

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I

Applicant

and

ADVANTAGEWON CAPITAL CORP.

Respondent

APPLICATION UNDER s. 243(1) of the Bankruptcy and Insolvency Act and under s. 101 of the Courts of Justice Act

APPLICATION RECORD

December 31, 2020

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London ON N6A 3C7

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Debtor

AND TO: **GENESIS PROPERTY HOLDINGS INC.**
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AND TO: **2312788 ONTARIO INC.**
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tab 1

Court File No. 2003/20

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

(Court Seal)

FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I

Applicant

and

ADVANTAGEWON CAPITAL CORP.

Respondent

APPLICATION UNDER s. 243(1) of the Bankruptcy and Insolvency Act and under s. 101 of the Courts of Justice Act

NOTICE OF APPLICATION

TO THE RESPONDENT(S)

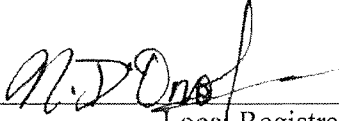
A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following page.

THIS APPLICATION will come on for a hearing on Friday, January 15, 2021, at 10:00 a.m., or as soon after that time as can be accommodated, at the Court House, 80 Dundas Street, London ON N6A 6B3.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date 18 Dec 20 Issued by 
Local Registrar

Address of court office: Superior Court of Justice
80 Dundas Street
London ON N6A 6B3

TO: **ADVANTAGEWON CAPITAL CORP.**
376 Richmond Street, 3rd Floor
London ON N6A 3C7

Mark Wilson
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Debtor

AND TO: **GENESIS PROPERTY HOLDINGS INC.**
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AND TO: **ADVANTAGEWON INC.**
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AND TO: **2312788 ONTARIO INC.**
33875 Fifth Line
Iona Station ON N0L 1P0

Mark Wilson
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AND TO: **ACEF TRUST**
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Toronto ON M2L 1H9

Attn: Firas Askari (Trustee of)
Email: firas.askari@gmail.com
Attn: Bree Holt (Trustee of)

AND TO: **BEACON HOLDINGS LIMITED**
The Financial Services Centre, Suite 1 Ground Floor
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AND TO: **ECHO BAY STRATEGIC YIELD FUND**
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Toronto ON M5C 2V6

AND TO: **DEPARTMENT OF JUSTICE**
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Lawyers for
the Province of Ontario

APPLICATION

THE APPLICANT, FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I,
MAKES APPLICATION FOR:

1. An order appointing Link & Associates Inc. (the "**Receiver**") as receiver of the assets, property and undertaking of Advantagewon Capital Corp. ("**Advantagewon**" or the "**Debtor**") in substantially the form attached hereto as Appendix A.
2. An order if necessary, abridging the time for service and filing of this notice of application and the application record or, in the alternative, dispensing with same.
3. If the proposed receivership is granted, a separate order approving a sale transaction (the "**Transaction**") contemplated by a potential asset purchase agreement (the "**Agreement**") between Advantagewon and a purchaser ("**Buyer**" or the "**Purchaser**"), and directing the Receiver to enter into or complete such sale.
4. If the approval of the Agreement under paragraph 3 is granted, and if the Receiver is appointed,
 - (a) an order vesting in the Purchaser, on successful closing, all of the Debtor's right, title and interest in and to the property and assets described in the Agreement, free and clear of any claims and encumbrances;
 - (b) an order sealing the Confidential Supplement relating to the Agreement as may be contained in the proposed Receiver's Pre-Receivership Report (the "**Pre-Receivership Report**"), including the Agreement, until forty-five (45) days after closing or further order of this Honourable Court;

- (c) an order permitting the Receiver to
 - (i) pay from the proceeds of sale
 - (1) all transaction or other costs including commissions payable and outstanding taxes; and
 - (2) subject to assessment, its fees and expenses and those of its counsel in connection with the receivership.
 - (ii) hold the balance of the proceeds pending further order of this Court.
- 5. An order for the payment of the costs of this proceeding, plus all applicable taxes.
- 6. Such further and other relief as to this Honourable Court may seem just.

THE GROUNDS FOR THE APPLICATION ARE:

- 7. Advantagewon is an Ontario corporation and has as its registered head office, 376 Richmond Street, 3rd Floor, London ON N6A 3C7. Advantagewon is 50% owned by its principal, Mark Wilson ("**Wilson**") and 50% owned by Fountain Asset Corp. ("**Fountain**"). Prior to May 2019, Advantagewon was named 2400918 Ontario Inc.
- 8. Advantagewon is in the business of providing consumer auto repair loans to individuals for terms generally between 18 to 48 months, repayable in monthly blended payments. Advantagewon's primary asset is its book of outstanding loans to car owners.
- 9. Advantagewon's principal place of business and its head office is in leased premises at 376 Richmond Street, 3rd Floor, London ON N6A 3C7.

10. The applicant, FMMC Private Yield Fund Limited Partnership I ("**FMMC**"), is a secured lender to Advantagewon, owed approximately \$3.3 million. While FMMC is not the only creditor with an interest in these proceedings, it is in all material respects the creditor in first position. Secured creditors subsequent in priority to FMMC appear to include Fountain and an entity referred to as ACEF Trust.
11. Following various defaults by Advantagewon on its obligations under its credit facilities and security arrangements with FMMC, the applicant secured creditor demanded repayment of the debt owed to it more than seven weeks prior to the issuance of this notice of application. No payment has been made by Advantagewon to satisfy FMMC's demand for principal repayment, nor is any expected.
12. As at November 2020, Advantagewon's unaudited balance sheet showed total assets of approximately \$6 million, total liabilities of approximately \$14 million and a retained earnings deficit of approximately \$8 million. Advantagewon is insolvent.
13. Advantagewon does not owe to any governmental agency any meaningful amounts in source deductions, taxes, including HST, or any other amounts. Advantagewon has some employees but payment of all necessary wages, commissions or other amounts are up to date.
14. Advantagewon has, with the forbearance of the applicant secured creditor, operated at a loss while seeking a buyer or additional equity contribution over the last several years. Advantagewon has been unable to secure a buyer or sufficient equity injection into the business outside of an insolvency engaged proceeding.

15. Advantagewon has been discussing a sale with a potential purchaser of its assets and the hope is that this agreement will come into existence by the time of this application's return. Discussions to date have suggested that the proposed purchaser is prepared to pay an amount for the assets that is commercially reasonable in the circumstances but which may still leave the applicant secured creditor with a small shortfall. It is expected that the Receiver, if appointed, may recommend to this court that a proposed asset purchase agreement as noted above be accepted and approved and that the Receiver be prepared and authorized to close the asset purchase agreement with the Purchaser. It is just and convenient to appoint a receiver in the circumstances and Link & Associates Inc. has consented to act as Receiver.
16. Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 and section 101 of the *Courts of Justice Act*, R.S.O. 1990, CHAPTER C.43.
17. Such further and other grounds as the lawyers may advise.

THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE APPLICATION:

1. The affidavit of Don Bent, to be sworn.
2. The pre-receivership report of Link & Associates Inc.
3. The consent of Link & Associates Inc. to act as Receiver.
4. Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

(Date of issue)

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Lawyers for the Applicant,

FMMC Private Yield Fund Limited Partnership I

RCP-E 14E (March 31, 2010)

Appendix A

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE)
)
 JUSTICE) DAY OF _____, 2021

B E T W E E N:

FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I

Applicant

and

ADVANTAGEWON CAPITAL CORP.

Respondent

APPLICATION UNDER s.243(1) of the Bankruptcy and Insolvency Act and under s. 101 of the Courts of Justice Act

ORDER
(appointing Receiver)

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing Link & Associates Inc. as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of Advantagewon Capital Corp. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 80 Dundas Street, London, Ontario.

ON READING the affidavit of Don Bent sworn December __, 2020 and the exhibits thereto, the pre-receivership Report of Link & Associates Inc. dated December __, 2020, and the consent of Link & Associates Inc. to act as the Receiver, and on hearing the submissions of counsel,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the application is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, Link & Associates Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "Property").

RECEIVER'S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security

personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

- (i) to initiate, prosecute and continue the prosecution of any and all proceedings, and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) apart from the matters in paragraph 3(l) below, to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$100,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, shall not be required.

- (l) in particular, to complete, with such reasonable and appropriate changes as may be necessary, an asset purchase agreement for the assets and undertaking of the Debtor, as Vendor, and Dorsia Capital (London) Inc., as Purchaser, dated _____ and as described in the Pre-Receivership Report, filed;
- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a Purchaser or Purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any Trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this

paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable

secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days' notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the Supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this

Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective Purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The Purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects

identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order

shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a Judge of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$200,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates

evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Superior Court of Justice website at <https://goo.gl/a6ltWp>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a Trustee in bankruptcy of the Debtor.

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. THIS COURT ORDERS that the applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the applicant's security or, if not so provided by the applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. *

AMOUNT \$ *

1. THIS IS TO CERTIFY that Link & Associates Inc., the receiver (the "Receiver") of the assets, undertakings and properties of Advantagewon Capital Corp (the "Debtor"), acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the ** day of *, 2021 (the "Order") made in an action having Court file number **-CV-**, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$*, being part of the total principal sum of \$* which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the * day of each month] after the date hereof at a notional rate per annum equal to the rate of * per cent above the prime commercial lending rate of Bank of * from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____, day of *, 2021.

Link & Associates Inc., solely in its capacity as
Receiver of the Property, and not in its personal
capacity

Per:

Name: Robert Link
Title: President

FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I
Applicant

-and- ADVANTAGEWON CAPITAL CORP.
Respondent

Court File No. 2003/20

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
LONDON

NOTICE OF APPLICATION

FOGLER, RUBINOFF LLP

Lawyers

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Lawyers for the Applicant,
FMMC Private Yield Fund Limited Partnership I

RCP-E 4C (May 1, 2016)

tab 2

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I

Applicant

and

ADVANTAGEWON CAPITAL CORP.

Respondent

APPLICATION UNDER s. 243(1) of the Bankruptcy and Insolvency Act and under s. 101 of the Courts of Justice Act.

AFFIDAVIT

I, Don Bent, of the City of Toronto in the Province of Ontario, MAKE OATH AND SAY:

1. I am a Managing Partner of FMMC GP Inc., the general partner of FMMC Private Yield Fund Limited Partnership I (hereinafter "**FMMC**"), the applicant in this proceeding. I have been involved with this matter on behalf of FMMC for approximately four years. As such, I have knowledge of the matters contained in this affidavit and where I have reviewed information given to me by others, I have indicated the sources of that information and I believe the information to be true.

ADVANTAGEWON

2. Advantagewon Capital Corp. ("**Advantagewon**", or the "**Company**") is an Ontario corporation incorporated on December 19, 2013. The Company's directors are Jason Ewart and Mark Wilson ("**Wilson**"). Wilson is the sole officer of Advantagewon. The Company's registered head office and principal place of business is at 376 Richmond

Street, 3rd Floor, London ON N6A 3C7, where it is a tenant. In May 2019, Advantagewon changed its name from 2400918 Ontario Inc. to its current name. Attached hereto and marked as Exhibit "A" is a copy of the Company's corporate profile report.

3. It is my understanding that Advantagewon is 50% owned by Wilson and 50% owned by Fountain Asset Corp. ("**Fountain**"). Fountain is also a secured creditor of Advantagewon.

4. Advantagewon is in the business of providing consumer auto repair loans to individuals for terms generally between 18 to 48 months at rates above 25% per annum, repayable in monthly blended payments. By virtue of the provisions of the *Repair and Storage Liens Act*, Advantagewon's auto repair loans are often in a first-secured position as against the automobile of the borrower.

5. Advantagewon's primary asset is its book of outstanding loans to car owners. The Company has advised FMMC that, as at August 31, 2020, its gross loan book consisted of 1,167 individual loans with a value of \$5,370,000. Of those outstanding loans, however, Advantagewon advised that loans of approximately \$2,270,000 were in arrears and loans or approximately \$3,100,000 were "fully performing". The "severity" of the arrears, however, varies considerably from loan to loan, with some borrowers having only missed a single payment but others having been completely downgraded into collection activities, including vehicle seizure and other potential legal action. These figures appear reasonably consistent with the prior year's reportings: in its audited statements for fiscal 2019, Advantagewon reported arrears of \$2,461,397 on a total loan book worth \$6,658,147. Attached hereto and marked as Exhibit "B" is a copy of the Company's audited financial statements for the year ended December 31, 2019. At that time, the Company estimated

that between \$1,800,000 and \$2,000,000 of the loans in arrears would return to loans in good standing.

