimate balance owing to the Secured Parties, and applies to all presently existing and future Guaranteed Obligations, until the complete, irrevocable and indefeasible payment and satisfaction in full of the Guaranteed Obligations.
- (b) This Guarantee is a guarantee of payment and performance and not of collection. The Secured Parties shall not be obligated to enforce or exhaust their remedies against Borrower or under the Credit Agreement before proceeding to enforce this Guarantee. The liability of the Guarantor to make payment under this Guarantee shall arise immediately upon delivery to it of a written demand for payment hereunder.
- (c) This Guarantee is a direct guarantee and independent of the obligations of the Borrower, the Guarantor and TPFM to the Secured Parties. The Secured Parties may resort to the Guarantor for payment and performance of the Guaranteed Obligations whether or not the Secured Parties shall have resorted to any collateral therefor or shall have proceeded against Borrower, Guarantor or any other guarantors with respect to the Guaranteed Obligations. The Secured Parties may, at their option, proceed against the Guarantor and the Borrower and TPFM, jointly and severally, or against the Guarantor only without having obtained a judgment against the Borrower or TPFM, as applicable.
- (d) The Guarantor hereby unconditionally and irrevocably waives promptness, diligence, notice of acceptance, presentment, demand for performance, notice of non-performance, default, acceleration, protest or dishonour and any other notice with respect to any of the Guaranteed Obligations, the Credit Agreement and this Guarantee and any requirement that the Secured Parties protect, secure, perfect or insure any security interest, lien or other encumbrance or any property subject thereto.

- (e) The Guarantor agrees that its guarantee hereunder shall continue to be effective or be reinstated, as the case may be, if at any time all or part of any payment of any Guaranteed Obligation is voided, rescinded or recovered or must otherwise be returned by the Secured Parties upon the insolvency, bankruptcy or reorganization of the Borrower, Guarantor, or TPFM.
- (f) This Guarantee shall continue to apply to all Guaranteed Obligations owing to the Secured Parties by any amalgamated corporation resulting from the Borrower, the Guarantor or TPFM amalgamating with one or more other corporations.

#### **ARTICLE IV POSTPONEMENT OF RIGHTS; SUBORDINATION/ASSIGNMENT**

##### **Section 4.01 Postponement of Rights; Subordination/Assignment**

- (a) **Postponement of Rights.** Following a demand under section Section 2.02, until such time as the Guaranteed Obligations have been paid in full, the Guarantor agrees that it shall not (i) exercise any right of set-off or assert any counterclaim against the Borrower or TPFM with respect to any indebtedness or liability of the Borrower or TPFM to the Guarantor; (ii) exercise any of its rights of subrogation to the Agent or the Secured Parties' position with respect to any payments it has made hereunder; (iii) assert or enforce any claim to indemnification or reimbursement against the Borrower or TPFM or any other guarantor; or (iv) assert any right of contribution against any other guarantor.
- (b) **Assignment.** Following a demand under section Section 2.02, all present and future indebtedness and liability of the Borrower and TPFM to the Guarantor is hereby assigned to the Agent for the benefit of the Secured Parties and postponed to the Guaranteed Obligations. Any amounts received by the Guarantor on account of the assigned indebtedness and liability shall be held by the Guarantor in trust for the benefit of the Secured Parties and promptly paid over to the Agent without in any way reducing the obligations of the Guarantor under this Guarantee.

#### **ARTICLE V REPRESENTATIONS AND WARRANTIES; COVENANTS**

**Section 5.01 Representations and Warranties.** The Guarantor represents and warrants as to itself that all representations and warranties relating to it contained in the Loan Documents are true and correct. The Guarantor further represents and warrants that:

- (a) The execution, delivery and performance of this Agreement and the other Loan Documents, does not and will not conflict with, contravene, violate or result in a breach of any Applicable Law or any Contractual Obligation of the Guarantor.
- (b) There are no conditions precedent to the effectiveness of this Guarantee that have not been satisfied or waived.

- (c) It has the power and authority to enter into this Guarantee, to carry out its obligations hereunder and to consummate the transactions contemplated hereby. This Guarantee has been duly executed and delivered by the Guarantor, and constitutes a legal, valid and binding obligation of the Guarantor enforceable against the Guarantor in accordance with its terms.
- (d) It has, independently and without reliance upon any Secured Party and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Guarantee and any other Loan Document to which it is or may become a party, and has established adequate procedures for continually obtaining information pertaining to, and is now and at all times will be completely familiar with, the business, condition (financial or otherwise), operations, performance, properties and prospects of the Borrower and each other Loan Party.

**Section 5.02 Covenants.** The Guarantor covenants and agrees that it will perform and observe, and cause each of its Subsidiaries to perform and observe, all of the terms, covenants and agreements set forth in the Loan Documents that are required to be, or that the Borrower has agreed to cause to be, performed or observed by the Guarantor or Subsidiary.

## **ARTICLE VI MISCELLANEOUS**

**Section 6.01 Taxes.** Any and all payments by the Guarantor under or in respect of this Guarantee shall be made free and clear of and without deduction or withholding for any Taxes except as required by applicable Laws. If the Guarantor is required by applicable Laws (as determined in the good faith discretion of the applicable Guarantor) to deduct or withhold any Taxes from such payments, then, (i) the amount payable by the Guarantor shall be increased so that after all such required deductions or withholdings are made (including deductions or withholdings applicable to additional amounts payable under this Section), the applicable recipient receives an amount equal to the amount it would have received had no such deduction or withholding been made, (ii) the Guarantor shall make such deductions or withholdings and timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable law, and (iii) the Guarantor shall, promptly after any such payment, deliver to the Agent the original or certified copy of a receipt issued by such Governmental Authority evidencing such payment.

**Section 6.02 Right of Set-Off.** If an Event of Default shall have occurred and be continuing, each Secured Party and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, and without prior notice to the Guarantor or any other Loan Party, any such notice being expressly waived by the Guarantor, to set off and appropriate and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Secured Party or any such Affiliate to or for the credit or the account of the Guarantor or any other Loan Party against any and all of the obligations of the Guarantor or such Loan Party now or hereafter existing under this Guarantee or any other Loan Document to such Secured Party or its Affiliates whether direct or indirect, absolute or contingent, matured or unmatured, and irrespective of whether or not such Secured Party or Affiliate shall have made any demand under this Guarantee or any other Loan Document and although such obligations of the Guarantor or such other Loan Party are owed to a branch, office or Affiliate of such Secured Party different from the branch, office or Affiliate holding such deposit or obligated on such indebtedness. The

rights of each Secured Party and each of their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of set-off) that such Secured Party or such Affiliate may have. Each Secured Party agrees to notify such Guarantor and the Agent promptly after any such set off and appropriation and application; *provided* that the failure to give such notice shall not affect the validity of such set off and appropriation and application.

**Section 6.03 Amendments in Writing.** No term or provision of this Guarantee may be waived, amended, supplemented or otherwise modified except by an agreement in writing signed by the Guarantor and the Agent.

**Section 6.04 Indemnity.**

- (a) The Guarantor hereby agrees to indemnify and hold harmless the Agent (and any sub-agent thereof), each other Secured Party and each such Person's Affiliates and the directors, officers, employees, partners, agents, trustees, administrators, managers, advisors and representatives of it and Affiliates of any of the foregoing Persons (each such Person being called an "**Indemnitee**") from any losses, damages, liabilities, claims and related expenses (including the fees and expenses of any counsel for any Indemnitee), and shall indemnify and hold harmless each Indemnitee from all fees, expenses and time charges for legal counsel who are employees of any Indemnitee, incurred by any Indemnitee or asserted against any Indemnitee by any Person (including the Guarantor or any other Loan Party) other than such Indemnitee and its Affiliates and the directors, officers, employees, partners, agents, trustees, administrators, managers, advisors and representatives of it and its Affiliates arising out of, in connection with or resulting from this Guarantee (including, without limitation, enforcement of this Guarantee) or any failure of any Obligations to be the legal, valid, and binding obligations of any Loan Party enforceable against such Loan Party in accordance with their terms, and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (i) are determined by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of such Indemnitee or (ii) result from a claim brought by the Guarantor or any other Loan Party against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if the Guarantor or such Loan Party has obtained a judgment in its favour on such claim as determined by a court of competent jurisdiction. This clause (a) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, or similar items arising from any non-Tax claim.
- (b) To the fullest extent permitted by applicable law, the Guarantor hereby agrees not to assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Guarantee, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any amounts advanced or the use of proceeds thereof. No Indemnitee shall be liable for any damages arising from the use of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Guarantee or the other Loan

Documents or the transactions contemplated hereby or thereby by unintended recipients.

- (c) All amounts due under this Section shall be payable within 10 days of demand by the Agent.
- (d) Without prejudice to the survival of any other agreement of the Guarantor under this Guarantee or any other Loan Documents, the agreements and obligations of the Guarantor contained in Section 2.01 (with respect to enforcement expenses), Section 2.03, Section 6.01 and this Section shall survive termination of the Loan Documents and payment in full of the Obligations and all other amounts payable under this Guarantee.

#### **Section 6.05 Notices.**

- (a) **Notices Generally.** Except in the case of notices and other communications expressly permitted to be given by telephone (or by email as provided in paragraph (b) below), all notices and other communications provided for herein shall be made in writing and mailed by registered mail, delivered by hand or overnight courier service, or sent by facsimile as follows:

- (i) To the Guarantor:

Marble Financial Inc.



Attention: ◆

Email: ◆

Telephone No. ◆.

- (ii) To the Agent:

CHP Agent Services Inc.

212 – 1080 Mainland Street, Vancouver, BC V6B 2T4

Attention: Kelly Klatik

Email: [EMAIL ADDRESS REDACTED]

Telephone No. [PHONE NUMBER REDACTED]

Notices mailed by registered mail or sent by hand or overnight courier service shall be deemed to have been given when received. Notices sent by facsimile during the recipient's normal business hours shall be deemed to have been given when sent (and if sent after normal business hours shall be deemed to have been given at the opening of the recipient's business on the next business day).

- (b) **Electronic Communications.** Notices and other communications to the Agent hereunder may be sent by electronic communication (including email) in accordance with procedures approved by the Agent. The Agent or the Guarantor may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it; *provided* that approval of such procedures may be limited to particular notices or communications.



Unless the Agent specifies otherwise, (i) notices and other communications sent by email shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return email or other written acknowledgement); *provided* that if such notice, email or other communication is not sent during the recipient's normal business hours, such notice, email or communication shall be deemed to have been sent at the recipient's opening of business on the next business day.

- (c) **Change of Address, Etc.** Any party hereto may change its address or facsimile number for notices and other communications hereunder by notice to the other parties hereto.

**Section 6.06 Continuing Guarantee.** This Guarantee is a continuing guarantee and shall remain in full force and effect until the full and final payment in full of the Guaranteed Obligations and all other amounts payable under this Guarantee.

**Section 6.07 Successors and Assigns; Assignments Under the Credit Agreement.**

- (a) **Successors and Assigns.** This Guarantee shall be binding on the Guarantor, its successors and permitted assigns, and shall inure to the benefit of and be enforceable by the Secured Parties and their respective successors and assigns.
- (b) **Assignment.** Any Secured Party may assign or otherwise transfer all or any portion of its rights and obligations under this Guarantee or under the Credit Agreement and any security relating to the Credit Agreement to any other Person without the consent of the Guarantor, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such Secured Party herein or otherwise, in each case as and to the extent provided in Article 11.1 of the Credit Agreement. The Guarantor shall not have the right to assign its rights hereunder or any interest herein without the prior written consent of the Agent.

**Section 6.08 Severability.** If any term or provision of this Guarantee is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other term or provision of this Guarantee or invalidate or render unenforceable such term or provision in any other jurisdiction.

**Section 6.09 Counterparts.** This Guarantee and any amendments, waivers, consents or supplements hereto may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, and all taken together shall constitute a single contract. This Guarantee and the other Loan Documents, and any separate letter agreements with respect to fees payable to the Secured Parties, constitute the entire contract among the parties with respect to the subject matter hereof and supersede all previous agreements and understandings, oral or written, with respect thereto. Delivery of an executed counterpart of a signature page to this Guarantee by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Guarantee.

**Section 6.10 Governing Law.** This Guarantee and any claim, controversy, dispute or cause of action based upon, arising out of or relating to this Guarantee shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE CAUSED THIS GUARANTEE TO BE EXECUTED AS OF THE DATE FIRST WRITTEN ABOVE.

**GUARANTOR:**

**MARBLE FINANCIAL INC.**

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

Authorized Signatory

## SCHEDULE E

### FORM OF PARENT & TPFM GSA

#### GENERAL SECURITY AGREEMENT

made by

**[Grantor]**

in favour of

**CHP AGENT SERVICES INC.**, as Agent

dated as of

**July 23, 2021**

This GENERAL SECURITY AGREEMENT, dated as of July 23, 2021 (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, this "**Agreement**"), is made by **[Grantor]**, a ♦ (the "**Grantor**"), in favour of CHP Agent Services Inc., as administrative and collateral agent for the Secured Parties (as defined below) (in such capacity and together with any successors in such capacity, the "**Agent**").

#### RECITALS

**WHEREAS**, 1301771 B.C. Ltd., as borrower (the "**Borrower**") has entered into a credit agreement dated as of the date of this Agreement, with the Grantor, TPFM the Phoenix Fund Management Ltd., the Agent, and the other lenders thereto from time to time (the "**Lenders**") (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, the "**Loan Agreement**") pursuant to which the Lenders have made and will make a credit facility available to the Borrower (the "**Credit Facility**");

**WHEREAS**, the Grantor has guaranteed certain obligations of the Borrower to the Secured Parties pursuant to a limited guarantee and a bad act guarantee, each dated as of the date of this Agreement, (as such guarantees may be amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, the "**Guarantees**");

**WHEREAS**, this Agreement is given by the Grantor in favour of the Agent for the benefit of the Secured Parties to secure the payment and performance of all of the Secured Obligations (defined below), including, without limitation, the obligations of the Grantor under the Loan Agreement and the Guarantees; and

**WHEREAS**, it is a condition of the Lenders establishing the Credit Facility under the Loan Agreement that the Grantor execute and deliver this Agreement.

**NOW THEREFORE**, in consideration of the Secured Parties entering into the Loan Agreement, agreeing to establish the Credit Facility, providing other financial accommodations to the Borrower, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees as follows:

## ARTICLE I DEFINITIONS

### Section 1.01 Definitions.

- (a) Capitalized terms that are used but not defined in this Agreement shall have the respective meanings assigned to such terms in the Loan Agreement. Unless otherwise defined herein or in the Loan Agreement, terms used herein that are defined in the PPSA shall have the meanings assigned to them in the PPSA.
- (b) For purposes of this Agreement, the following terms shall have the following meanings:

"**Agent**" is defined in the preamble of this Agreement.

"**Borrower**" is defined in the recitals of this Agreement.

"**Collateral**" is defined in ARTICLE II.

"**Event of Default**" means an Event of Default as defined in the Loan Agreement.

"**Grantor**" is defined in the preamble of this Agreement.

"**Loan Document**" and "**Loan Documents**" have the meanings given to them in the Loan Agreement.

"**PPSA**" means the *Personal Property Security Act* as in effect from time to time in the Province of British Columbia.

"**Proceeds**" means "proceeds" as such term is defined in section 1(1) of the PPSA and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.

"**Secured Obligations**" is defined in ARTICLE III.

"**Secured Parties**" means the Agent, in its personal capacity and as administrative agent and collateral agent, and the Lenders, together with their respective successors and assigns.

"**STA**" means the *Securities Transfer Act*, as in effect from time to time in the Province of British Columbia.

**Section 1.02 Interpretation.** Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.

## ARTICLE II GRANT OF SECURITY INTEREST

**Section 2.01 Grant of Security Interest.** As security for the payment and performance of the Secured Obligations, the Grantor hereby grants, assigns, transfers, sets over, mortgages, charges, and pledges to the Agent for the benefit of the Secured Parties, and hereby creates a general and continuing security interest in favour of the Agent for the benefit of the Secured Parties in and to all of the Grantor's right,

title and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the "Collateral"):

- (a) all present and after-acquired property, assets and undertaking of the Grantor of every kind and nature whatsoever, including all Accounts, Goods (including Inventory, Equipment and motor vehicles, but excluding Consumer Goods), Intangibles, Chattel Paper, Documents of Title, Instruments, Securities (excluding the Grantor's right, title and interest in Inverite Verification Inc.) and all other Investment Property, Money, and any other contract rights or rights to the payment of money;
- (b) all Proceeds and products of each of the foregoing, including all Proceeds of any insurance, indemnity, compensation for loss or damage, warranty or guarantee payable to the Grantor from time to time with respect to any of the foregoing;
- (c) all books and records relating to the foregoing, including in any form or medium;
- (d) all supporting obligations relating to the foregoing;
- (e) all additions, accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing; and
- (f) the last day of the term of any lease, verbal or written, or any agreement to lease, now held or hereafter acquired by the Grantor is hereby excepted out of the security interests hereby created, but should the Secured Party need to enforce against the Collateral, the Grantor shall hold the last date in trust for the Secured Party and shall assign it to any person acquiring the term or that part of the term that is charged in the course of any enforcement or realization of the Collateral.

For greater certainty, the collateral does not include any Consumer Goods.