6. Advantagewon's secondary assets include various customized software, cash, computer equipment, office supplies and appliances, furniture and sundry fixtures. While the net book value of these assets is approximately \$420,000, approximately \$245,000 of that amount is attributed solely to software that I understand to be entirely customized to Advantagewon's business and operations but not yet fully operational and likely could not command that amount in a sale extrinsic to the sale of Advantagewon's business.
7. Against the above-described assets, Advantagewon has recorded approximately \$14 million in liabilities.
8. Attached hereto and marked as Exhibit "C" are copies of internal financial statements of the Company for the period ending November 2020, including balance sheet and income statement.
9. It is my understanding that Advantagewon currently has sixteen (16) employees. Advantagewon's staff are not unionized and Advantagewon has no pension scheme. To date, all wages and vacation pay have been paid as well as all source deductions and it is Advantagewon's intention to continue this state of affairs until the Company is sold. FMMC is aware of the priorities in law in that regard and encourages that all such obligations continue to be met by Advantagewon.

10. Advantagewon has reported to me that its tax remittances and HST filings and payments are also up to date. I am not aware of any indication that Advantagewon has any material amount of HST or source deductions owing.

THE LOAN

11. By way of a credit agreement dated June 30, 2017 and as amended in subsequent agreements dated July 13, 2017 (first amendment), February 6, 2018 (second amendment), March 8, 2019 (third amendment) and August 20, 2020 (fourth amendment), FMMC agreed to make available to Advantagewon a loan (the "**Loan**"). Attached hereto and marked as Exhibits "D", "E", "F", "G" and "H", respectively, are copies of the credit agreement, the first amendment, the second amendment, the third amendment and the fourth amendment, as offered by FMMC and accepted by Advantagewon, together comprising the Loan. The terms of the Loan provided that FMMC would make available to Advantagewon a credit facility by way of: (i) a single advance in the amount of \$1,289,000; and (ii) "Additional Credit", meaning up to six tranches of additional amounts aggregating \$3,711,000 in tranches of not less than \$1,000,000, or a mutually agreeable lesser amount, each.
12. In exchange for the Loan and in accordance with the credit facilities extended to Advantagewon, FMMC took various security obligations from Advantagewon, including:
 - (a) a general security agreement dated June 30, 2017, creating a first priority security interest in all present and after acquired personal property of Advantagewon, a copy of which is attached hereto and marked as Exhibit "I";

- (b) an assignment of liability insurance policy, dated June 30, 2017, a copy of which is attached hereto and marked as Exhibit "J";
- (c) an Assignment of Life Insurance Policy with respect to the life of Mark J. Wilson, dated June 30, 2017, a copy of which is attached hereto and marked as Exhibit "K";
- (d) an Assignment of Accounts, Contracts and Security, dated June 30, 2017, a copy of which is attached hereto and marked as Exhibit "L";
- (e) an Assignment of Mailbox Contract, dated June 30, 2017, a copy of which is attached hereto and marked as Exhibit "M";
- (f) a Blocked Accounts Agreement, dated June 30, 2017, a copy of which is attached hereto and marked as Exhibit "N";
- (g) a Landlord's Waiver, dated June 30, 2017, a copy of which is attached hereto and marked as Exhibit "O";
- (h) an "Agreement Between Secured Parties", or "Cooperation Agreement", with Beacon Holdings Limited, dated June 30, 2017, a copy of which is attached hereto and marked as Exhibit "P";
- (i) a Subordination and Postponement Agreement with Fountain Asset Corp. in favour of FMMC, formerly, dated June 30, 2017, a copy of which is attached hereto and marked as Exhibit "Q";

- (j) a Subordination and Postponement Agreement with 2312788 Ontario Inc. in favour of FMMC, dated November 20, 2017, a copy of which is attached hereto and marked as Exhibit "R"; and
 - (k) a Subordination and Postponement Agreement with ACEF Trust in favour of FMMC, dated October 11, 2018, a copy of which is attached hereto and marked as Exhibit "S".
13. FMMC registered its security interest in Advantagewon's property under the Personal Property Security Register, pursuant to the provision of the *Personal Property Security Act*. Attached hereto and marked as Exhibit "T" is a copy of PPSA search results for Advantagewon (as well as under its former name, 2400918 Ontario Inc.), with currency date of December 9, 2020.
14. Pursuant to the credit facilities, the Loan was advanced to Advantagewon as follows:
- (a) June 30, 2017: \$1,289,000
 - (b) August 28, 2017: \$1,000,000
 - (c) December 8, 2017: \$500,000
 - (d) February 12, 2018: \$191,300
 - (e) March 9, 2018: \$100,000
 - (f) April 5, 2018: \$200,000
 - (g) April 18, 2018: \$100,000

15. As of December 21, 2020, the principal owing on Advantagewon's debt was \$3,253,550.00 with interest coming due and owing of \$19,943.12, with a per diem of \$949.67.

DEFAULTS BY ADVANTAGEWON

16. As discussed above, the Loan was originally extended to Advantagewon in June 2017. FMMC's funding, however, was never meant to be the sole source of capital to propel Advantagewon's growth going forward. From the beginning of FMMC's involvement, Advantagewon was searching for additional funding, even just to sustain its existing operations. At FMMC's suggestion, Advantagewon in October 2017 began organizing materials and data for presentation to larger potential investors and in 2018 began meeting with such potential investors.
17. As Advantagewon searched for additional funding and/or capitalization, its management of its Customer Loan to Total Funded Unsubordinated Debt Ratio (required under the credit facilities to be kept at no lower than 1.5:1) began to slide. By August 2018, the security situation had deteriorated to a less than a 1:1 ratio. As a result of, amongst other things, its lack of compliance with its financial covenant to FMMC, on August 23, 2018 FMMC delivered to the Company a Notice of Breach of Covenant & Event of Default, a copy of which is attached hereto and marked as Exhibit "U".
18. The discussions that resulted from FMMC's Notice led to FMMC and the Company reaching a forbearance agreement on August 28, 2018, a copy of which is attached hereto and marked as Exhibit "V" (the "**Forbearance Agreement**"). Amongst other things, Advantagewon agreed to obtain an injection of no less than \$500,000 in cash or performing

auto repair loans by September 21, 2018 and a further \$500,000 injection on or before October 12, 2018.

19. While Advantagewon managed to satisfy the first injection required under the Forbearance Agreement, it proved unable to satisfy the requirement of a second \$500,000 injection by October 12, 2018. However, rather than make demand, FMMC agreed to amend the Forbearance Agreement on November 30, 2018, a copy of which is attached hereto and marked as Exhibit "W". Under the amended forbearance, the Company was required, from December 1, 2018 onward, to obtain monthly injections of no less than \$200,000 in cash or performing auto repair loans to offset the monthly losses that the Company was experiencing and to avoid a further deterioration of FMMC's security position.
20. As the Company did manage a number of capital injections over the following year, FMMC agreed to a number of further amendments to the Forbearance Agreement on Jan 31, 2019 and April 1, 2019, copies of which are attached hereto and marked as Exhibits "X" and "Y", respectively. However, as indicated in its audited financial statements for its fiscal year ending December 31, 2019, Advantagewon reported a net loss of \$2,874,247. FMMC agreed to a further amendment of the Forbearance Agreement on January 2, 2020, a copy of which is attached hereto and marked as Exhibit "Z".
21. As 2020 took its well-known tumultuous turn, however, Advantagewon in March 2020 found itself unable to attract any further funding of any significance. By October 2020, Advantagewon had an accumulated shortfall on the funding required under the Forbearance Agreement of \$1,131,114. Due to Advantagewon's continuing monthly operational losses, which were now not being offset with the required capital injections

under the Forbearance Agreement, FMMC estimates that its security deteriorated \$1,431,628 between March and October 2020. The potential for a realized loss by FMMC had come to the fore.

DEMAND BY FMMC

22. In light of the totality of Advantagewon's defaults and its lasting apparent inability to cure its defaults, FMMC determined not to continue its funding arrangement with Advantagewon and to demand repayment of the Loans on October 26, 2020. Attached hereto and marked as Exhibit "AA" to this my affidavit is a copy of the demand letter sent to Advantagewon. Attached to the demand letter and attached hereto as Exhibit "BB" is a copy of the notice given pursuant to section 244 of the *Bankruptcy and Insolvency Act*.
23. Since delivery of the demand and notice under section 244 of the *Bankruptcy and Insolvency Act*, which Wilson acknowledged receipt of directly to me, Advantagewon has failed to repay the principal debt owing under the Loan as demanded, and there is no prospect that Advantagewon could repay its total debt to FMMC at any time in the foreseeable future.

CREDITORS OF ADVANTAGEWON

Secured Creditors

Fountain Asset Corp

24. FMMC is not the only secured creditor of Advantagewon. At the time of the initial advance by FMMC, the issued and outstanding equity of the Company was evenly split

between the Company's founder, Mark Wilson, and a small publicly traded venture capital company: Fountain Asset Corp. ("**Fountain**"). Fountain is a Canada corporation with its registered office address in Toronto, Ontario. Attached hereto and marked as Exhibit "CC" is a copy of Fountain's corporate profile report. A portion of Fountain's prior investment in the Company was also in the form of debt. As an enticement to FMMC to extend credit to the Company, Fountain agreed to subordinate and postpone its pre-existing security in Advantagewon to that of FMMC. This was accomplished by way of the Subordination and Postponement Agreement with Fountain dated June 30, 2017 and mentioned earlier in my affidavit, a copy of which is attached hereto and marked as Exhibit "Q". According to the Company's unaudited balance sheet for November 2020, a copy of which is attached hereto and marked as Exhibit "C", Advantagewon's principal debt owing to Fountain is \$3,024,129 and the Company also owes accrued interest in the amount of \$1,308,488.11.

ACEF Trust

25. As part of the Company's effort to increase its subordinated capital pursuant to its forbearance agreement with FMMC, Advantagewon obtained a \$500,000 secured debt contribution from ACEF Trust – of which Firas Askari and Bree Holt are the trustees – in October 2018. A second contribution of \$500,000 was obtained from ACEF Trust in March 2019, also secured but subordinated. On October 9, 2018, FMMC executed a Consent to the registration of ACEF Trust's security and on October 11, 2018, FMMC and ACEF Trust executed a Subordination and Postponement Agreement in favour of FMMC. Attached hereto and marked as Exhibits "DD" and "S", respectively, are copies of the Consent and Waiver and FMMC's Subordination and Postponement Agreement with ACEF Trust.

Beacon Holdings Limited

26. Notwithstanding that it has filed a PPSA registration with respect to the Company, Beacon Holdings Limited ("**BHL**") is in fact not a secured creditor of Advantagewon. Pursuant to a Receivables Purchase Agreement in May 2017, a copy of which is attached hereto and marked as Exhibit "EE", Advantagewon agreed to sell to BHL, from time to time, tranches of its receivables and related assets and did in fact sell such assets to BHL contemporaneously in May 2017 (the "**BHL Assets**"). Advantagewon also agreed, however, to "service" the BHL Assets; meaning that Advantagewon would monitor and collect repayment of the receivables and exercise further collection steps as needed for the benefit of BHL, in exchange for ongoing fees paid to Advantagewon for performing its function. Advantagewon thereby as manager remained in possession of the BHL Assets subsequent to the sale to BHL, although ownership of those assets rests with BHL. As such, the BHL assets do not appear on the financial statements of Advantagewon.
27. Subsequent to Advantagewon's sale of the BHL Assets to BHL, Advantagewon requested and FMMC agreed that FMMC and BHL would execute an "Agreement Between Secured Parties" or "Cooperation Agreement". As mentioned earlier, a copy of this agreement, dated June 30, 2017, is attached hereto and marked as Exhibit "P". In essence, the agreement provided that:
- (a) FMMC and BHL both consented to the other's registration of a security interest as against the personal property of Advantagewon;

(b) BHL's "security interest" was in fact limited to the BHL Assets and proceeds flowing therefrom and was not a true security interest in the assets of Advantagewon; and

(c) FMMC had no interest in the BHL Assets.

28. To the best of my knowledge and belief, the financing statement registered under the personal property register as against 2400918 Ontario Inc. (the Company's prior name) and in favour of BHL, bearing file number 727503012 and registration number 20170510 1359 1862 4278, relates solely to BHL's interest in its own assets – the BHL Assets – and not any of the assets of Advantagewon.

29. BHL is an international business company incorporated in Barbados. According to the search results of Barbados attorney-at-law Avenel Hinkson-Forde, BHL's registered office is at The Financial Services Centre, Suite 1 Ground Floor, Bishop court Hill, St. Michael, Barbados 14004. Attached hereto and marked as Exhibit "FF" is a certified copy of the Company's Notice of Address, as recorded with the Barbados Corporate Affairs and Intellectual Property Office. Attached hereto and marked as Exhibit "GG" is Ms. Hinkson-Forde's registered information with the Barbados Bar Association. Attached hereto and marked as Exhibit "HH" is a copy of the email of Avenel Hinkson-Forde, dated December 11, 2020, discussing the results of her search of the corporate register in Barbados with respect to BHL. Notwithstanding that it is a Barbados entity, each of the Company's four listed directors have addresses on the Isle of Man – a self-governing British Crown dependency in the Irish Sea.