**Section 2.02 Attachment of Security Interest.** The Grantor acknowledges that value has been given, that the Grantor has rights in the Collateral, and that the parties have not agreed to postpone the time for attachment of any security interest in this Agreement. The Grantor acknowledges that any security interest created by this Agreement shall attach to existing Collateral upon the execution of this Agreement and to each item of after-acquired Collateral at the time that the Grantor acquires rights in such after-acquired Collateral.

### **ARTICLE III SECURED OBLIGATIONS**

**Section 3.01 Secured Obligations.** The Collateral secures the payment and performance of all present and future obligations of the Grantor to the Secured Parties from time to time, arising under the Loan Agreement, (but only in respect of covenants granted by the Grantor thereunder and not in respect of Loan (as defined in the Loan Agreement) or the covenants granted by the Borrower, except to the extent of the Guarantees), and the Guarantees granted by the Grantor in favour of the Agent on or about the date hereof as the same may be amended, restated, modified or replaced from time to time, whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or

hereafter arising, whether the indebtedness is reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether incurred by the Grantor alone or with another or others and whether as a principal or surety (all such obligations, covenants, duties, debts, liabilities, sums, fees and expenses being herein collectively called the "**Secured Obligations**").

#### **ARTICLE IV PERFECTION OF SECURITY INTEREST AND FURTHER ASSURANCES**

**Section 4.01 Perfection.** The Grantor shall, from time to time, as may be required by the Agent with respect to all Collateral, take all actions as may be requested by the Agent to perfect the security interest of the Secured Parties in the Collateral at the sole expense of the Grantor.

**Section 4.02 Intellectual Property.** The Grantor hereby further authorizes the Agent to file with the Canadian Intellectual Property Office this Agreement and other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interests in Intangibles granted by the Grantor hereunder, without the signature of the Grantor where permitted by law.

**Section 4.03 Chattel Paper, Documents of Title, Instruments.** If the Grantor shall at any time hold or acquire any certificated securities, promissory notes, chattel paper, negotiable documents of title or warehouse receipts relating to the Collateral (including without limitation any certificated securities issued by the Borrower), the Grantor shall immediately endorse, assign and deliver possession of the same to the Agent for the benefit of the Secured Parties, accompanied by such instruments of transfer or assignment duly executed in blank as the Agent may from time to time specify.

**Section 4.04 Control Agreement.** Where Investment Property is held in an account of a securities intermediary, the Grantor shall: (i) enter into, and use commercially reasonable efforts to cause any securities intermediary for any securities accounts or entitlements forming part of the Collateral to enter into, a securities account control agreement between the Agent for the benefit of the Secured Parties, the Grantor and said securities intermediary in a form and substance acceptable to the Agent; and (ii) enter into, and use commercially reasonable efforts to cause any issuer of uncertificated securities forming part of the Collateral to enter into, a securities account control agreement between the Agent for the benefit of the Secured Parties, the Grantor and said securities intermediary, in a form and substance acceptable to the Agent.

**Section 4.05 Copy of Verification Statement.** To the extent permitted by law, the Grantor hereby waives its right to receive a copy of any financing statement, financing change statement or verification statement filed or received by or on behalf of the Agent in connection with the Secured Parties' interest in the Collateral.

**Section 4.06 Further Assurances.** The Grantor agrees that, at any time and from time to time, at the expense of the Grantor, the Grantor will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Agent may reasonably request to create and maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby (including, without limitation, providing the secured party with a fixed and specific mortgage) or to enable the Agent and the Secured Parties to exercise and enforce their rights and remedies hereunder or under any other Loan Document with respect to any Collateral.

**ARTICLE V**  
**REPRESENTATIONS AND WARRANTIES**

**Section 5.01 Representations and Warranties.** The Grantor represents and warrants as follows:

- (a) **Location of Collateral and Places of Business.** The Grantor's place or places of business and the location of the Collateral, including all books and records in respect of Accounts, are set forth in Schedule "A" hereto.
- (b) **Ownership and Title.** The Grantor hereby represents and warrants to the Agent and the Secured Parties that it is the sole, direct, legal and beneficial owner of, and has good marketable title to all existing Collateral and shall be the sole, direct, legal and beneficial owner of, and have good marketable title to each item of after-acquired Collateral free and clear of any mortgages, charges, hypothecs, pledges, trusts, liens, security interests and other claims except for the security interests created by this Agreement and other encumbrances permitted by the Loan Agreement.
- (c) **Status.** The Grantor has full power, capacity, authority and legal right to grant a security interest in the Collateral, execute and deliver this Agreement and perform its obligations under this Agreement.
- (d) **Binding Obligation.** Each of this Agreement and the other Loan Documents to which it is a party has been duly authorized, executed and delivered by the Grantor and constitutes a legal, valid and binding obligation of the Grantor enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, arrangement, or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).
- (e) **No Governmental or Regulatory Approvals.** No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the Grantor to grant a security interest in the Collateral under this Agreement or for the execution and delivery of the other Loan Documents to which it is a party by the Grantor or the performance by the Grantor of its obligations thereunder.
- (f) **No Violation of Laws, Constating Documents, Agreements.** The execution and delivery of the Loan Documents to which it is a party by the Grantor and the performance by the Grantor of its obligations thereunder, will not violate any provision of any applicable law or regulation or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to the Grantor or any of its property, or the constating or governing documents of the Grantor or any agreement or instrument to which the Grantor is party or by which it or its property is bound.
- (g) **Perfection by Control.** The Grantor has taken all action required on its part for control to have been obtained by the Agent for the benefit of the Secured Parties over all Collateral with respect to which such control may be obtained pursuant to the PPSA and the STA. No person other than the Agent has control or possession of all or any part of the Collateral.

**ARTICLE VI**  
**VOTING, DISTRIBUTIONS AND RECEIVABLES**

**Section 6.01 Voting.** Unless an Event of Default shall have occurred and be continuing, the Grantor may, to the extent the Grantor has such right as a holder of the Collateral consisting of securities, other equity interests or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that, in the Secured Party's reasonable judgment, any such vote, consent, ratification or waiver would detract from the value thereof as Collateral or which would be inconsistent with or result in any violation of any provision of the Loan Agreement or this Agreement.

**Section 6.02 Distributions.** The Grantor may, unless an Event of Default shall have occurred and be continuing, receive and retain all dividends and other distributions with respect to the Collateral consisting of securities, other equity interests or indebtedness owed by any obligor.

**Section 6.03 Receivables.** If any Event of Default shall have occurred and be continuing, the Agent may, or at the request and option of the Agent, the Grantor shall: (i) notify account debtors of the Secured Parties' security interests in any account, chattel paper, intangible, instrument or other Collateral; and (ii) direct that payment thereof is to be made directly to the Agent for the benefit of the Secured Parties.

**ARTICLE VII**  
**COVENANTS**

The Grantor covenants and agrees with the Agent and the Secured Parties as follows:

**Section 7.01 Covenants.**

- (a) **Consent re: Change of Legal Name and Place of Business.** The Grantor will not, without providing at least 30 days' prior written notice to the Agent, change its legal name, jurisdiction of incorporation, corporate structure, or the province or territory in which its registered office, chief executive office or its principal place of business, is located. The Grantor will, prior to any change described in the preceding sentence, take all actions requested by the Agent to maintain the perfection and priority of the Secured Parties' security interest in the Collateral.
- (b) **Consent re: Change of Location of Collateral.** The Collateral, to the extent not delivered to the Agent under ARTICLE IV, will be kept at those locations listed in Schedule "A", and, except for Inventory sold or leased in the ordinary course of business, the Grantor will not remove the Collateral from such locations without obtaining the Agent's prior written consent. The Grantor will, before any change described in the preceding sentence, take all actions required by the Agent to maintain the perfection and priority of the Secured Parties' security interest in the Collateral.
- (c) **Dealing with Collateral: No Sale or Encumbrances.** The Grantor will not sell, dispose of, lease, assign or otherwise transfer any of the Collateral except as expressly provided for in the Loan Agreement, in the ordinary course of business or with the prior written consent of the Agent. The Grantor will not grant, create, permit or suffer to exist any mortgage, hypothec, pledge, lien, security interest, option, right of first offer, right of first



refusal, encumbrance, statutory lien or trust (including any conditional sale or other title retention agreement or finance lease) or other restriction or limitation of any nature whatsoever on the Collateral except as expressly provided for in the Loan Agreement or with the prior written consent of the Agent.