30. Under the Cooperation Agreement between FMMC and BHL, the given address for BHL is "First Names House, Victoria Road, Douglas, Isle of Man, IM2 4DF". The agreement is executed on behalf of BHL by directors James Russell and Sharon Dunn. The listed contact in connection with the First Names House address is one "Sarah Jones", and an email address is provided: "sarah.jones@firstnames.com."
31. I am not familiar with James Russell, Sharon Dunn or Sarah Jones. All of my past direct contact with individuals purporting act on behalf of Beacon have been with men named Greg Nelson and Ed Furtak. Attached hereto and marked as Exhibit "II" are a collection of emails I exchanged with Greg Nelson and Ed Furtak in 2017 that collectively demonstrate their direct connection to BHL.
32. Under the Receivables Purchase Agreement between the Company and BHL discussed above and attached hereto as Exhibit "EE", notices to BHL are required to be copied to Beacon FSA Inc., an Ontario corporation located at 1455 Lakeshore Road, Suite 205 South, Burlington, Ontario. Attached hereto and marked as Exhibit "JJ" is a copy of the corporate profile of Beacon FSA Inc. The former corporate name for Beacon FSA Inc. is Aileron Capital Inc. The sole officer and director of Beacon FSA Inc. is Greg Nelson. I note that under its PPSA registration as against the Company, BHL's address is described as follows: "C/O Aileron Capital Inc., 1455 Lakeshore Road, Suite 205 South, Burlington ON L7S 2J1." I also note that the registering agent listed for BHL's PPSA registration is as follows: "McCarthy Tetrault LLP (D.J. Lynde), Ste 5300, TD Bank Tower, TD Centre, Toronto ON M5K 1E6".

33. On November 11, 2020, I sent an email to "Sarah Jones", copying Greg Nelson and Ed Furtak, to request clarification on BHL's registered office address. Attached hereto and marked as Exhibit "KK" is a copy of my email.
34. On November 16, 2020, I received a response to my November 11 email from "Laura Barlow", a "Senior Administrator" with an entity by the name of IQ EQ (Isle of Man) Limited. While I am not familiar with this entity, I note that the address in Ms. Barlow's email signature seems similar to the address provided for "First Names House" in the Cooperation Agreement. A copy of Ms. Barlow's email is attached hereto and marked as Exhibit "LL". Ms. Barlow refrained from responding to my question about the registered office address for BHL but indicated that the "correspondence address" for BHL was First Names House and that the address on Lakeshore Road in Burlington, Ontario was the correspondence address for "Beacon Trust Group". My original email to Sarah Jones was embedded in the email thread beneath Ms. Barlow's November 16 email. For reasons that I am wholly unable to understand, however, I note that the email address for "Sarah Jones" is replaced with an email address for "Jane Carty (jane.carty@iqeq.com)".
35. On November 25, 2020, I received an email from Ed Furtak, copying Greg Nelson, requesting an opportunity to discuss the situation at Advantagewon. I responded to Mr. Furtak and Nelson confirming that we could speak the following day. Attached hereto and marked as Exhibit "MM" are copies of the emails between myself, Nelson and Furtak.
36. On November 26, 2020, I had phone a discussion with Greg Nelson and Ed Furtak regarding the Company and the possibility that FMMC might soon move to enforce its security. When I asked about the registered office address of BHL, Ed Furtak informed me

that he "thought he would be able to get it for me." I subsequently wrote to BHL on November 26, 2020 to reiterate that it appeared more likely than not that FMMC would move to enforce its security as against Advantagewon in the near future. While my letter was sent to the attention of Laura Barlow, I also copied Greg Nelson and Ed Furtak on the email. Attached hereto and marked Exhibit "NN" is a copy of my email to Laura Barlow, Greg Nelson and Ed Furtak, as well as a copy of the letter attached to that email.

37. Having not received any further communication from anyone associated with BHL, I sent an additional email on December 1, 2020 to Ed Furtak and Greg Nelson requesting confirmation of the registered office address for BHL. Attached hereto and marked as Exhibit "OO" is a copy of my email. I received no response to this email. However, on December 23, 2020, I received a phone call from Greg Nelson, who identified himself to me as "from Beacon", acknowledging that he had seen a copy of FMMC's issued Notice of Application and indicating he understood that new servicing arrangements would need to be made with respect to the BHL assets.

Echo Bay Strategic Yield Fund

38. To the best of my knowledge, Echo Bay Strategic Yield Fund ("**Echo Bay**") is no longer a creditor of the Company and has not been for some time. My understanding is Echo Bay is run by Echo Bay Strategic Yield Advisors Inc., an Ontario corporation. Attached hereto and marked as Exhibit "PP" is a copy of the corporate profile of Echo Bay Strategic Yield Advisors Inc. On or about May 18, 2017, Echo Bay was paid out in full. As such, the registration by lawyers at Fasken Martineau DuMoulin LLP of a financing statement in August 2020 was in error and Echo Bay subsequently consented to the filing of a discharge

with respect to same. Attached hereto and marked as Exhibit "QQ" is a copy of the payout letter, deposit slip and emails between Advantagewon's lawyer, Brent Pickard, and Echo Bay's lawyer, Dylan Chochla of Fasken Martineau DuMoulin LLP, dated October 21, 2020.

Unsecured Creditors

39. The only sizeable unsecured creditor of the Company is 2312788 Ontario Inc. – an entity in which Mark Wilson appears to be the sole officer and director. Attached hereto and marked as Exhibit "RR" is a copy of the corporate profile report for 2312788 Ontario Inc. My understanding is that it was this entity that was responsible for sourcing and contributing most (if not all) of the capital contributions achieved during, and as required by, FMMC's forbearance. According to the Company's balance sheet for November 2020, this entity is owed \$4,696,290.59.
40. Beyond the debt to 2312788 Ontario Inc., the amount owed to unsecured creditors of Advantagewon as of the date of this affidavit is approximately \$20,000 – owed to a trade creditor and an information technology servicer. Attached hereto and marked as Exhibit "SS" is a copy of Advantagewon's aged accounts payable summary as at November 30, 2020.

RECEIVERSHIP

41. FMMC has a clear secured priority over the assets of Advantagewon. FMMC's security position is deteriorating and there is no prospect for rebound without intervention.

42. This application is not a "COVID receivership". As discussed above, Advantagewon has recognized its problematic financial plight for some time and has been attempting to sell itself or otherwise attract capital investment since well before COVID-19 struck Canada. Most recently, Advantagewon has been approached by Dorsia Capital (London) Inc. ("**Dorsia**") and Dorsia is proposing to purchase all of Advantagewon's assets out of receivership. Negotiations have been ongoing between the parties with FMMC's knowledge and general acceptance.
43. Following its demand in October 2020, FMMC was considering a receivership and inquired if Link & Associates Inc. would act as receiver in connection with the enforcement of the Loan. As the Advantagewon-Dorsia sale discussions developed, however, FMMC chose not to move to immediately enforce its security but instead monitor the discussions between Advantagewon and Dorsia and wait to determine the outcome of those negotiations. Link & Associates Inc. was also apprised of the myriad previous attempts by Advantagewon to sell itself or otherwise attract new capital investment and also the newer discussions between Advantagewon and Dorsia.
44. Now, as a result of the Advantagewon-Dorsia discussions, an asset purchase agreement has been entered into by the parties as of December 23, 2020, conditional upon the transaction proceeding by way of the appointment of a receiver and in conjunction with the provisions of a vesting order on closing of the transaction. The details of the agreement of purchase and sale are contained in the confidential portion of the Pre-Receivership Report of Link & Associates Inc., as filed.

45. The details of the agreement are known to me. In the view of FMMC, the sale in question is the best that can be expected in the circumstances and should be completed as soon as possible. I am aware of no facts to suggest that any further marketing process by a receiver can reasonably be expected to result in any better realization on the assets. On the contrary, I believe that due to its ongoing monthly operational losses Advantagewon's position can only be expected to worsen with time and the attractiveness of any sale of Advantagewon's assets to any subsequent buyer, out of receivership or otherwise, will only diminish.
46. FMMC recognizes that, after all expenses are borne, it may suffer a shortfall on its debt but the financial situation of Advantagewon is unfortunately poor, and worsening.
47. The asset purchase agreement with Dorsia is conditional on the sale proceeding by way of receivership and with an appropriate vesting order. Link & Associates Inc. is a Licensed Insolvency Trustee and is qualified to act under section 243(4) of the *Bankruptcy and Insolvency Act*. Link & Associates Inc. has consented to act as Receiver. Advantagewon does not oppose the receivership.
48. This affidavit is made in support of an order appointing Link & Associates Inc. as Receiver of the assets and undertaking of Advantagewon and for the approval of the APA and authorizing completion of the contemplated sale to Dorsia.

-19-

SWORN REMOTELY by Don Bent at the
City of Toronto, in the Province of Ontario on
December 31, 2020, in accordance with O.
Reg. 431/20, Administering Oath or
Declaration Remotely



Commissioner for Taking Affidavits
(or as may be)

ROBERT TIMOTHY DUNCAN



DON BENT

This is Exhibit "A" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

Request ID: 025237959
Transaction ID: 77117541
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/11/05
Time Report Produced: 12:23:40
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CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
2400918	ADVANTAGEWON CAPITAL CORP.	2013/12/19
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
Registered Office Address	Date Amalgamated	Amalgamation Ind.
376 RICHMOND STREET	NOT APPLICABLE	NOT APPLICABLE
Suite # 3RD FLOOR	New Amal. Number	Notice Date
LONDON	NOT APPLICABLE	NOT APPLICABLE
ONTARIO		Letter Date
CANADA N6A 3C7		NOT APPLICABLE
Mailing Address	Revival Date	Continuation Date
MARK WILSON	NOT APPLICABLE	NOT APPLICABLE
188 TALBOT STREET WEST		Transferred Out Date
AYLMER		NOT APPLICABLE
ONTARIO	EP Licence Eff.Date	EP Licence Term.Date
CANADA N5H 1K1	NOT APPLICABLE	NOT APPLICABLE
	Date Commenced in Ontario	Date Ceased in Ontario
	NOT APPLICABLE	NOT APPLICABLE
	Number of Directors	
	Minimum Maximum	
	00001 00010	
Activity Classification		
NOT AVAILABLE		

Request ID: 025237959
Transaction ID: 77117541
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/11/05
Time Report Produced: 12:23:40
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CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

2400918

ADVANTAGEWON CAPITAL CORP.

Corporate Name History

Effective Date

ADVANTAGEWON CAPITAL CORP.

2019/05/23

2400918 ONTARIO INC.

2013/12/19

Current Business Name(s) Exist:

YES

Expired Business Name(s) Exist:

NO

Administrator:
Name (Individual / Corporation)

Address

JASON

163 ONTARIO STREET

EWART

COBOURG
ONTARIO
CANADA K9A 3B6

Date Began

First Director

2016/09/02

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

DIRECTOR

Y

Request ID: 025237959
Transaction ID: 77117541
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/11/05
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CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

2400918

ADVANTAGEWON CAPITAL CORP.

Administrator:
Name (Individual / Corporation)

Address

MARK
JOHN
WILSON

33875 FIFTH LINE

IONA STATION
ONTARIO
CANADA N0L 1P0

Date Began

First Director

2013/12/19

YES

Designation

Officer Type

Resident Canadian

DIRECTOR

Y

Administrator:
Name (Individual / Corporation)

Address

MARK
WILSON

33875 FIFTH LINE

IONA STATION
ONTARIO
CANADA N0L 1P0

Date Began

First Director

2013/12/19

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

DIRECTOR

Y

Request ID: 025237959
Transaction ID: 77117541
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/11/05
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CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

2400918

ADVANTAGEWON CAPITAL CORP.

Administrator:
Name (Individual / Corporation)

Address

MARK
WILSON

33875 FIFTH LINE

IONA STATION
ONTARIO
CANADA N0L 1P0

Date Began

First Director

2013/12/19

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

OFFICER

PRESIDENT

Y

Administrator:
Name (Individual / Corporation)

Address

MARK
WILSON

33875 FIFTH LINE

IONA STATION
ONTARIO
CANADA N0L 1P0

Date Began

First Director

2013/12/19

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

OFFICER

SECRETARY

Y

Request ID: 025237959
Transaction ID: 77117541
Category ID: UNE

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/11/05
Time Report Produced: 12:23:40
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CORPORATION PROFILE REPORT

Ontario Corp Number

Corporation Name

2400918

ADVANTAGEWON CAPITAL CORP.

Administrator:
Name (Individual / Corporation)

Address

MARK
WILSON

33875 FIFTH LINE

IONA STATION
ONTARIO
CANADA N0L 1P0

Date Began

First Director

2013/12/19

NOT APPLICABLE

Designation

Officer Type

Resident Canadian

OFFICER

TREASURER

Y

Request ID: 025237959
Transaction ID: 77117541
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/11/05
Time Report Produced: 12:23:40
Page: 6

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CORPORATION PROFILE REPORT

Ontario Corp Number

2400918

Corporation Name

ADVANTAGEWON CAPITAL CORP.

Last Document Recorded

Act/Code Description

Form

Date

CIA ANNUAL RETURN 2018

1C

2020/01/05 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.

This is Exhibit "B" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

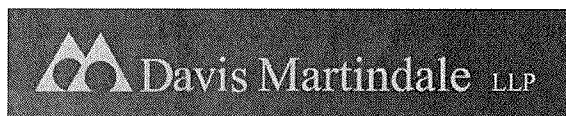
ADVANTAGEWON CAPITAL CORP.
AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2019



ADVANTAGEWON CAPITAL CORP.
INDEX TO AUDITED FINANCIAL STATEMENTS
DECEMBER 31, 2019

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Statement of Retained Earnings (Deficit)	4
Statement of Loss	5
Statement of Cash Flows	6
Notes to the Financial Statements	7 - 17





Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Advantagewon Capital Corp.

Adverse Opinion

We have audited the accompanying financial statements of Advantagewon Capital Corp., which comprise of the balance sheet as at December 31, 2019, the statements of income, retained earnings and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, because there is a material uncertainty that may cast doubt about the entity's ability to continue as a going concern as mentioned in the *Basis for Adverse Opinion* section of our report, the accompanying financial statements do not present fairly, the financial position of Advantagewon Capital Corp. as at December 31, 2019, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Basis for Adverse Opinion

The Company has a net loss for the year which has contributed to the retained deficit of \$6,845,620 and the Secured lender has called the loan as outlined in note 13 to the financial statements. These financial statements have been prepared on a going concern basis, given these events the use of the going concern assumption is not appropriate.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

A further description of the auditor's responsibilities for the audit of the financial statements is located at Davis Martindale LLP's website at: https://www.davismartindale.com/auditors_report. This description forms part of our auditor's report.

London, Ontario
September 26, 2020

Davis Martindale LLP

Chartered Professional Accountants
Licensed Public Accountants



ADVANTAGEWON CAPITAL CORP.
BALANCE SHEET
AS AT DECEMBER 31, 2019

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ASSETS		
	2019	2018 (note 21)
Current Assets		
Cash	\$ 50,077	\$ 48,558
Restricted cash (note 4)	22,282	45,609
Accounts receivable	5,161	-
Excess spread receivable (note 8)	12,942	12,361
Inventory (note 5)	3,984	40,187
Prepaid expenses	90,347	122,369
Due from related company (note 12)	135,347	91,737
Current portion of loans receivable (note 9)	<u>3,367,850</u>	<u>2,410,207</u>
	3,687,990	2,771,028
Equipment (note 6)	7,923	7,923
Software Development Costs (note 7)	174,697	117,945
Loans Receivable (note 9)	<u>3,290,297</u>	<u>4,175,544</u>
	<u>\$ 7,160,907</u>	<u>\$ 7,072,440</u>

LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)

Current Liabilities		
Government remittances payable	\$ 17,072	\$ 45,485
Accounts payable and accrued liabilities	1,165,935	596,958
Due to Beacon Holdings Ltd. (note 8)	22,652	103,890
Current portion of deferred revenues (note 11)	120,668	260,342
Due to shareholder (note 12)	12,442	-
Current portion of secured borrowings (note 13)	3,217,636	-
Current portion of subordinated loans (note 14)	<u>1,000,000</u>	<u>-</u>
	5,556,405	1,006,675
Subordinated Loans (note 14)	3,024,129	3,524,129
Secured Borrowings (note 13)	-	3,217,636
Due to Related Companies (note 12)	4,445,146	2,373,793
Deferred Revenues (note 11)	<u>380,837</u>	<u>321,570</u>
	13,406,517	10,443,803
Commitments (note 15)		
Shareholders' Equity (Deficit)		
Share capital issued:		
2,000 Class A voting common shares	600,010	600,010
Retained earnings (deficit)	<u>(6,845,620)</u>	<u>(3,971,373)</u>
	<u>(6,245,610)</u>	<u>(3,371,363)</u>
	<u>\$ 7,160,907</u>	<u>\$ 7,072,440</u>

The attached Independent Auditor's Report and notes form an integral part of these audited financial statements.



ADVANTAGEWON CAPITAL CORP.
STATEMENT OF RETAINED EARNINGS (DEFICIT)
FOR THE YEAR ENDED DECEMBER 31, 2019

	2019	2018
Balance, Beginning of Year	\$ (3,971,373)	\$ (1,553,846)
Net Loss	<u>(2,874,247)</u>	<u>(2,417,527)</u>
Balance, End of Year	\$ <u>(6,845,620)</u>	\$ <u>(3,971,373)</u>

*The attached Independent Auditor's Report and notes form an
integral part of these audited financial statements.*



ADVANTAGEWON CAPITAL CORP.
STATEMENT OF LOSS
FOR THE YEAR ENDED DECEMBER 31, 2019

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	2019	2018 (note 21)
Revenue		
Interest	\$ 1,135,715	\$ 993,794
Excess spread revenue (note 8)	68,832	53,189
Fee revenue	1,015,269	2,134,026
Warranty revenue (notes 3(d) and 11)	<u>104,890</u>	<u>77,917</u>
	2,324,706	3,258,926
Bad debt expenses	<u>475,288</u>	<u>280,122</u>
Net Revenues	1,849,418	2,978,804
Expenses		
Advertising and promotion	60,636	8,248
Amortization of equipment	30,967	1,718
Computer supplies and other IT	121,991	143,710
Fees and dues	8,677	7,017
Interest on long-term debt (note 12)	1,665,434	1,260,709
Loan origination costs	256,470	292,195
Office and general	336,627	320,486
Structuring and professional fees	659,707	153,398
Salaries and management (note 12)	872,646	1,168,773
Travel and employee	133,445	94,071
Vehicle recovery (note 12)	168,689	394,037
Warranty costs (note 3(d))	<u>105,105</u>	<u>70,053</u>
	<u>4,420,394</u>	<u>3,914,415</u>
Loss from Operations	(2,570,976)	(935,611)
Other Expenses		
Non-recurring bad debt expense	-	(1,161,592)
Impairment loss on loans receivable (note 17)	(13,712)	(23,417)
Legal expense	-	(296,907)
Beacon arrears payments	<u>(289,559)</u>	<u>-</u>
	<u>(303,271)</u>	<u>(1,481,916)</u>
Net Loss	<u>\$ (2,874,247)</u>	<u>\$ (2,417,527)</u>

*The attached Independent Auditor's Report and notes form an
integral part of these audited financial statements.*



ADVANTAGEWON CAPITAL CORP.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019

64

	2019	2018
Cash Flows from Operating Activities		
Net loss	\$ (2,874,247)	\$ (2,417,527)
Items not requiring an outlay of cash:		
Amortization of equipment	<u>30,967</u>	<u>1,718</u>
	(2,843,280)	(2,415,809)
Changes in non-cash working capital:		
Accounts receivable	(5,161)	1,833
Inventory	36,203	247,020
Prepaid expenses	32,022	(34,503)
Government remittances payable	(28,413)	35,386
Accounts payable and accrued liabilities	568,977	319,978
Deferred revenues	<u>(80,407)</u>	<u>13,418</u>
	<u>523,221</u>	<u>583,132</u>
Net Cash Used in Operating Activities	(2,320,059)	(1,832,677)
Cash Flows from Financing Activities		
Advances to shareholders	3,217,636	21,675
Advances from related companies	2,040,185	2,242,204
Due to Beacon Holdings Ltd.	(81,239)	60,710
Increase in subordinated loans	500,000	500,000
Increase in secured borrowings	<u>(3,217,636)</u>	<u>594,288</u>
Net Cash Provided by Financing Activities	2,458,946	3,418,877
Cash Flows from Investing Activities		
Additions to equipment	(6,009)	(8,006)
Additions to intangible assets	(81,708)	(79,059)
Increase in loans receivable	(72,396)	(1,724,028)
Increase in excess spread receivable	<u>(582)</u>	<u>235,828</u>
Net Cash Used in Investing Activities	<u>(160,695)</u>	<u>(1,575,265)</u>
Net Increase (Decrease) in Cash	(21,808)	10,935
Cash, Beginning of Year	<u>94,167</u>	<u>83,232</u>
Cash, End of Year	\$ <u>72,359</u>	\$ <u>94,167</u>
Represented By:		
Cash	\$ 50,077	\$ 48,558
Restricted cash (note 4)	<u>22,282</u>	<u>45,609</u>
	\$ <u>72,359</u>	\$ <u>94,167</u>

The attached Independent Auditor's Report and notes form an integral part of these audited financial statements.



ADVANTAGEWON CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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1. Going Concern

These financial statements have been prepared in accordance with generally accepted accounting principles that are applicable to a going concern, meaning that the company will be able to realize its assets and discharge its liabilities in the normal course of operations. However, the use of the generally accepted accounting principles that are applicable to a going concern may be inappropriate as there is doubt about the appropriateness of the going concern assumptions.

The Company's ability to realize a profit and discharge its liabilities depends on careful monitoring of the cash flow, continued support of the debt holders and secure additional financing for growth of their business. The losses have been generated substantially from the loan impairments as described in note 8. In the future, management believes the entity will be able to reduce this deficit and generate earnings.

2. Nature of the Business

The Company is a Canadian-controlled private corporation that is incorporated under the laws of the Province of Ontario. The Company is in the business of providing financing to consumers for automobile repair loans. The registered office for the Company is 376 Richmond Street, Suite 300, London, Ontario, N6A 3C7.

On May 7, 2019, subsequent to year end, for the purposes of fundraising and brand identification, 2400918 Ontario Inc. changed its name to Advantagewon Capital Corp.

3. Significant Accounting Policies

These financial statements were prepared by management in accordance with the Canadian accounting standards for private enterprises ("ASPE") and include the following significant accounting policies:

(a) Inventory

Inventory consists of vehicles that have been repossessed and are accounted for using the specific identification method. The repossessed vehicles are liquidated through selling the vehicles wholesale or directly to retail customers. Vehicles are sold wholesale either at the auction directly to dealers. These assets are measured at the lower of cost and net realizable value. Net realizable value represents the estimated proceeds from disposing the vehicle in the ordinary course of business less the estimated costs of any reconditioning, repairs or other costs to complete the sale.

*The attached Independent Auditor's Report and notes form an
integral part of these audited financial statements.*



ADVANTAGEWON CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

66

3. Significant Accounting Policies (continued)

(b) Equipment

Property and equipment are recorded at cost. Amortization is calculated using the declining-balance method at the annual rates disclosed in note 6. Long-lived assets are tested for impairment when events or changes in circumstances indicate that their carrying value may not be recoverable. An impairment loss is recognized when the carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

These assets are tested for impairment if events or changes in circumstances indicate that the carrying value amount exceeds fair value. The impairment test consists in a comparison of the total undiscounted cash flows expected from their use and eventual disposition with their carrying amount. When the carrying amount exceeds the fair value, an impairment loss is recognized in an amount equal to the excess.

(c) Intangible Assets

Intangible assets are at cost when management believes they will generate future benefits and that all criteria for capitalization are met. During the year, the Company capitalized costs relating to its credit application management system in development.

Intangible assets are amortized on the basis of their useful life using the straight-line method. Amortization is provided over estimated useful life of intangible asset subject to amortization using the following annual rate and method:

Credit Application Management System	4 years straight line
--------------------------------------	-----------------------

These assets are tested for impairment if events or changes in circumstances indicate that the carrying value amount exceeds fair value. The impairment test consists in a comparison of the total undiscounted cash flows expected from their use and eventual disposition with their carrying amount. When the carrying amount exceeds the fair value, an impairment loss is recognized in an amount equal to the excess.

*The attached Independent Auditor's Report and notes form an
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ADVANTAGEWON CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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3. Significant Accounting Policies (continued)

(d) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured.

Interest Revenue

Interest revenue is recognized on loans receivable on an accrual basis over the term of the loan on a time proportion basis when earned.

Recognition of interest income is suspended for loan receivables that are considered in default.

Fee and Servicing Income

Income related to the origination of the loan is deferred and amortized over the period to which it relates.

Fees charged to the customer for providing subsequent servicing of a loan is recognized as services are provided.

Deferred revenue consists of administrative fees and discharge fees on loans that are not yet repaid. The administrative fees are recognized as revenue over the term of the loan while the discharge fees are recognized as revenue once the loan has been discharged.

Warranty Revenue

Warranty revenue relates to roadside assistance, tire and wheel protection plan revenues. Warranty revenue is recognized under the percentage of completion method.

(e) Income Taxes

The company follows the taxes payable method. Under this method only current income tax assets and liabilities are recognized for the estimated income taxes unpaid or recoverable for the current year.

(f) Financial Instruments

The company's financial instruments consist of cash, loans receivable, accounts payable and accrued liabilities, government remittances payable, deferred revenues and long-term debt. Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

The Company initially recognizes these financial instruments at fair value and subsequently at amortized cost.

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ADVANTAGEWON CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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3. Significant Accounting Policies (continued)

(g) Use of Estimates

The preparation of the financial statements in accordance with ASPE requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Significant estimates of these financial statements include the estimated useful life of property and equipment (Note 6), amortization of software development costs (Note 7) and impairment of loans receivable (Note 8).

4. Restricted cash

Restricted cash represents the cash balance held in escrow accounts controlled by the Beacon Trust who can withdraw funds received which relate to loan receivables sold to Beacon Holdings Limited during the year.