- (d) **Maintenance and Protection of Collateral.** The Grantor will keep the Collateral in good order, condition and repair so as to protect and preserve the Collateral and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Agent. The Grantor will not use the Collateral in violation of this Agreement, or any other agreement relating to the Collateral or any policy of insurance thereon, or any applicable law. The Grantor will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Grantor in good standing. The Grantor shall register all existing and future trademarks, patents, copyrights and industrial designs required for the business of the Grantor. The Grantor shall, at its own cost and expense, defend title to the Collateral and the security interests of the Secured Parties therein against the claim or demand of any person claiming against or through the Grantor and shall maintain and preserve such perfected security interests for so long as this Agreement shall remain in effect.
- (e) **Performance of Obligations.** The Grantor will pay promptly when due all rents, taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement. The Grantor shall perform all of its obligations under material agreements, leases, licenses, arrangements to obtain and preserve its rights, powers, licences, privileges and goodwill thereunder and comply with all applicable laws, by-laws, rules and regulations so as to preserve and protect the Collateral and the Grantor's business.
- (f) **Access to Collateral, Inspection.** The Grantor will permit the Agent, or its representatives, to inspect the Collateral from time to time and to examine and take extracts of its books and records (electronic or hard copy), at any reasonable time and on reasonable notice, wherever located. The Grantor shall, upon request by the Agent, provide the Agent with any information concerning the Collateral, the Grantor and its business, as the Agent may reasonably request, including access to the Grantor's senior executives, accountants and auditors to discuss any information concerning the Collateral.
- (g) **Notification.** The Grantor shall notify the Agent within five business days of: (i) the details of any material acquisition of Collateral; (ii) the details of any material litigation in connection with the Grantor, the Collateral or the Grantor's business; (iii) any loss or damage to the Collateral or the value of the Collateral; and (iv) any default by any account debtor in the payment or performance of its obligations.
- (h) **Insurance.** The Grantor shall insure the Collateral against loss or damage by fire and such other risks and hazards, in such amounts and upon such other terms as set out in the Loan Agreement or as the Secured Parties may from time to time require. Any insurance proceeds received by the Agent may, at the option of the Secured Parties, be applied against the Secured Obligations or released to the Grantor without prejudice to any rights or remedies of the Secured Parties.

**ARTICLE VIII**  
**SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND COVENANTS**

**Section 8.01 Survival of Representations and Warranties and Covenants.** All representations, warranties and covenants made by the Grantor in this Agreement shall survive the execution and delivery of this Agreement and remain in full force and effect until the payment in full of the Secured Obligations.

**ARTICLE IX**  
**POWER OF ATTORNEY**

**Section 9.01 Power of Attorney.** The Grantor hereby constitutes and appoints the Agent, and any officer or employee of the Agent to be the Grantor's true and lawful attorney in accordance with applicable legislation with full power of substitution, with full authority in the place and stead of the Grantor and in the name of the Grantor or otherwise, from time to time in the Agent's discretion to take any action and to execute any instrument which the Agent may deem necessary or advisable to accomplish the purposes of this Agreement (but the Agent shall not be obligated to and shall have no liability to the Grantor or any third party for failure to do so or take action). This appointment, being coupled with an interest, shall be irrevocable until the discharge of the security interests created by this Agreement. The Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof.

**ARTICLE X**  
**AGENT MAY PERFORM**

**Section 10.01 Agent May Perform.** If the Grantor fails to perform any obligation contained in this Agreement, the Agent may itself perform, or cause performance of, such obligation, and the costs and expenses of the Agent incurred in connection therewith shall be payable by the Grantor; *provided that* the Agent shall not be required to perform or discharge any obligation of the Grantor and the performance by the Agent shall not waive the rights of the Agent to enforce this Agreement.

**ARTICLE XI**  
**SET-OFF**

**Section 11.01 Set-Off.** Each Secured Party may, without notice to the Grantor or any other person, any notice being expressly waived, set-off and apply all amounts standing to or for the credit of the Grantor from the Secured Party or any of the Secured Party's affiliates, in any currency, against and on account of all or any part of the Secured Obligations, all as the Secured Party may see fit (in its sole discretion), whether or not the Secured Obligations are due and payable. The Secured Party's records are proof of such recording absent manifest error. When applying a deposit or other obligation in a different currency than the Secured Obligations to the Secured Obligations, the Secured Party will convert the deposit or other obligation to the currency of the Secured Obligations using the rate of exchange for the conversion of such currency as determined by the Secured Party.

**ARTICLE XII  
REMEDIES UPON DEFAULT**

**Section 12.01 Right to Accelerate Payment.** Upon the occurrence of an Event of Default that is continuing, but subject to the terms and limitations of the Guarantees, the Agent may, for and on behalf of the Secured Parties, by notice and in accordance with the Loan Agreement, declare any or all of the Secured Obligations to be immediately due and payable, whereupon, all of the Secured Obligations shall become and be immediately due and payable without presentment, demand, protest or further notice, all of which are hereby expressly waived by the Grantor.

**Section 12.02 Enforcement of Security Interest.** Upon the occurrence of an Event of Default that is continuing, but subject to the terms and limitations of the Guarantees, the Agent may, for and on behalf of the Secured Parties, and in accordance with the Loan Agreement, proceed to realize upon the Collateral and immediately enforce its rights and remedies.

**Section 12.03 Remedies upon Default.** Upon the occurrence of an Event of Default that is continuing, the Agent may exercise, for and on behalf of the Secured Parties, without any other notice to or demand upon the Grantor, and in addition to the other rights and remedies provided herein or in any other Loan Document or otherwise available to it, the following rights and remedies (which rights and remedies may be exercised independently or in combination):

- (a) the Agent may assert all rights and remedies of a secured party under the PPSA or other applicable law;
- (b) the Agent may take such steps as it considers desirable to maintain, preserve or protect the Collateral or its value;
- (c) the Agent may take possession of the Collateral by requiring the Grantor to assemble the Collateral or any part thereof and deliver the Collateral, or make the Collateral available, to the Agent at a place and time to be designated by the Agent;
- (d) the Agent may take possession of the Collateral by carrying on all or any part of the business of the Grantor; and may to the exclusion of others, including the Grantor, enter upon, occupy and use any of the premises, buildings, plant and undertaking owned, occupied or used by the Grantor and may use any of the tools, machinery, equipment and intangibles of the Grantor for such time as the Agent sees fit, free of charge and without liability, in order to carry on the business of the Grantor or to manufacture or complete the manufacture of Inventory and to pack and ship finished products;
- (e) the Agent may enter upon and occupy any land and premises owned, leased or occupied by the Grantor where the Collateral or any part thereof is assembled or located in order to effectuate its rights and remedies hereunder or under law, without obligation whatsoever to the Grantor;
- (f) the Agent may borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof, or to carry on the business, and may further charge the Collateral in priority to the security constituted by this Security Agreement;

- (g) the Agent may exercise and enforce all rights and remedies of the Grantor with respect to the Collateral including collecting or compromising all or any of the Grantor's Accounts;
- (h) the Agent may sell, lease, license, or otherwise dispose of all or any part of the Collateral by private sale or public sale or otherwise, and upon such other terms and conditions (including as to credit, upset or reserve bid or price) as the Agent may deem commercially reasonable;
- (i) the Agent may appoint, by instrument in writing, any person or persons (whether an officer or employee of the Agent or not) to be a receiver, manager, interim receiver, or receiver and manager (collectively, "**Receiver**"), of the Collateral or any part of the Collateral and remove or replace any person so appointed. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Agent under this ARTICLE XII;
- (j) the Agent may apply to a court of competent jurisdiction for the appointment of a Receiver of the Collateral or any part of the Collateral. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Agent under this Article XII;
- (k) all rights of the Grantor to: (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to Section 6.01; and (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain pursuant to Section 6.02, shall immediately cease, and all such rights shall thereupon become vested in the Agent for the benefit of the Secured Parties, which shall have the sole right to exercise such voting and other consensual rights and receive and hold such dividends and other distributions as Collateral; and
- (l) the Agent may retain the Collateral in satisfaction of the Secured Obligations.

**Section 12.04 Receiver Agent of Grantor.** In exercising any powers any such Receiver so appointed shall act as agent of the Grantor and not the Agent or the Secured Parties and neither the Agent nor the Secured Parties shall be in any way responsible for any of the actions of the Receiver, its employees, agents and contractors. The Agent or the Secured Parties may from time to time remove and appoint replacements for, any Receiver, and appoint another or others in their stead from time to time.

**Section 12.05 Distribution of Proceeds.** Any cash held by the Agent as Collateral and all cash Proceeds received by the Agent in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Agent to the payment of expenses incurred by the Agent in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Secured Parties hereunder, including reasonable legal and Receivers' fees, and the balance of such proceeds shall be applied or set-off against all or any part of the Secured Obligations in such order as the Agent shall elect. Any surplus of such cash or cash Proceeds held by the Agent and remaining after payment in full of all the Secured Obligations shall be paid over to the Grantor or to whomsoever may be lawfully entitled to receive such surplus. The Grantor shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any solicitor employed by the Agent to collect such deficiency.

**Section 12.06 Grantor Pays Expenses.** The Grantor agrees to pay all reasonable expenses incurred by the Agent or any Receiver in the preparation, perfection and enforcement of this Agreement, whether directly incurred or for services rendered including legal and auditor's fees and expenses and remuneration of any Receiver.