5. Inventory

	2019	2018
Vehicles	\$ <u>3,984</u>	\$ <u>40,187</u>

6. Equipment

	Cost	Accumulated Amortization	Net 2019	Net 2018
Computer hardware 30% D.B.	\$ <u>16,271</u>	\$ <u>8,348</u>	\$ <u>7,923</u>	\$ <u>7,923</u>

7. Intangible Assets

Intangible assets consist of fees paid to a third party developer to develop a credit application management system used by existing and potential customers. During the year, the system development was completed and was put to use. Costs associated with the development have been capitalized and amortized in accordance with Note 6.

	2019	2018
Credit Application Management System	\$ 199,654	\$ 117,945
Less: accumulated amortization	<u>(24,957)</u>	<u>-</u>
	<u>\$ 174,697</u>	<u>\$ 117,945</u>

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ADVANTAGEWON CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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8. Loans Receivable Financing

- (a) On May 18, 2017, the Company entered into an agreement with Beacon Holdings Limited, to sell loan receivable balances at 80% of net book value at the date of sale to finance future loan growth. Subsequent to the sale of these loans, the Company continues to service the loans on behalf of Beacon Holdings Limited. The cash received on the sale of these loans are included in the restricted cash account as described above in note 4.
- (b) Subsequent to the sale of the loan receivables, the Company is entitled to receive additional proceeds in the form of excess spread revenue which is calculated based on the difference between the present value of the actual yield on the portfolio and the target interest rate of 27.5% ("Excess Spread Revenue"). The Excess Spread Revenue is calculated and paid on a monthly basis. The calculation of the Excess Spread Revenue includes the funding cost, administration fees and target default rates.

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ADVANTAGEWON CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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9. Loans Receivable

Loans receivable consist of a portfolio of consumer auto repair loans, which generally have terms of 18 to 48 months with a fixed rate of interest of 27.5% due in monthly installments of principal and interest. The repaired vehicles are pledged as security on the loans receivable. The Company's experience has shown that the actual contractual payment will vary depending on a number of variables. These variables include prepayment rates, write-offs and deferments. Accordingly, the maturities of the loans receivable shown in the table below are not to be regarded as a forecast of future cash collections. Loan payments, including principal and interest are as follows:

	2019	2018
Loans receivable, due in monthly instalments of principal and interest ranging from \$63 to \$1,122, due on various dates between January 2020 to February 2023.	\$ 6,658,147	\$ 6,585,751
Current portion of loans receivable	<u>3,367,850</u>	<u>2,410,207</u>
	<u>\$ 3,290,297</u>	<u>\$ 4,175,544</u>

Included in the balance above are a number of loans that are in arrears with a balance of \$2,461,397 (2018 - \$2,323,820). Of this balance:

- \$115,319 relates to loans where the vehicle has been seized from the debtor with the intention of encouraging repayment.
- \$243,820 relates to loans in which the vehicle cannot be located or seized and legal action is being taken in order to reinstate payments from the debtor.
- \$1,118,196 relates to loans in which a settlement has been reached or is in the final process of being reached.

An allowance has been made for a portion of these loans, as described in note 17. Additionally, a general allowance of \$134,530 has been recognized on the loans in arrears in which the Company is in legal proceedings for.

10. Due to Shareholders

The amounts due to and from the shareholders are non-interest bearing, unsecured and due on demand.

The attached Independent Auditor's Report and notes form an integral part of these audited financial statements.



ADVANTAGEWON CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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11. Deferred Revenues

Deferred revenues consist of:

	2019	2018
Deferred administrative fee revenues	\$ 193,400	\$ 185,100
Deferred roadside/tire revenue	308,105	396,812
Less: current portion	<u>(120,668)</u>	<u>(260,342)</u>
	<u>\$ 380,837</u>	<u>\$ 321,570</u>

12. Related Party Transactions

Related party transactions during the year resulted from transactions with companies that are related by virtue of common control. Transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Transactions during the year and balances outstanding, which are not otherwise disclosed separately in these financial statements, are as follows:

	2019	2018
Salaries and management	\$ -	\$ 173,846
Shareholder consulting fees	288,083	-
Interest expense (2312788 Ontario Inc.)	<u>513,029</u>	<u>215,883</u>
	<u>\$ 801,112</u>	<u>\$ 389,729</u>

These transactions are in the normal course of operations and are measured at the exchange amount of consideration established and agreed upon by the related parties.

At the end of the year, the amounts due from a related company are as follows:

	2019	2018
Arrow Garage and Tire Limited	<u>\$ 135,347</u>	<u>\$ 91,737</u>

At the end of the year, the amounts due to a related company are as follows:

	2019	2018
Advantagewon Inc.	\$ 21,155	\$ 21,155
2312788 Ontario Inc.	<u>4,423,991</u>	<u>2,352,638</u>
	<u>\$ 4,445,146</u>	<u>\$ 2,373,793</u>

The amounts due to Advantagewon Inc. and 2312788 Ontario Inc. are secured by a promissory note and interest bearing at a rate of 16.9% and have a renewable term of 36 months.

The amount due from Arrow Garage and Tire Limited is secured by the registered liens which relate to vehicles that have been transferred to the related party.

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ADVANTAGEWON CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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13. Secured Borrowings

On November 28, 2017, the Company entered into a non-revolving loan agreement with Fraser Mackenzie Merchant Capital ("Senior Lender") for secured borrowings up to a maximum limit of \$5 million.

Under both agreements, all advances are secured by a General Security Agreement ("GSA") granting the Senior Lender a first priority security interest in and to all assets and undertaking of the Company. The non-revolving loan bears a fixed interest rate of 14.5%. The Company can repay the debt prior to the scheduled maturity without incurring any prepayment penalty. The Company is in breach of the related covenants. The Senior Lender is aware of the breach and has called the loan back. Accordingly, the full loan balance has been classified as current at December 31, 2019.

	2019	2018
Non-revolving term loan, interest payable monthly until June 2020, repayable in quarterly principle payments of 3.75% thereafter, due June 30, 2022.	\$ 3,380,300	\$ 3,380,300
Less: deferred financing fees	<u>162,664</u>	<u>162,664</u>
Current portion of secured borrowings	<u>3,217,636</u>	<u>-</u>
	\$ <u>-</u>	\$ <u>3,217,636</u>

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ADVANTAGEWON CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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14. Subordinated Loans

The following subordinated loans are secured by a General Security Agreement over all assets of the Company and related subsidiaries ranking ahead of shareholders but behind secured creditors of the Company. Shareholder and related party payable have been postponed in favour of subordinated loans.

	2019	2018
15% Related party term loan, each tranche due 3 years from the date of advance. Fully subordinated to secured borrowings, with no repayment permitted until secured borrowings fully repaid.	\$ 3,024,129	\$ 3,024,129
15% promissory note, interest payable monthly, principal due October 2020.	<u>-</u>	<u>500,000</u>
	3,024,129	3,524,129
Current portion of long-term subordinated loans	<u>1,000,000</u>	<u>-</u>
	<u>\$ 4,024,129</u>	<u>\$ 3,524,129</u>

The aggregate amount of principal payments required to meet retirement provisions are as follows:

Year ending	December 31, 2021	\$ 1,000,000
	December 31, 2022	500,000
	Thereafter	<u>2,524,129</u>
		<u>\$ 4,024,129</u>

The following has been pledged as security for the related party term loan:

- General security agreement over all present and after acquired movable property of Advantagewon Capital Corp. and any wholly-owned subsidiaries; and
- Shareholder and related party payable have been postponed in favour of long-term debt.

The following has been pledged as security for the promissory note:

- General security agreement creating a second priority security interest in all present and after acquired property.

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ADVANTAGEWON CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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15. Commitments

The Company has entered into lease agreements for the premises it occupies.

The annual base rental payments are as follows:

Year ending December 31, 2020	\$ 42,000
December 31, 2021	42,000
December 31, 2022	42,000
December 31, 2023	42,000
December 31, 2024	<u>42,000</u>
	\$ <u>210,000</u>

The Company is able to terminate the agreement with 60 days notice.

16. Contingencies

The Company has been named as a defendant in a lawsuit claiming property damages while repossessing a vehicle. The plaintiff is seeking \$35,000 in damages. Neither the possible outcome nor the amount of possible settlement can be foreseen. There is a countersuit by the Company against the claimant regarding this matter. Therefore, no provision has been made in these financial statements.

The Company has also been named as a defendant in a lawsuit disputing the rights to a lien placed by the Company for repairs associated with a leased vehicle seized by a lease finance company. The plaintiff is seeking \$70,000 in damages. Neither the possible outcome nor the amount of possible settlement can be foreseen. There is a countersuit by the Company against the claimant regarding this matter. Therefore, no provision has been made in these financial statements. Subsequent to year end, the Company is in the process of resolving this claim.

The Company has additionally been named as a defendant in a lawsuit disputing the Company's rights to legally seize the asset. The plaintiff is seeking \$50,000 in damages. Neither the possible outcome nor the amount of possible settlement can be foreseen. There is a countersuit by the Company against the claimant regarding this matter. Therefore, no provision has been made in these financial statements. Subsequent to year end, the Company is in the process of resolving this claim.

17. Impairment Loss on Loans Receivable

In the prior year, the impairment loss on loans receivable has been recognized as a result of the carrying value of certain loans receivable exceeding the fair value of the assets securing those loans. While an impairment loss has been recognized in the financial statements, management believes that the full balance will be collected.

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ADVANTAGEWON CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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18. Reconciliation of the Effective Income Tax Rate to the Statutory Rate

The impact of differences between the company's reported income tax expense on operating income and the expense that would otherwise result from the application of statutory rates is as follows:

	2019	2018
Net income before income taxes	\$ (2,874,247)	\$ (2,417,527)
Expected income tax expense at the combined tax rate of 26.50% (2018 - 26.50%)	(761,675)	(640,645)
Increase (decrease) in income tax expenses resulting from:		
Non-capital losses not recognized (recognized)	<u>761,675</u>	<u>640,645</u>
Income tax expense per financial statements	\$ <u>-</u>	\$ <u>-</u>

19. Non-capital Loss Carry Forward

The company has a loss carry-forward for income tax purposes of \$6,812,170 at December 31, 2019, which is available to reduce net income for tax purposes of future years.

No provision has been made in the accounts of the company to reflect the potential income tax benefit arising from these losses.

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ADVANTAGEWON CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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20. Financial Instruments

The Company is exposed to a number of financial risks in the normal course of its business operations, including credit risk, interest rate risk and liquidity risk. The following summarizes the type of risks the Company is exposed to and how they arise.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge its obligation. The financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash, accounts receivable and loans receivable. The Company maintains cash balances with Canadian chartered banks, which from time to time, exceed the federally insured limits and expose the Company to credit risk from concentration of cash. The Company limits this risk by transacting with reputable financial institutions.

The Company is subject to risk of non-payment of accounts receivable and loans receivable. The Company minimizes exposure of credit risk by establishing a process for credit reviews for each of its new customers, continuous monitoring of credit risk and collectability of its existing customer base and considering the economic impact of current conditions on the liquidity of its customers and their ability to meet their financial obligations. The loans receivables are secured by underlying vehicles. The Company determines, on a continuing basis, the probable uncollectible amounts and sets up provisions for these debts based on estimated realizable value.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate price risk to the extent that certain loan receivable, subordinated loans and due from shareholder bear interest at a fixed interest rate. The Company is exposed to interest rate cash flow risk to the extent that certain subordinated loans bear interest at a floating interest rate. The Company does not use derivative financial instruments to mitigate interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with financial liabilities. The Company is exposed to liquidity risk primarily through secured borrowings and subordinated loans. The Company tries to mitigate liquidity risk by maintaining sufficient levels of liquid assets to meet its obligations as they come due.

The company's exposure to liquidity risk is dependent on the receipt of funds from related sources.

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ADVANTAGEWON CAPITAL CORP.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2019

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21. Comparative Figures

Certain of the prior year's figures have been reclassified to conform to the financial statement presentation adopted in the current year.

22. Subsequent Event

Subsequent to the year end, the COVID-19 pandemic has spread across Ontario and is impacting local economic activity. This global pandemic poses the risk that the company or its clients, employees or sales partners may be unable to conduct regular business activities for an indefinite period of time. While it is not possible at this time to estimate the impact that COVID-19 could have on the company's business, the continued spread of COVID-19 across Canada and the measures taken by the federal, provincial and municipal governments to contain its impact could adversely impact the company's business, financial condition or results of operations. The extent to which the COVID-19 outbreak impacts the company's results will depend on future developments that are highly uncertain and cannot be predicted, including new information that may emerge concerning the spread of the virus and government actions.

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This is Exhibit "C" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

ADVANTAGEWON
Balance Sheet for November 2020
As at Friday December 11, 2020

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	Current	Current Year-To-Date	Last Year	Last Year Year-To-Date
Assets				
Cash				
CASH - ROYAL BANK	0.00	0.00	0.00	0.00
CASH-TD BANK-5281308	11,726.24	143,788.60	8,566.30	20,185.58
CASH-TD BANK-5281359	0.00	0.00	0.00	0.00
BANK CHEQUE CLEARING ACCOUNT	(928.90)	(13,288.97)	(21,747.81)	(18,730.48)
DCR - CREDIT CARD BANK	(1,879.92)	8,008.58	0.00	0.00
PETTY CASH -CREDIT CARD	(638.78)	1,016.11	892.18	1,019.34
Total Cash	\$ 8,278.64	\$ 139,524.32	\$ (12,289.33)	\$ 2,474.44
Contract Financing				
LEASE RECEIVABLE	0.00	0.00	0.00	0.00
DEFERRED INCOME	0.00	0.00	0.00	0.00
SECURITY DEPOSITS	0.00	0.00	0.00	0.00
EXPIRED LOANS STILL RUNNING	0.00	0.00	0.00	0.00
NON-PERFORMING #2	(40,587.41)	830,473.51	691,661.71	1,127,823.65
NON-PERFORMING LOANS	0.00	0.00	(1,255.00)	9,561.52
OLC LOANS	(155,883.54)	2,883,982.63	(241,443.25)	4,757,716.85
OLC ADJUSTMENTS	0.00	0.00	778.11	(15,760.05)
INVENTORY - NON EARNING	0.00	0.00	(77,609.23)	4,100.00
INVENTORY #2	0.00	17,132.48	(43,199.01)	85,291.07
INVENTORY PENDING	0.00	70,424.66	11,954.71	97,603.42
PENDING LEGAL	(163,187.52)	187,491.20	(745,507.16)	1,419,411.64
BLACK BOOK VALUE ADJUSTMENT	0.00	(244,440.86)	(536,660.17)	(244,440.86)
CREDIT CARD INVENTORY	0.00	0.00	0.00	0.00
DEALER CARD REWCEIVABLE	0.00	0.00	0.00	0.00
BEACON EXCESS SPREAD RECEIVABLE (OLC)	0.00	12,360.55	0.00	12,360.55
BEACON RECEIVABLE-DISCOUNT ON LOANS	(419,472.60)	(232,888.92)	(673,533.24)	(232,888.92)
ALLOW FOR DBTFUL ACCTS	0.00	0.00	(81,631.05)	(81,631.05)
PAYMENTS TO BEACON OVERDRAFT	0.00	0.00	(46,413.44)	0.00
BEACON INTEREST/PRINCIPLE	0.00	0.00	0.00	0.00
BEACON DEPOSITS 80% NBV	0.00	0.00	0.00	0.00
ALLOWANCE FOR LOAN LOSSES - P.LEGAL	0.00	(203,503.52)	(134,530.25)	(134,530.25)
PENDING COLLECTIONS	(125,107.47)	1,197,220.90	95,659.93	95,659.93
BEACON REPO RECEIVABLE	0.00	0.00	0.00	0.00
REPOSSESSION COST	0.00	0.00	0.00	0.00
INTER-BRANCH CLEARING	0.00	0.00	0.00	0.00
DORSIA RECEIVABLE	(3,842.00)	9,144.00	0.00	0.00
SAMANTHA HAMBLIN	0.00	14,750.00	3,750.00	3,750.00
Total Contract Financing	\$ (908,080.54)	\$ 4,542,146.63	\$ (1,777,977.34)	\$ 6,904,027.50
Fixed Assets				
CIP	0.00	0.00	0.00	0.00
LEASEHOLD IMPROVEMENTS	0.00	0.00	0.00	0.00
ACC. AMORT. LEASEHOLD IMPROVEMENTS	0.00	0.00	0.00	0.00
OFFICE EQUIPMENT	0.00	0.00	0.00	0.00
ACC. AMORT. - OFFICE EQUIPMENT	0.00	0.00	0.00	0.00
COMPUTER HARDWARE	282.49	19,164.54	0.00	14,973.41
ACC. AMORT. - COMPUTER HARDWARE	(1,975.62)	(11,802.67)	(307.94)	(6,329.45)
SOFTWARE	25,046.45	318,422.42	9,011.75	188,031.72
ACC. AMORT. - SOFTWARE	8,543.22	(73,753.83)	(3,702.02)	(34,934.49)
CAPITALIZED TRANSACTION FEES	0.00	162,663.90	0.00	162,663.90
ACC. AMORT. - CAPITALIZED TRANS FEES	105,731.69	0.00	(2,711.07)	(75,909.92)
Total Fixed Assets	\$ 137,628.23	\$ 414,694.36	\$ 2,290.72	\$ 248,495.17
Accounts Receivable				
A/R - ADWON	0.00	0.00	0.00	0.00
A/R ADWON INC	0.00	0.00	0.00	0.00
AR- BEACON	0.00	0.00	0.00	0.00
A/R - BEACON	0.00	0.00	0.00	0.00
A/R - AGT	0.00	0.00	0.00	0.00
DORSIA 231	0.00	0.00	0.00	0.00
A/R - AGT	18,013.69	143,646.57	(49,625.09)	91,736.62
2312788 REVENUE RECEIVALBE	0.00	0.00	0.00	0.00
Total Accounts Receivable	\$ 18,013.69	\$ 143,646.57	\$ (49,625.09)	\$ 91,736.62

ADVANTAGEWON
Balance Sheet for November 2020
As at Friday December 11, 2020

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	Current	Current Year-To-Date	Last Year	Last Year Year-To-Date
Assets				
Prepaid Expenses				
Prepaid Expenses				
PREPAID EXPENSES	8,489.16	10,843.29	0.00	0.00
SALES REP. ADVANCES	0.00	0.00	0.00	0.00
FINANCING EXPENSES- LEGAL & PLACEMENT	0.00	0.00	0.00	0.00
DAA PREPAID COST EXCL HST ROADSIDE/TIRE	(18,305.08)	(4,445.92)	(6,663.86)	81,650.67
SMG HOLDBACK	0.00	0.00	0.00	0.00
CASH RESERVE-ADWON	0.00	0.00	0.00	0.00
Total Prepaid Expenses	\$ (9,815.92)	\$ 6,397.37	\$ (6,663.86)	\$ 81,650.67
Total Assets	\$ (753,975.90)	\$ 5,246,409.25	\$ (1,844,264.90)	\$ 7,328,384.40

ADVANTAGEWON
Balance Sheet for November 2020
As at Friday December 11, 2020

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	Current	Current Year-To-Date	Last Year	Last Year Year-To-Date
Liabilities and Shareholder's Equity				
Accounts Payable and Accrued				
A/P - LOAN ASSETS	(49,037.74)	0.00	117,260.72	50,785.79
DEFERRED ESTABLISHMENT FEE REVENUE	45,900.00	193,400.00	104,775.46	147,500.00
DAA ROADSIDE/TIRE REVENUE TO BE DEFERRED	0.00	308,104.68	9,740.33	308,104.68
CURRENT CONTRA - DEFERRED WARRANTY REVENUE	0.00	(222,741.65)	0.00	0.00
CURRENT PORTION OF DEFERRED WARRANTY	0.00	222,741.65	0.00	0.00
A/P SUPPLIER	0.00	0.00	0.00	0.00
A/P - MARK WILSON	(5,365.41)	(25,626.11)	(16,104.25)	(2,305.22)
MISC ACCOUNT	0.00	0.00	(3,216.47)	(45,182.62)
BEACON MISC PAYMENTS	0.00	0.00	0.00	0.00
DUE TO 2312788 ONTARIO	0.00	0.00	0.00	0.00
A/P - ADWON	0.00	21,155.24	0.00	21,155.24
CASH DUE TO BEACON - TD BANK 5281359	0.00	0.00	0.00	0.00
DEMAND LOANS- CRA	0.00	40,000.00	0.00	0.00
DORSIA CAPITAL	0.00	138,453.47	(36,519.89)	(36,519.89)
A/P - MARK WILSON	0.00	0.00	0.00	0.00
HENRY GRIFFIOEN	0.00	0.00	0.00	0.00
ACCRUED LIABILITIES	43,534.87	1,389,846.57	46,032.46	902,279.27
ACCRUED PAYROLL	2,393.04	8,708.09	3,791.55	6,837.81
ACCRUED AUDIT FEE	(26,425.79)	31,957.51	14,080.10	49,155.00
STEVE STAPLETON	0.00	0.00	0.00	0.00
TRAFALGAR SE	0.00	0.00	0.00	0.00
ECHO BAY	0.00	0.00	0.00	0.00
ACEF TRUST	0.00	1,000,000.00	0.00	1,000,000.00
EI PAYABLE	(187.31)	1,474.99	(1,028.30)	1,742.60
CPP PAYABLE	(74.64)	4,160.74	(2,080.54)	4,570.76
FEDERAL PAYROLL TAX PAYABLE	20.83	9,009.86	(4,297.84)	11,971.61
MRS ANNA CHAMBERS / ECHO BAY PAYABLE	0.00	0.00	0.00	0.00
BLACK BIRCH CAPITAL / GUNPOWDER	0.00	0.00	0.00	0.00
GUN POWDER CAPITAL CORP PAYABLE	0.00	0.00	0.00	0.00
H.S.T. ONTARIO (COLLECTED)	0.00	0.00	0.00	0.00
G.S.T. COLLECTED	0.00	260.17	0.00	(13,635.70)
HST/GST PAID	0.00	(260.16)	0.00	12,985.13
ACCRUED SOURCE DEDUCTIONS	0.00	0.00	0.00	0.00
MATT DICKIE PAYABLE	(100,000.00)	0.00	0.00	100,000.00
Total Accounts Payable and Accrued	\$ (89,242.15)	\$ 3,120,645.05	\$ 232,433.33	\$ 2,519,444.46
Loans Payable				
INDCOM LEASING	0.00	0.00	0.00	0.00
LOAN PAYABLE- FOUNTAIN ASSET	0.00	3,024,129.00	0.00	3,024,129.00
INTEREST PAYABLE- FOUNTAIN ASSET	0.00	0.00	0.00	0.00
LOAN PAYABLE - FMMC	0.00	3,253,550.00	0.00	3,380,300.00
INTEREST PAYABLE - FMMC	0.00	0.00	0.00	0.00
REMI AND BEV COOREMAN	0.00	0.00	0.00	0.00
DEFERRED EXIT FEE REVENUE	340,579.01	0.00	(277,450.00)	0.00
2312788 ON INC. PAYABLE	136,438.30	4,696,290.59	(79,441.67)	4,287,974.19
INTEREST PAYABLE - 2312788 ON INC	15,634.47	79,709.59	1,587.28	54,592.70
MARK ROOT PAYABLE	0.00	0.00	0.00	0.00
SHAREHOLDER CONTRIBUTIONS	0.00	0.00	0.00	0.00
SHAREHOLDERS LOAN	0.00	0.00	13,638.76	0.00
Total Loans Payable	\$ 492,651.78	\$ 11,053,679.18	\$ (341,665.63)	\$ 10,746,995.89
Shareholder's Equity				
CAPITAL STOCK	0.00	600,010.00	0.00	600,010.00
RETAINED EARNINGS	(902,427.04)	(6,845,620.00)	(1,632,822.41)	(3,971,373.00)
Net profit	(254,958.49)	(2,682,304.98)	(102,210.19)	(2,566,692.95)
Total Shareholder's Equity	\$ (1,157,385.53)	\$ (8,927,914.98)	\$ (1,735,032.60)	\$ (5,938,055.95)
Total Liabilities and Shareholder's Equity	\$ (753,975.90)	\$ 5,246,409.25	\$ (1,844,264.90)	\$ 7,328,384.40

ADVANTAGEWON
Income Statement for November 2020
As at Friday December 11, 2020

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	Current	Current Year-To-Date	Last Year	Last Year Year-To-Date
Revenue				
LEASE REVENUE	0.00	0.00	0.00	0.00
ROAD HAZARD AND TIRE PROTECTIONS	0.00	0.00	0.00	0.00
RENTAL INCOME - EXPIRED CONTRACTS	0.00	0.00	0.00	0.00
LOAN INTEREST	68,525.01	1,016,256.36	104,229.01	1,031,059.15
OLC - INTEREST	0.00	0.00	0.00	0.00
CAPITALIZED INCOME	933.73	82,735.98	147,435.74	919,289.20
NSF/LATE FEES	15,150.00	141,797.98	9,625.00	137,522.00
EARLY PAYOUT DISCOUNTS	(9,554.93)	(122,059.39)	(6,661.02)	(238,818.33)
EMERGENCY ROADSIDE ASSISTANCE	0.00	0.00	0.00	0.00
DAA REVENUE RECOGNIZED ROADSIDE/TIRE	0.00	0.00	(13,700.33)	104,889.98
USE GL 3305 - DAA TIRE AND RIM PROTECT	0.00	0.00	0.00	0.00
DEFERRAL FEE	4,806.00	65,326.00	0.00	0.00
SET-UP FEE	4,338.00	56,804.00	0.00	0.00
COLLECTION, LIEN, TRANSUNION, & OTHER FEES	0.00	0.00	0.00	53,567.22
ADMIN/CHANGE OF SCHEDULE FEES	9,329.03	63,213.38	1,500.00	35,694.18
WAGE SUBSIDY REVENUE	18,266.56	297,158.16	0.00	0.00
DISCHARGE/EXIT FEE	0.00	0.00	3,960.00	128,828.50
VALUATION ADJ TO REVENUES	0.00	(826.42)	0.00	0.00
IMPAIRMENT LOSS ON RECEIVABLE	0.00	0.00	(13,711.54)	(13,711.54)
ESTABLISHMENT FEE REVENUE	0.00	0.00	0.00	0.00
BEACON - REVENUE	324.44	4,638.56	650.64	11,265.80
BEACON EXCESS SPREAD	0.00	0.00	0.00	16,938.63
DISCOUNT ON LOANS- AMORTIZED	(21,171.72)	(232,888.92)	(21,171.72)	(232,888.92)
VEHICLE SALES	0.00	0.00	0.00	0.00
OTHER INCOME	0.00	0.00	0.00	0.00
CANCELLATION FEES	0.00	0.00	0.00	0.00
Total Revenue	\$ 90,946.12	\$ 1,372,155.69	\$ 212,155.78	\$ 1,953,635.87