### **ARTICLE XIII MISCELLANEOUS**

**Section 13.01 No Waiver and Cumulative Remedies.** None of the Agent and the Secured Parties shall by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

**Section 13.02 Amendments.** None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Grantor therefrom shall be effective unless the same shall be in writing and signed by the Agent and the Grantor, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

**Section 13.03 Notices.** All notices, consents, claims, demands, waivers and other communications hereunder shall be in writing and addressed to the parties at the addresses set forth in the Loan Agreement and shall be given in the manner and become effective as set forth in the Loan Agreement.

**Section 13.04 Continuing Security Interest; Further Actions.** This Agreement shall create a general and continuing security interest in the Collateral and shall (a) subject to Section 13.06, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Grantor, its successors and permitted assigns, and (c) enure to the benefit of the Secured Parties and their respective successors, transferees and assigns; *provided that* the Grantor may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Agent. Without limiting the generality of the foregoing clause (c), any assignee of a Secured Party's interest in any agreement or document which includes all or any of the Secured Obligations shall, upon assignment, become vested with all the benefits granted to the Secured Party herein with respect to such Secured Obligations.

**Section 13.05 Assignment.** Each Secured Party may assign or transfer any of its rights under this Agreement without the consent of the Grantor. The Grantor may not assign its obligations under this Agreement without the prior written consent of the Agent.

**Section 13.06 Termination; Release.** On the date on which all Secured Obligations have been paid and performed in full (as determined by the Agent in its sole discretion), the Agent will, at the request and sole expense of the Grantor (a) duly assign, transfer and deliver to or at the direction of the Grantor (without recourse and without any representation or warranty) such of the Collateral as may then remain in the possession of the Agent, together with any monies at the time held by the Agent hereunder, and (b) execute and deliver to the Grantor a proper instrument or instruments acknowledging the satisfaction and termination of this Agreement.

**Section 13.07 Acknowledgement.** The Grantor acknowledges receipt of a fully executed copy of this Agreement.

**Section 13.08 Amalgamation.** The Grantor acknowledges that, if it amalgamates with another person, the term Grantor when used in this Agreement, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interests created hereby shall extend to the Collateral in which any amalgamating corporation has any rights at the time of the amalgamation and to any collateral in which the amalgamated corporation thereafter has any rights to secure the Secured Obligations of each of the amalgamating corporations and the amalgamated corporation to the Secured Party at the time of the amalgamation and any Secured Obligations of the amalgamated corporation to the Secured Party thereafter arising.

**Section 13.09 Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein.

**Section 13.10 Counterparts.** This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

**Section 13.11 Conflict with Loan Agreement.** To the extent of any conflict or inconsistency between the terms of this Agreement and the terms of the Loan Agreement, the terms of the Loan Agreement shall govern to the extent necessary to remove the conflict or inconsistency.

*[SIGNATURE PAGE FOLLOWS]*

IN WITNESS WHEREOF, the Grantor has executed this Agreement as of the date first written above.

**[Grantor]**, as Grantor

By \_\_\_\_\_

Name:

Title:

**SCHEDULE A**

**LOCATION OF COLLATERAL**

Suite 404-999 Canada Place, Vancouver, BC V6C 3E2



**SCHEDULE F**

*[-intentionally left blank-]*

## SCHEDULE G

### FORM OF PROMISSORY NOTE

## PROMISSORY NOTE

**BORROWER:** 1301771 B.C. LTD.

**AGENT:** CHP AGENT SERVICES INC., as Administrative and Collateral Agent for the Lenders under the Credit Agreement

**GUARANTOR:** MARBLE FINANCIAL INC.

**PRINCIPAL AMOUNT:** \$◆

**INTEREST:** Interest shall be payable at the Applicable Interest Rate under the Agreement, which as of the date hereof is ◆%

**DATE OF ISSUE:** ◆, 2021

FOR VALUE RECEIVED, the undersigned, 1301771 B.C. LTD. of 1120 – 625 Howe Street, Vancouver, British Columbia (the “**Borrower**”), hereby promises to pay to CHP Agent Services Inc. of 212 – 1080 Mainland Street, Vancouver, British Columbia (the “**Agent**”), on behalf of [◆] (the “**Lender**”) the principal sum of \$◆ (Canadian) in accordance with the terms set forth herein (the “**Note**”).

Context. This Note is granted by the Borrower to the Lender in conjunction with an Advance provided by the Lender pursuant to the terms of the Agreement. All capitalized terms used here have the same meaning as given to them in the credit agreement between Marble Financial Inc., as parent, 1301771 B.C. Ltd., as borrower, CHP AGENT SERVICES INC., as administrative and collateral agent, and the Lenders from time to time party thereto, dated July 23, 2021 (the “**Agreement**”), unless otherwise defined herein. This Note is subject to additional terms and conditions set forth in the Agreement that are not set forth on the face of this Note, including terms and conditions that may affect the Lender’s remedies. In the event of a conflict between this Note and the Agreement, the Agreement shall govern.

1. Payment Schedule. Unless sooner prepaid, the principal amount due under this Note shall be due and payable on ◆. The Borrower will repay this Note by making payments on the related Loan as set out in Section 3.1 of the Agreement.

2. Interest. Amounts outstanding under this Note shall bear interest at the Applicable Interest Rate. Interest shall be calculated and accrue on the last date of each Collection Period based on the average outstanding principal amount of the Note during such Collection Period, before and after judgment, default or the commencement of any insolvency proceedings. Interest shall be payable by the Borrower in accordance with Section 3.1 of the Agreement.

3. Prepayment. Borrower shall be entitled to prepay the amounts outstanding under this Note in accordance with the terms of the Agreement.

4. Security. This Note is secured pursuant to the provisions of Agreement and the Security Documents delivered for the benefit of the Agent and the Lenders under the Agreement.

5. Waiver of Notices. Borrower waives presentment, protest, demand, notice of protest, notice of dishonor or non-payment of this Note, and any and all other notices or matters of a like nature, and agrees that it shall remain liable for all amounts due hereunder notwithstanding any extension of time or change in the terms of payment of this Note or any delay or failure by Lender to exercise any rights hereunder.

6. Waiver or Modification. No waiver or modification of any of the terms of this Note shall be valid or binding unless set forth in writing specifically referring to this Note and signed by the Agent, the Lender and the Borrower, and then only to the extent specifically set forth therein.

7. Governing Law. This Note shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

8. Binding Effect. This Note enures to the benefit of and binds the parties' respective successors and permitted assigns.

9. Execution. Execution of this Note may be evidenced by way of a faxed or electronic transmission of such party's signature, and such faxed or electronic signature shall be deemed to constitute the original signature.

IN WITNESS WHEREOF, the Borrower has executed this Note on the date first written above.

**1301771 B.C. LTD.**

By: \_\_\_\_\_

Name:

Title:

**SCHEDULE H  
FORM OF FUNDING NOTICE**

**From: 1301771 B.C. LTD. (“Borrower”)**

**To: CHP AGENT SERVICES INC. (“Agent”)**

**Re:** Credit Agreement dated as of July 23, 2021, among the Borrower, Marble Financial Inc., TPFM The Phoenix Fund Management Ltd., the Agent and the lenders from time to time party thereto (the **“Credit Agreement”**)

The undersigned hereby gives notice of an advance request pursuant to Section 2.1 of the Credit Agreement as follows:

Funding Date: \_\_\_\_\_, 202\_

Proposed Advance Amount: \$ \_\_\_\_\_

Debt Balance Following Advance: \$ \_\_\_\_\_

Borrowing Base Assets Added : \$ \_\_\_\_\_

Borrowing Base Following Advance: \$ \_\_\_\_\_

Advance Rate Following Advance: \_\_\_\_\_%

Details of calculation of Borrowing Base and of additional Borrowing Base Assets added are attached as Schedule A hereto.

Capitalized terms used and not defined in this Funding Notice have the meanings set forth in the Credit Agreement.