Expenses

INTEREST	(11,693.55)	129,426.84	(75,015.18)	61,718.96
INTEREST EXPENSE - FOUNTAIN ASSETS	38,526.57	423,792.27	38,526.57	423,792.27
INTEREST EXPENSE-FMMC	85,402.54	508,892.99	42,236.95	467,456.63
INTEREST EXPENSE - 2312788 ON INC	79,709.59	670,927.10	54,592.70	459,429.61
SALARIES	55,056.28	647,512.06	48,790.74	757,494.86
CASUAL WAGES	0.00	0.00	0.00	0.00
CPP	2,080.37	33,144.65	2,285.38	33,023.55
EI	860.41	14,853.85	1,016.53	15,611.18
FEDERAL AND PROVINCIAL TAX	0.00	0.00	0.00	0.00
RENT	3,955.00	39,526.27	3,955.00	43,612.60
DAA COST AMORTIZATION ROADSIDE/TIRE PROT	7,136.73	77,558.73	6,906.25	86,422.24
REPAIRS AND MAINTENANCE	0.00	17,272.74	0.00	27,658.12
RECRUITMENT EXPENSE	0.00	621.47	1.49	3,329.61
ADVISORY SERVICES	22,566.55	264,792.28	21,730.76	261,458.89
HR CONSULTING EXPENSE	516.41	5,680.51	0.00	0.00
INSURANCE	238.50	2,623.50	238.50	18,031.50
COMPUTER EXPENSES	0.00	0.00	0.00	754.83
TELEPHONE	1,192.50	13,648.05	1,134.72	13,225.50
POSTAGE AND COURIER	501.99	14,735.25	1,671.86	4,095.71
ADVERTISING AND PROMOTION	1,511.67	42,042.65	8,001.85	51,074.08
GAS AND PARKING EXPENSES	4,375.16	21,815.55	1,629.02	18,478.97
AUDIT FEE	(9,193.29)	49,155.00	(6,345.00)	28,750.22
MOTOR VEHICLE ALLOWANCE	3,612.43	39,132.41	3,200.00	33,539.78
DEALER COMMISSIONS	2,354.17	32,325.27	135.00	32,948.08
MEMBERSHIP FEES AND TRAINING	0.00	0.00	(2,555.00)	684.63
TRAVEL EXPENSE	767.36	23,162.51	2,314.23	26,865.23
LEGAL EXPENSES	180.80	72,630.43	(2,204.39)	249,908.87
SALES COMMISSION	4,491.32	80,064.09	14,088.89	156,981.33
NSF COMMISSION	0.00	0.00	0.00	0.00
WAREHOUSING & DATA SERVICES	8,824.40	94,452.92	8,061.57	91,006.14
COMPUTER SUPPORT	(6,097.28)	15,333.99	2,313.60	21,999.23
STRUCTURING FEE	0.00	0.00	0.00	0.00
BAD DEBTS	19,641.89	134,163.24	(704.40)	283,359.59
MTO - USED VEHICLE PACKAGES	340.00	3,660.00	320.00	8,165.28
BANK CHARGES	2,252.94	25,879.97	2,804.92	33,973.07
OFFICE SUPPLIES	1,860.47	16,576.53	1,477.16	19,519.92
LEGAL SUPPLIES	137.84	1,727.28	0.00	0.00
BUSINESS FEES	15,124.09	122,243.54	7,264.81	102,645.48
VEHICLE HISTORY REPORTS	(7,917.29)	42,561.42	3,809.00	46,598.16
ACCOUNTING SERVICES	1,038.47	14,072.66	997.79	56,567.04
DONATIONS	0.00	0.00	0.00	3,850.00

ADVANTAGEWON
Income Statement for November 2020
As at Friday December 11, 2020

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	Current	Current Year-To-Date	Last Year	Last Year Year-To-Date
Expenses				
VEHICLE PREPARATION AND DETAILING	16,829.25	119,451.82	2,748.27	12,288.71
COST OF VEHICLE SOLD	0.00	0.00	0.00	0.00
BAILIFF FEES	7,825.25	68,763.51	1,638.50	59,953.99
VEHICLE RECOVERY EXPENSE	0.00	0.00	0.00	(9,004.47)
PROFIT/LOSS ON DISPOSAL	0.00	0.00	0.00	0.00
MEALS/ENTERTAINMENT	785.52	20,092.96	6,139.85	36,656.52
MANAGEMENT FEES	0.00	0.00	0.00	0.00
TOWING & STORAGE EXPENSES	10,980.83	73,261.75	8,040.52	79,775.23
INCOME TAX PENALTY	0.00	0.00	0.00	0.00
INCOME TAX INTEREST	0.00	0.00	0.00	0.00
INCOME TAX	0.00	0.00	0.00	0.00
COMMISSION	0.00	0.00	0.00	0.00
DEPRECIATION EXPENSE COMPUTER HARDWARE	325.54	3,454.67	307.94	3,991.77
DEPRECIATION EXPENSE SOFTWARE	5,300.86	48,796.83	3,702.02	34,934.49
DEPRECIATION EXP. CAPITALIZED TRANS.FEES	(27,110.70)	0.00	48,799.22	75,909.92
OTHER EXPENSES	0.00	0.00	0.00	0.00
BEACON ARREARS PAYMENTS	(24,266.13)	(1,248.04)	50,308.33	281,791.50
BAD DEBT - NON-RECURRING	0.00	0.00	0.00	0.00
BEACON DEEMED COLLECTIONS	25,879.15	25,879.15	0.00	0.00
Total Expenses	\$ 345,904.61	\$ 4,054,460.67	\$ 314,365.97	\$ 4,520,328.82
Net income	\$ (254,958.49)	\$ (2,682,304.98)	\$ (102,210.19)	\$ (2,566,692.95)

This is Exhibit "D" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

2400918 ONTARIO INC.
as Borrower
- and -
FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I
as Lender

CREDIT AGREEMENT

DATED AS OF JUNE _____, 2017

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CREDIT AGREEMENT

THIS CREDIT AGREEMENT is dated as of June ___, 2017 between **2400918 ONTARIO INC.** (the “Borrower”), and **FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I** (the “Lender”).

WHEREAS pursuant to a term sheet dated February 8, 2017 issued by the Lender to the Borrower (the “Term Sheet”), the Lender has agreed to make available and continue to make available to the Borrower the Loan (as hereinafter defined) on the terms and conditions hereinafter set forth the proceeds of which will be used to pay down certain of the accounts payable and debt of the Borrower;

WHEREAS pursuant to the Term Sheet, the Borrower has agreed to secure all of its Obligations (as hereinafter defined) by granting to the Lender a lien on substantially all of its assets, subordinate only to the Permitted Encumbrances (as hereinafter defined);

NOW THEREFORE, for value received intending to be legally bound by this Agreement, the parties agree as follows:

ARTICLE 1 DEFINED TERMS

1.1 Defined Terms

In this Agreement, unless something in the subject matter or context is inconsistent therewith:

- (a) “**Acceptable Warehouse Facility**” means a debt facility which:
 - (i) is a revolving receivables short-term purchase facility and not a term facility, and
 - (ii) after giving effect to the funding of any given draw of such revolving receivables short-term purchase facility, does not result in a breach of any covenant of this Agreement and also would not result in the breach of any financial covenant of this Agreement if such financial covenant were to be measured on the funding date of such facility.
- (b) “**Acquisition**” means (a) any investment in or purchase of or other acquisition of any equity of any Person, or (b) any purchase or other acquisition of a business or undertaking or division of any Person, including Property comprising the business, undertaking or division.
- (c) “**Additional Credit**” means up to three tranches of additional Loan amounts aggregating \$3.711 million (in tranches of not less than **\$1 million each**).
- (d) “**Additional Credit Advance Date**” has the meaning ascribed to such term in Section 2.10(2).
- (e) “**Additional Credit Availability Date**” means October 31, 2017.
- (f) “**Affiliate**” means, with respect to a Person, an affiliate of such Person as defined in the *Business Corporations Act* (Ontario) (determined as if each such Person was a body corporate), and any other Person that directly or indirectly, through one or more

intermediaries, controls, is controlled by or is under common control with, that first mentioned Person, and “**Affiliated**” shall have a corresponding meaning.

- (g) “**Agreement**”, “**hereof**”, “**herein**”, “**hereto**”, “**hereunder**” or similar expressions mean this Agreement, the Recitals hereto and any Schedules hereto, as amended, supplemented, restated and replaced from time to time in accordance with the provisions hereof, and not any particular Article, Section or other portion hereof.
- (h) “**AGT**” means Arrow Garage & Tire Limited.
- (i) “**Applicable Law**” means any domestic or foreign:
 - (i) statute, law (including common and civil law), code, ordinance, rule, regulation, restriction or by law (zoning or otherwise);
 - (ii) judgment, order, writ, injunction, decision, ruling, decree or award;
 - (iii) regulatory policy, practice, request, directive or guideline having the force of law; and
 - (iv) Permit;

in each case of any Governmental Authority, binding on or affecting the Person referred to in the context in which the term is used or binding on or affecting the Property of such Person.

- (j) “**Article**” means the designated article of this Agreement.
- (k) “**Auditor**” means the firm of Davis Martindale LLP or such other qualified firm of Certified Professional Accountants performing the annual audit of the books and records of the Borrower.
- (l) “**Bank Account**” means that certain bank account, the particulars of which are set out in Schedule 1.1(l) as the “TD Bank Account”.
- (m) “**Beacon**” means Beacon Holdings Limited, a Barbados corporation, and its Affiliates.
- (n) “**Beacon Agreement**” means an agreement among Beacon, the Lender and the Borrower, dated the date hereof, pursuant to which Beacon, the Lender and the Borrower agree to certain matters, all as more particularly set out therein.
- (o) “**Beacon Documents**” means that certain purchase agreement entered into between the Borrower and Beacon dated the 18th day of May, 2017, as same may be (i) amended or (ii) replaced, in both cases by a materially similar agreement or agreements with respect to the same subject matter, and all other documents delivered by the Lender and/or Beacon ancillary thereto or in conjunction therewith
- (p) “**Beacon No-Interest Letter**” means substantially the form of letter attached hereto as Schedule 1.1(p).

- (q) **“Beacon Portfolio”** means those Customer Loans acquired by Beacon pursuant to the Beacon Documents.
- (r) **“Beacon Sale”** means a Borrower sale of Customer Loans to Beacon pursuant to the Beacon Documents.
- (s) **“Beacon Sale Compliance Certificate”** means a certificate in the form of Schedule 1.1(s).
- (t) **“Black Book Value”** means the value of a vehicle in the lowest value category as attributed by Canadian Black Book, a publication of Wm. Ward Publishing Ltd.
- (u) **“Blocked Account Agreement”** means the springing blocked account agreement among the Borrower, the Lender and The Toronto-Dominion Bank dated the date hereof, in respect of the Bank Account.
- (v) **“Borrower”** means 2400918 Ontario Inc., a corporation formed under the laws of Ontario.
- (w) **“Business Day”** means a day of the year, other than Saturday, Sunday, a statutory holiday or any other day upon which the Lender is not open for the transaction of business throughout normal business hours at its principal office in Toronto, Ontario.
- (x) **“Business Model”** means the Borrower’s business model of providing Customer Loans which are secured by first ranking liens under the *Repair Act*.
- (y) **“Canadian Dollars”, “Cdn. Dollars”, “Cdn. \$” and “\$”** mean the lawful money of Canada.
- (z) **“Capital Expenditure”** means any expenditure for fixed or capital assets that would be classified as a capital expenditure in accordance with GAAP, and includes, with respect to a particular period, that portion of Capitalized Lease Obligations originally incurred in such period which are capitalized.
- (aa) **“Capital Leases”** means with respect to any Person, all agreements for the lease or rental of real or personal property of such Person as lessee that in accordance with GAAP are required to be classified and accounted for as capital leases.
- (bb) **“Capitalized Lease Obligations”** means, with respect to any Person, all monetary obligations under Capital Leases.
- (cc) **“Capital Stock”** means, with respect to any Person, any and all shares, stock or units of, interests, participations or rights in, or other equivalents (however designated and whether voting and non-voting) of, such Person’s capital, whether outstanding on the date hereof or issued after the date hereof, including any interest in a partnership, limited partnership, limited liability company or other similar Person and any beneficial interest in a trust, and any and all rights, warrants, debt securities, options or other rights exchangeable for or convertible into any of the foregoing.