**1301771 B.C. LTD.**

\_\_\_\_\_  
Name:

Title:

I have authority to bind the corporation

**Schedule A**

**Borrowing Base & Advance Rate Calculation**

**Borrowing Base**

- 1 Advance Rate \_\_\_\_\_
- 2 Aggregate outstanding principal of Borrowing Base Assets \_\_\_\_\_
- 3 Additional Borrowing Base Assets added \_\_\_\_\_
- 4 Collections in Blocked Account \_\_\_\_\_
- 5 Amounts accrued and unpaid owing to Agent or Lenders \_\_\_\_\_

Borrowing Base

=

\_\_\_\_\_

Line 1 x (Line 2 + Line 3) + Line 4 – Line 5

**Advance Rate**

- 1 Outstanding Principal Amount of Loan \_\_\_\_\_
- 2 Value of Borrowing Base Assets \_\_\_\_\_

Advance Rate

=

\_\_\_\_\_

Line 1 / Line 2

Details of Additional Borrowing Base Assets:

SCHEDULE I  
FORM OF OPINION  
[LETTERHEAD]

[Date]

**CHP AGENT SERVICES INC.**

-and to-

Each of the Lenders party to the  
Credit Agreement referred to below

-and to-

Edwards, Kenny & Bray LLP

Dear Sirs/Mesdames:

***Credit Facilities in favour of [Borrower]***

**1 SCOPE OF OPINION**

***Introduction***

- 1.1 We have acted as counsel to **Marble Financial Inc.** (the "**Borrower**"), Marble Financial Inc. (the "**Guarantor**") and TPFM The Phoenix Fund Management Ltd. ("**TPFM**", and together with the Borrower and the Guarantor, the "**Loan Parties**") in connection with certain credit facilities which are to be made available to the Borrower by the lenders from time to time parties to the Credit Agreement (collectively, the "**Lenders**") pursuant to a credit agreement dated **July 23, 2021** (the "**Credit Agreement**") between the Lenders, as lenders, **CHP AGENT SERVICES INC.** (the "**Agent**"), as agent, the Borrower, as borrower, the Guarantor as parent, and TPFM as initial servicer. Capitalized terms used in this opinion which we have not defined have the meanings given to them in the Credit Agreement. This opinion is being provided to you pursuant to Section 4.1(i) of the Credit Agreement.

***Examination of Documents***

- 1.2 We have examined executed copies of the following documents (collectively, the "**Credit Documents**") each dated as of the same date as the Credit Agreement unless otherwise noted:
- 1.2.1 the Credit Agreement;
- 1.2.2 a general security agreement (the "**Borrower Security Agreement**") made by the Borrower in favour of the Agent, for and on behalf of the Lenders;
- 1.2.3 a guarantee granted by the Guarantor in favour of the Agent (the "**Guarantee**");
- 1.2.4 a general security agreement (the "**Guarantor Security Agreement**") made by the Guarantor in favour of the Agent, for and on behalf of the Lenders;
- 1.2.5 a general security agreement (the "**TPFM Security Agreement**") made by TPFM in favour of the Agent, for and on behalf of the Lenders;

- 1.2.6 a guarantee granted by TPFM in favour of the Agent (the “**TPFM Guarantee**”), and
- 1.2.7 [a bad act guarantee granted by the Guarantor to the Agent, in favour of the Lenders.]

The Borrower Security Agreement, the Guarantor Security Agreement and the TPFM Security Agreement are collectively referred to as the “**Security Documents**”.

- 1.3 We have also examined originals or copies, certified or otherwise identified to our satisfaction, of the following:

- 1.3.1 the articles and by-laws of each of the Loan Parties;
- 1.3.2 a resolution of the board of directors of each of the Loan Parties authorizing, among other things, the execution, delivery and performance of each of the Credit Documents to which it is a party;
- 1.3.3 a certificate of [compliance/good standing] dated [date] (the “**Borrower Certificate of Good Standing**”) issued in respect of the Borrower granted pursuant to the *British Columbia Business Corporations Act* (the “**BCBCA**”);
- 1.3.4 a certificate of [compliance/good standing] dated [date] (the “**Guarantor Certificate of Compliance**”) issued in respect of the Guarantor granted pursuant to the *Canada Business Corporations Act* (the “**CBCA**”); and
- 1.3.5 a certificate of [compliance/good standing] dated [date] (the “**TPFM Certificate of Good Standing**”) issued in respect of TPFM granted pursuant to the *British Columbia Business Corporations Act* (the “**BCBCA**”).

- 1.4 As to certain questions of fact material to our opinions, we have also examined and relied exclusively upon certificates of officers of the Loan Parties, copies of which have been delivered to you separately (collectively, the “**Officer's Certificates**”).

### ***Jurisdiction***

- 1.5 Our opinion is expressed only with respect to the laws of the Province of British Columbia and the laws of Canada applicable therein, in effect on the date of this opinion. Without limiting the generality of the foregoing, we express no opinion with respect to the laws of any jurisdiction other than British Columbia to the extent that those laws may govern the validity, perfection, effect of perfection or non-perfection, priority or enforcement of the security interests created by the Credit Documents as a result of the application of British Columbia conflict of laws rules, including without limitation, Sections 5 to 8.1 of the *Personal Property Security Act* (British Columbia) (the “**PPSA**”). In addition, we express no opinion whether, pursuant to those conflict of laws rules, British Columbia laws would govern the validity, perfection, effect of perfection or non-perfection, priority or enforcement of those security interests.

### ***Assumptions***

- 1.6 In our examination of all documents we have assumed that:
  - 1.6.1 all individuals have the requisite legal capacity;

- 1.6.2 all signatures are genuine (other than those of the Loan Parties);
- 1.6.3 all documents submitted to us as originals are complete and authentic and all photostatic, certified, notarial, facsimile or electronically retrieved copies conform to the originals;
- 1.6.4 all facts set forth in the official public records, indices and filing systems and all certificates and documents supplied by public officials or otherwise conveyed to us by public officials are complete, true and accurate and continue to be complete, true and accurate as of the date of this opinion as if issued on this date;
- 1.6.5 all facts set forth in the certificates supplied by the representatives of the Loan Parties including, without limitation, in the Officer's Certificates, are complete, true and accurate;
- 1.6.6 each of the Credit Documents has been duly authorized, executed and delivered by each party thereto other than the Loan Parties and constitutes a legal, valid and binding obligation enforceable against such party in accordance with its terms and subject only to customary exceptions; and
- 1.6.7 the property and assets subject to the security interests created by the Security Documents do not include consumer goods (as defined in the PPSA).

### ***Reliances***

- 1.7 In expressing our opinions set forth in paragraphs 2.1 and 2.2 as they relate to the existence of (a) the Borrower, we have relied solely on the Borrower Certificate of Good Standing, (b) the Guarantor, we have relied solely on the Guarantor Certificate of Compliance, and (c) TPFM, we have relied solely on the TPFM Certificate of Good Standing.

### ***Searches***

- 1.8 We have been provided with the searches performed by counsel to the Agent identified in Schedule A (the “**Searches**”) against the names set out in Schedule A for filings or registrations made in those offices of public record listed in Schedule A. The results of those searches are set out in Schedule A.

### ***Disclaimer***

- 1.9 We have not undertaken, and disclaim, any obligation to advise you of any change in any matter set forth in this opinion. In particular, [**firm name**] does not maintain a record of the dates of registration of financing statements or their renewals and we have no reminder system for those purposes. Accordingly, we take no responsibility for advising you of the registration of renewals or amendments which may be required in the future to maintain perfection under the PPSA of the security interests created by the Security Documents.

## **2 OPINIONS**

Based upon and relying on the foregoing and subject to the qualifications set forth in Part 3 hereof, we are of the opinion that:



- 2.1 The Borrower (a) is a corporation incorporated and existing under the BCBCA, (b) is in good standing with the BC Corporate Registry with respect to the filing of annual reports, and (c) has the corporate power and capacity to enter into and perform its obligations under each of the Credit Documents to which it is a party.
- 2.2 The Guarantor (a) is a corporation incorporated and existing under the CBCA, (b) is in good standing with Corporations Canada with respect to the filing of annual reports, (c) is extraprovincially registered in the Province of British Columbia and is in good standing therein, and (b) has the corporate power and capacity to enter into and perform its obligations under each of the Credit Documents to which it is a party.
- 2.3 TPFM (a) is a corporation incorporated and existing under the BCBCA, (b) is in good standing with the BC Corporate Registry with respect to the filing of annual reports, and (c) has the corporate power and capacity to enter into and perform its obligations under each of the Credit Documents to which it is a party.
- 2.4 The execution, delivery and performance by each Loan Party of each of the Credit Documents to which it is a party have been authorized by all necessary corporate action on the part of the applicable Loan Party.
- 2.5 Each of the Credit Documents to which each Loan Party is a party has been duly executed and delivered by the applicable Loan Party.
- 2.6 The execution, delivery and performance by each Loan Party of each of the Credit Documents to which it is a party does not constitute or result in a violation or a breach of, or a default under:
  - 2.6.1 such Loan Party's certificate and articles of incorporation, by-laws, articles or any shareholders agreement to which it is subject; or
  - 2.6.2 any law, statute, regulation, or statutory instrument applicable in British Columbia.
- 2.7 No authorization, consent or approval of, or filing, registration or recording with, any governmental authority is required in connection with the execution, delivery or performance by any Loan Party of any of the Credit Documents to which such Loan Party is a party other than authorizations, consents and approvals which have been obtained or filings, registrations or recordings which have been made.
- 2.8 Each of the Security Documents creates a valid security interest in favour of the Agent or the Lenders, or both, as the case may be, in the personal property described therein to which the PPSA applies and in which the Borrower, TPFM or the Guarantor, as the case may be now has rights, and is sufficient to create a valid security interest in favour of the Agent or the Lenders, or both, as the case may be, in any such personal property in which the Borrower, TPFM or Guarantor hereafter acquires rights when those rights are acquired by the Borrower, TPFM or the Guarantor as the case may be, in each case to secure payment and performance of the obligations described therein as being secured thereby.

- 2.9 Registration has been made in all public offices provided for under the laws of the Province of British Columbia where such registration is necessary to perfect the security interests created by the Security Documents.
- 2.10 Each of the Credit Documents to which each Loan Party is a party constitutes a legal, valid and binding obligation of such Loan Party enforceable against it in accordance with its terms.

### **3 QUALIFICATIONS**

The opinions expressed above are subject to the following qualifications.

#### ***General Enforceability***

- 3.1 The enforceability of each of the Credit Documents is subject to bankruptcy, insolvency, arrangement, winding-up and other similar laws of general application affecting the enforcement of creditors' rights generally including, without limitation, laws relating to assignments and preferences, fraudulent preferences and fraudulent conveyances.
- 3.2 The enforceability of each of the Credit Documents is subject to general equitable principles, including the fact that the availability of equitable remedies, such as injunctive relief and specific performance, is in the discretion of a court.
- 3.3 A provision in a Credit Document which purports to sever illegal, prohibited or unenforceable provisions from the Credit Document without affecting the enforceability or validity of the remaining provisions, may be enforced only in the discretion of the court.
- 3.4 We express no opinion as to the enforceability of any provision of a Credit Document which states that modifications, amendments or waivers are not binding unless in writing.
- 3.5 We express no opinion as to the enforceability of any provision of a Credit Document that is inconsistent with the provisions of any other Credit Document except where the inconsistency is addressed by a paramountcy clause.
- 3.6 A creditor may be required to give a debtor a reasonable time to repay following a demand for payment (or an automatic acceleration upon the occurrence of an event of default) prior to taking any action to enforce a right of repayment or before exercising any other rights and remedies expressed to be exercisable by the creditor in a Credit Document.
- 3.7 A receiver or receiver and manager appointed pursuant to the provisions of a Credit Document may, for certain purposes, be treated by a court as being the agent of the secured party and not solely the agent of the debtor (and the secured party may not be deemed to be acting as the agent and attorney of the debtor in making such appointment), notwithstanding any agreement to the contrary.
- 3.8 Rights of indemnification and contribution may be limited under applicable law to the extent they directly or indirectly relate to liabilities imposed on a party by law for which it would be contrary to public policy to require another party to indemnify that party.

- 3.9 We express no opinion as to the enforceability of any provision of any Credit Document which purports to waive all defences which might be available to, or constitute a discharge of the liability of, a Loan Party.
- 3.10 We express no opinion as to the enforceability of any provision of a Credit Document which purports to exculpate a party or its agent from liability in respect of acts or omissions which may be illegal, fraudulent or involve willful misconduct.
- 3.11 Costs and expenses incidental to all court proceedings are in the discretion of the court which can determine by whom and to what extent such costs and expenses are paid.
- 3.12 A court may decline to accept the factual or legal certifications or determinations of a party notwithstanding that a provision of a Credit Document provides that such certifications and determinations are conclusive, final and binding. In addition, a court will reserve the right to make final determinations with respect to facts or laws notwithstanding any declarations or acknowledgements contained in a Credit Document concerning actions of a party thereto including whether the Agent, the Lenders or any of them have acted in a commercially reasonable manner.
- 3.13 A court may not permit the Lenders or the Agent to accelerate the performance of obligations or otherwise enforce their rights under a Credit Document as a result of a default determined by the court to be immaterial.
- 3.14 A court may determine that the liability of the Guarantor is solely that of a guarantor and not that of a principal debtor or indemnitor notwithstanding any provisions of the Guarantee which purport to provide otherwise.
- 3.15 Enforceability of the Credit Documents is subject to the limitations contained in the *Limitation Act* (British Columbia).
- 3.16 Provisions for the payment of interest under the Credit Agreement may not be enforceable if those provisions provide for the payment of interest by a Loan Party at a criminal rate within the meaning of Section 347 of the *Criminal Code* (Canada).
- 3.17 An assignment of a debt, account or right will not be binding on the obligor to the extent that such debt, account or right is paid or otherwise discharged or performed before notice of the assignment is given to the obligor together with a direction to pay the same to the Lender, and any such assignment may be subject to the equities between the parties to such debt, account or right.
- 3.18 We express no opinion as to whether any Loan Party has title to or any rights in any property.
- 3.19 We express no opinion as to the rank or priority of any security interest created by the Security Documents.
- 3.20 We express no opinion as to any security interest created by the Security Documents with respect to any property of a Loan Party that is transformed in such a way that it is not identifiable or traceable or any proceeds derived directly or indirectly therefrom which is not identifiable or traceable.

- 3.21 We express no opinion as to whether a security interest may be created in:
- 3.21.1 property consisting of a receivable, licence, approval, privilege, franchise, permit, lease or agreement (collectively, “**Special Property**”) to the extent that the terms of the Special Property or any applicable law prohibit the assignment or require as a condition of assignability, a consent, approval or other authorization or registration which has not been made or given; and
  - 3.21.2 federal Crown debts to the extent the *Financial Administration Act* (Canada) has not been complied with.
- 3.22 To the extent that the collateral charged by the Security Documents includes patents, trademarks, copyrights, industrial design or other intellectual property, registration under the PPSA may not be effective to fully protect the security interests constituted thereby and further steps may be required or be advisable under the appropriate federal statutes in order to do so.

#### **4 RELIANCE**

This opinion is solely for the benefit of the persons to whom it is addressed and not for the benefit of any other person. It is rendered solely in connection with the transaction outlined above. It may not be used or relied upon by any such addressee for any other purpose or relied upon by any other person for any purpose whatsoever without our prior written consent.

Yours very truly,

**SCHEDULE A  
PPR SEARCHES**

[See attached]

**SCHEDULE J**

**CHIEF EXECUTIVE OFFICE, CHIEF PLACE OF BUSINESS OF THE BORROWER AND THE PARENT**

**Chief Executive Office and Chief Place of Business for the Borrower:**

[Borrower to Complete]

**Chief Executive Office and Chief Place of Business for the Parent:**

[Parent to Complete]

## SCHEDULE K

### Additional Eligibility Criteria

- Customer Loan Assets originated must be a minimum of [TIME PERIOD REDACTED] since [EVENT REDACTED];
- Customer Loan Assets must have a weighted average term of no greater than [TIME PERIOD REDACTED];
- Customer Loan Asset principal amount not greater than [DOLLAR AMOUNT REDACTED];
- Customer Loan Assets have been originated by the Borrower in accordance with the Credit and Collection Policies;
- No material inaccuracies in any applications.

#### COVID-19 Additional Measures:

- No credit score below [NUMBER REDACTED];
- Insurance scale;
  - Minimum of [PERCENTAGE REDACTED] of loans insured in the first 6 months of the term;
  - Minimum of [PERCENTAGE REDACTED] of loans insured in months 6-12 of the term;
  - Minimum of [PERCENTAGE REDACTED] of loans insured after 12+ months of the term;
- Less than [PERCENTAGE REDACTED] of from directly impacted industries;
  - Non-essential Retail + Services (retail stores, hair salons, fitness centers, gyms, nail salons, massage therapists/RMTs, etc.)
  - Accommodation (hotels, motels, home-sharing services, etc.)
  - Non-essential Food service careers (e.g. servers, hostesses, bartenders)
  - Travel-related industries (airlines, cruise, trains, tour operators, etc.)

#### Provincial Allocation Additional Measures:

- Maximum provincial allocation of [PERCENTAGE REDACTED] to Alberta
- Maximum provincial allocation of [PERCENTAGE REDACTED] to Newfoundland

**SCHEDULE L**  
**ASSIGNMENT AGREEMENT**

**THIS AGREEMENT** is made the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**AMONG:**

**[LENDER NAME]**

(hereinafter called the “**Assignor**”)

- and -

**[ASSIGNEE NAME]**

(hereinafter called the “**Assignee**”)

- and -

**CHP Agent Services Inc.**

acting as in its capacity as administrative and collateral agent with respect to the Credit Agreement and certain of the Loan Documents for the rateable benefit of the Lenders

(hereinafter called the “**Agent**”)

**RECITALS:**

- A. Reference is made to the credit agreement dated as of July 23, 2021 (as changed and in effect from time to time, the “**Credit Agreement**”) between, among others, 1301771 BC Ltd., as Borrower, Marble Financial Inc., as parent, TPFM The Phoenix Fund Management Ltd., as servicer, the lenders party thereto from time to time and the Agent. Words defined or given extended meanings in the Credit Agreement (and not otherwise defined herein) are used with the same respective defined or extended meanings in this Agreement.
- B. The Assignor is a Lender under the Credit Agreement, who has made the following Advances under the Credit Agreement:

<b>Advances provided under the Credit Agreement</b>
CAD\$◆

- C. The Assignor has agreed to transfer and assign to the Assignee the amounts of its Advances (the “**Relevant Transfer Amounts**”) and/or percentages of its Advances (the “**Relevant Transfer Percentages**”) indicated in the table below:

<b>Relevant Transfer Amount</b>	<b>Relevant Transfer Percentage</b>
CAD\$◆	◆%



The portion of the Assignor's Advances so transferred is hereinafter called the "**Transferred Loans**".