- (dd) **“Closing Date”** means June 30, 2017.
- (ee) **“Collection Fee”** a fee charged by the Borrower to cover the administrative and out-of-pocket costs of repossession of a Subject Vehicle.
- (ff) **“Compliance Certificate”** means a certificate in the form of Schedule A attached hereto and made a part hereof.
- (gg) **“Constating Documents”** means, with respect to any Person, its articles or certificate of incorporation, amendment, amalgamation, continuance or association, memorandum of association, by laws, declaration of trust, trust indenture, partnership agreement, limited liability company agreement or other similar document, as applicable, and all unanimous shareholder agreements, other shareholder agreements, voting trust agreements and similar arrangements, all as amended, supplemented, restated or replaced from time to time.
- (hh) **“Contract”** means any agreement, contract, indenture, Lease, deed of trust, licence, option, undertaking, promise or any other commitment or obligation in writing, other than a Permit.
- (ii) **“Current Assets”** means, at any time, that amount equal to the aggregate value of all assets of the Borrower which may properly be classified as current assets in accordance with GAAP other than Intangible Assets.
- (jj) **“Current Liabilities”** means, at any time, that amount equal to the aggregate of the value of all liabilities of the Borrower which may properly be classified as current liabilities in accordance with GAAP, and including that portion of all Debt of the Borrower which will be maturing within one (1) year of the date such liabilities are calculated.
- (kk) **“Current Ratio”** means the ratio of the amount of Current Assets to Current Liabilities.
- (ll) **“Customer Loan”** means a consumer loan advanced by the Borrower to a customer, typically of 36 months or shorter duration, to finance repairs in a motor vehicle owned or leased by that customer.
- (mm) **“Customer Loan Book to Total Funded Unsubordinated Debt Ratio”** means, as of a calculation date, the ratio of cash on hand plus aggregate Eligible Customer Loans, to Total Funded Unsubordinated Debt.
- (nn) **“Debt”** means, with respect to any Person, without duplication and without regard to any uncapped interest component thereof (whether actual or imputed) that is not due and payable, the aggregate of the following amounts, each calculated in accordance with GAAP (whether or not recognized on the balance sheet and/or disclosed in the notes of the financial statements), unless otherwise expressly described:
 - (i) all obligations (including, without limitation, by way of overdraft and drafts or orders accepted representing extensions of credit) that would be considered to be indebtedness for money borrowed, and all obligations (whether or not with

respect to the borrowing of money) that are evidenced by bonds, debentures, notes or other similar instruments;

- (ii) the face amount of all bankers' acceptances and similar instruments;
- (iii) all liabilities for credit extended to such Person upon which interest charges are customarily paid by that Person;
- (iv) all obligations under Capital Leases, synthetic lease obligations, obligations under sale and leaseback transactions and deferred purchase money obligations to the extent that such obligations are required by GAAP to be treated as a liability on a balance sheet of the Person;
- (v) the amount of all contingent liabilities in respect of letters of credit, letters of guarantee and similar instruments issued at the request or for the benefit of such Person;
- (vi) Capital Stock which in accordance with GAAP is not included in shareholders' equity;
- (vii) in respect of all Swap Transactions, the amount, if any, that the Person would be required to pay in order to terminate such agreements as a result of the Person being "out of the money" on a mark to market valuation of the relevant Swap Transactions, net of amounts payable to the Person as a result of the Person being "in the money" on a mark to market valuation of the relevant Swap Transactions;
- (viii) contingent liabilities in respect of performance bonds and surety bonds, and any other contingent liability, in each case only to the extent that such contingent liability is required by GAAP to be treated as a liability on a balance sheet of the Person contingently liable;
- (ix) the amount of the contingent liability under any guarantee in any manner of any part or all of an obligation of another Person of the type included in items (i) through (viii) above;

and, for greater certainty, includes Permitted Obligations to the extent that the Permitted Obligations fall within any of the foregoing categories; provided that trade payables, operating Leases and endorsements of negotiable instruments for collection or deposit incurred, entered into or made in the ordinary course of business do not constitute Debt, and further provided that with respect to the Loan for the purpose of the definition of Debt, it shall not be measured according to GAAP but rather by the contractual principal amount thereof that remains unpaid and it shall not be adjusted by the effective interest rate method or other GAAP recognition methodology on account of the warrants issued or issuable to the Lender nor adjusted at some future date on account of a change in prevailing interest rates in the economy.

- (oo) **"Discharge Fee"** means all administrative fees charged on Customer Loans by the Borrower as at the initial loan date that are not collected in cash at that time but excluding

Gross-Up Fees, which fees have historically been recorded in the Borrower's accounting records in Casitron account number 3500.

- (pp) **"Eligible Customer Loan"** means a Customer Loan which is not an Excluded Customer Loan, and which is secured by a valid, effective, perfected and first ranking priority lien pursuant to the Repair Act in the Subject Vehicle in favour of the Borrower, provided that only that portion of an otherwise Eligible Customer Loan up to 80% of the Black Book Value of the Subject Vehicle shall be considered an Eligible Customer Loan.
- (qq) **"EBITDA"** means, without duplication, for any period, Net income (excluding extraordinary gains or losses and non-cash write-downs or write-ups of asset values) before Interest Expense, income taxes, depreciation and amortization.
- (rr) **"Encumbrance"** means:
 - (i) with respect to any Property, any mortgage, deed of trust, lien, pledge, hypothec, hypothecation, encumbrance, charge, assignment, consignment, security interest, adverse claim or defect of title in, on or of the Property;
 - (ii) the interest of a vendor or lessor under any conditional sale agreement, capital Lease or title retention agreement relating to an asset;
 - (iii) any purchase option, call or similar right of a third party in respect of any Property;
 - (iv) any netting arrangement, set off arrangement, defeasance arrangement or other similar arrangement arising by Contract (other than customary netting arrangements under Swap Transactions and customary bankers' liens); and
 - (v) any other agreement, trust or arrangement having the effect of security for the payment or performance of any debt, liability or obligation,

and **"Encumbrances"**, **"Encumbrancer"**, **"Encumber"** and **"Encumbered"** shall have corresponding meanings.

- (ss) **"Environmental Laws"** means all Applicable Laws or any parts thereof pertaining to the environment, Hazardous Material and health and safety.
- (tt) **"Event of Default"** means any of the events or circumstances described in Section 7.1.
- (uu) **"Excluded Customer Loan"** means any Customer Loan which, without duplication:
 - (i) is overdue in accordance with its terms by more than 5 days;
 - (ii) is subject to litigation, concessions, offsets, deductions, contras, chargebacks or other arrangements that in any way could reasonably be expected to adversely affect the payment of, or the amount of, such Customer Loan;

- (iii) to the extent that any defence, counterclaim, set-off, holdback or dispute is asserted in respect of such Customer Loan by the debtor or where the debtor has a warranty or other right to refuse to pay the Customer Loan;
 - (iv) is due from any debtor which has made a general assignment for the benefit of his, or her or its creditors, consented to or applied for the appointment of a receiver, trustee, custodian, liquidator for himself or herself or itself or any of his or her or its property, or which has commenced proceedings or in respect of which proceedings have been commenced under any Applicable Laws relating to any bankruptcy, liquidation or reorganization laws;
 - (v) has been transferred to Beacon in accordance with the Beacon Documents and the Beacon Agreement;
 - (vi) (A) is owing by any debtor that is not resident or domiciled, or whose chief executive or registered office is not located in Canada, and (B) is payable in any currency other than Canadian Dollars;
 - (vii) (A) upon which the Borrower's right to receive payment is not absolute or is contingent upon the fulfilment of any condition whatsoever, or (B) as to which such the Borrower is not able to bring suit or otherwise enforce its remedies against the debtor through judicial process; or
 - (viii) is specifically identified by the Lender, in its sole discretion, acting reasonably, as being unacceptable for inclusion in the Customer Loan Book To Total Funded Unsubordinated Debt Ratio.
- (vv) **"Excluded Tax"** means:
- (i) any income or capital Tax now or hereafter imposed, levied, or assessed on or against the Lender by any applicable Governmental Authority in Canada or any other jurisdiction in which the Lender is subject to Tax as a result of the Lender (i) carrying on or having carried on a trade or business in such jurisdiction or being deemed to do so, or having a permanent establishment in such jurisdiction; (ii) being organized under the laws of such jurisdiction; (iii) being or having been resident or deemed to be resident in such jurisdiction; or (iv) not dealing at arm's length, as defined in the *Income Tax Act* (Canada), with the Borrower, provided that in no event shall any sales, goods or services or similar Tax with respect to any goods or services made available by the Lender to the Borrower under this Agreement or any withholding tax be an Excluded Tax within paragraph (a) of this definition, or
 - (ii) any Tax now or hereafter imposed, levied, or assessed against the Lender otherwise than as a result of the transactions, payments or events described in the Loan Documents and in respect of which a payment is made by the Borrower to a Governmental Authority pursuant to a garnishment, requirement to pay or similar legal proceeding.

- (ww) **"Fountain"** means Fountain Asset Corp., a Canada corporation with an office at 25 Adelaide Street East, Suite 1300, Toronto, Ontario.
- (xx) **"Fountain Loan Agreement"** means that certain agreement pursuant to which Fountain advances sums to the Borrower, dated the 20th day of December, 2013.
- (yy) **"Fountain Loan"** means those amounts advanced by Fountain to the Borrower pursuant to the Fountain Loan Agreement, for the sole purpose of funding the advance of Customer Loans by the Borrower, and for a term comprised of the period commencing on the date of such advance and ending on the date when such Customer Loans generate a financial return for the Business, whether through payments on such loans or the sale of such loans to Beacon, or otherwise, which term is generally expected to be no greater than 90 days.
- (zz) **"Fountain Subordination and Postponement Agreement"** means that certain subordination and postponement agreement between the Lender, the Borrower and Fountain dated the date hereof.
- (aaa) **"Fiscal Period"** means, with respect to any Person, the twelve (12) month period ending on December 31.
- (bbb) **"Fixed Charge Coverage Ratio"** means the ratio calculated as of the end of each of the Borrower's fiscal quarters by dividing:
- (i) the Borrower's EBITDA as at the end of such fiscal quarter for the prior twelve months; less the aggregate of (A) cash income taxes; (B) Shareholder Distributions and (C) Unfunded Capital Expenditures, all as at the end of such fiscal quarter for the prior twelve months
- by
- (ii) as at the end of such fiscal quarter, the aggregate, without duplication, of the prior twelve months':
- (A) Interest Expense; and
- (B) principal payments on any Debt (but, for greater certainty, excluding any voluntary prepayments of principal on Total Funded Unsubordinated Debt and excluding any Debt principal repaid as a use of proceeds pursuant to Section 2.3).
- (ccc) **"GAAP"** means the accounting principles under Accounting Standards for Private Enterprise adopted by the Canadian Professional Accountants Institute or any successor body that are in effect from time to time in Canada.
- (ddd) **"Governmental Authority"** means any domestic or foreign government, whether federal, provincial, state, territorial, local, regional or municipal government or other political jurisdiction, and any agency, authority, instrumentality, court, tribunal, board,

commission, bureau, arbitrator, arbitration tribunal or other tribunal, or any quasi-governmental or other entity, in so far as it exercises a legislative, judicial, regulatory, administrative, expropriation or taxing power or function of or pertaining to government, including a minister of the crown, any central bank, Superintendent of Financial Institutions or other comparable authority or agency.

- (eee) **“Gross-Up Fee”** means the amount of the Initial Customer Loan Balance on the initial date of the Customer Loan, less any amounts the Borrower is required to pay to the Person who did the repair work on the vehicle to which the Customer Loan relates. Historically Gross-Up Fees have been recorded in the Borrower’s accounting system in Casitron account number 3200.
- (fff) **“Growth Incentive Plan”** means a growth incentive plan for certain stakeholders of the Borrower, pursuant to which 20% of Operating Cash Flow is made available for distribution annually to such stakeholders, following completion of the Borrower’s audit and based on the annual operating results of such audited financial statements, the particulars of which are set out in Schedule 1.1(fff).
- (ggg) **“Growth Incentive Plan Distribution Conditions”** means:
 - (i) The Borrower has delivered a certificate to the Lender after the completion of the audited annual financial statements of the Borrower, with requisite back-up materials, which states that, as of the end of the calendar month immediately prior to the date of such certificate,
 - (A) the Borrower has sufficient cash to make a distribution under the Growth Incentive Plan after reserving sufficient cash to discharge all Current Liabilities,
 - (B) such distribution will not reduce the Borrower’s capital base for Customer Loans (the sum of cash plus Customer Loans on the balance sheet of