- D. The Transferred Loans solely relate to the Credit Agreement in relation to which the Agent is the Agent under the Credit Agreement.

**WITNESSETH THAT** in consideration of the mutual covenants herein contained and other valuable consideration now paid by each party hereto, the one to the other, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

3. **Transferred Loans.** The Assignor confirms to each of the Assignee and the other parties to the Credit Agreement that the Transferred Loans relate to the Relevant Transfer Amounts and Relevant Transfer Percentages of its Transferred Loans (including the corresponding percentage of each outstanding Advance under each such portion of its respective Transferred Loans).
4. **Transfer.** As of and from the fifth (5<sup>th</sup>) Business Day after the date the Agent notifies the Assignor and Assignee that it has executed this loan assignment agreement, or such other date as the Agent may agree upon with the Assignor and Assignee (herein called the "**Effective Date**") and subject to the terms and conditions herein contained:
  - (a) the Assignee assumes obligations identical to the obligations of the Assignor under the Credit Agreement arising on or after the Effective Date in relation to the Transferred Loans (herein called the "**Transferred Obligations**") and agrees to perform and be responsible for such obligations as if the Assignee were named in the Credit Agreement and the other Loan Documents to which the Assignor is party as an original party in substitution for the Assignor or its predecessor by amalgamation or merger or in title, as applicable, in respect of the Transferred Obligations;
  - (b) the Agent on its own behalf and on behalf of each Lender other than the Assignor (herein called the "**Releasing Parties**") hereby releases and forever discharges the Assignor of and from any and all losses and expenses and obligations arising on or after the Effective Date under, by reason of, or in connection with the Transferred Obligations;
  - (c) the Agent on its own behalf and on behalf of each of the Releasing Parties acknowledges and agrees that, except as otherwise provided in Section 5 of this Agreement, the Assignee is hereby assigned and entitled to rights identical to the rights of the Assignor under the Credit Agreement existing on or arising after the Effective Date in relation to the Transferred Loans (herein called the "**Transferred Rights**"); and
  - (d) the Assignor hereby releases and forever discharges each of the Agent and the Releasing Parties of and from any and all losses and expenses and obligations arising after the Effective Date under, by reason of, or in connection with the Transferred Rights or the Transferred Obligations.
5. **Transitional Provisions.** Subject to the terms and conditions contained herein any payments due and payable by the Borrower on or before the Effective Date in respect of the Transferred Loans shall, upon receipt by the Agent, be paid to the Assignor.

6. **Payments Between Assignor and Assignee.** Any payments between the Assignor and Assignee required to be made in relation to this loan assignment agreement (including any transitional payments in relation to matters referred to in paragraph 3 above) are strictly a matter as between the Assignor and Assignee and shall, as between the Borrower, the Agent and the Releasing Parties, on the one hand, and the Assignor and Assignee on the other hand, be deemed to have been paid.
7. **Copy to the Borrower.** Each of the Assignor and Assignee hereby authorizes the Agent to provide a signed copy of this loan assignment agreement to the Borrower in acceptance of the offer contained in the Credit Agreement of the Borrower to the Assignee to become a party to the Credit Agreement in respect of the Transferred Loans. Upon receipt thereof by the Borrower, the provisions of Subsection 11.1 of the Credit Agreement in respect of the Transferred Rights and the Transferred Obligations shall become effective and be binding upon all parties to the Credit Agreement.
8. **Power of Attorney.** The Assignee irrevocably appoints, authorizes and directs the Agent, as its attorney and agent, with full power of substitution and delegation, to complete, execute and deliver on behalf of the Assignee, each Loan Document to be executed by it or on its behalf and each agreement, document or instrument to be executed by it or on its behalf pursuant to each Loan Document, and to take such action on its behalf as may be authorized or directed pursuant to any such Loan Document.
9. **Interpretation.** This loan assignment agreement shall be governed by, and interpreted in accordance with, the laws of the Province of British Columbia, including the federal laws of Canada applicable therein, but excluding choice of law rules, and shall be construed as supplemental to and form part of the Credit Agreement. Transmission of an executed signature page of this loan assignment agreement by facsimile transmission or by e-mail in pdf format shall be as effective as delivery of a manually executed counterpart hereof.
10. **Counterparts.** This loan assignment agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this loan assignment agreement to produce or account for more than one such counterpart. Transmission of a copy of an executed signature page of this loan assignment agreement (including any change to this loan assignment agreement) by any party hereto to the other parties to this loan assignment agreement by facsimile transmission or e-mail in pdf format shall be as effective as delivery to the other parties hereto of a manually executed counterpart hereof.

**IN WITNESS WHEREOF** the parties hereto have executed this loan assignment agreement as of the day and year first above written.

[◆]  
as Assignor

[◆]  
as Assignee

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**CHP AGENT SERVICES INC.,**  
as Agent

By: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE M**  
**JOINDER AGREEMENT**

**THIS AGREEMENT** is made the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**AMONG:**

**[LENDER NAME]**

(hereinafter called the “**New Lender**”)

- and -

**CHP Agent Services Inc.**

acting as in its capacity as administrative and collateral agent with respect to the Credit Agreement and certain of the Loan Documents for the rateable benefit of the Lenders

(hereinafter called the “**Agent**”)

**RECITALS:**

- A. Reference is made to the credit agreement dated as of July 23, 2021 (as changed and in effect from time to time, the “**Credit Agreement**”) between, among others, 1301771 BC Ltd., as Borrower, Marble Financial Inc., as parent, TPFM The Phoenix Fund Management Ltd., as servicer, the lenders party thereto from time to time and the Agent. Words defined or given extended meanings in the Credit Agreement (and not otherwise defined herein) are used with the same respective defined or extended meanings in this Agreement.
- B. The New Lender, wishes to become a Lender under the Credit Agreement, by making the following Advance[s] under the Credit Agreement (the “**New Advances**”):

<b>Advances to be provided under the Credit Agreement</b>
CAD\$◆

- D. The New Advances solely relate to the Credit Agreement in relation to which the Agent is the Agent under the Credit Agreement.

**WITNESSETH THAT** in consideration of the mutual covenants herein contained and other valuable consideration now paid by each party hereto, the one to the other, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

- 11. **Loan Issuance.** As of and from the date the Agent notifies the New Lender that it has executed this joinder agreement, or such other date as the Agent may agree upon with the New Lender (herein called the “**Effective Date**”), subject to the terms and conditions herein contained, the

New Lender will become a party to the Credit Agreement and the Loan Documents to the extent applicable in connection with the New Advances, and shall be fully bound by, and subject to, all of the covenants and terms of the Credit Agreement as though an original party thereto.

12. **Copy to the Borrower.** The New Lender hereby authorizes the Agent to provide a signed copy of this joinder agreement to the Borrower.
13. **Power of Attorney.** The New Lender irrevocably appoints, authorizes and directs the Agent, as its attorney and agent, with full power of substitution and delegation, to complete, execute and deliver on behalf of the New Lender, each Loan Document to be executed by it or on its behalf and each agreement, document or instrument to be executed by it or on its behalf pursuant to each Loan Document, and to take such action on its behalf as may be authorized or directed pursuant to any such Loan Document.
14. **Interpretation.** This joinder agreement shall be governed by, and interpreted in accordance with, the laws of the Province of British Columbia, including the federal laws of Canada applicable therein, but excluding choice of law rules, and shall be construed as supplemental to and form part of the Credit Agreement. Transmission of an executed signature page of this joinder agreement by facsimile transmission or by e-mail in pdf format shall be as effective as delivery of a manually executed counterpart hereof.
15. **Counterparts.** This joinder agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument, and it shall not be necessary in making proof of this joinder agreement to produce or account for more than one such counterpart. Transmission of a copy of an executed signature page of this joinder agreement (including any change to this joinder agreement) by any party hereto to the other parties to this joinder agreement by facsimile transmission or e-mail in pdf format shall be as effective as delivery to the other parties hereto of a manually executed counterpart hereof.

**IN WITNESS WHEREOF** the parties hereto have executed this joinder agreement as of the day and year first above written.

a [◆]  
as New Lender

By: \_\_\_\_\_

By: \_\_\_\_\_

Name:

Title:

**CHP AGENT SERVICES INC.,**  
as Agent

By: \_\_\_\_\_  
Name:  
Title: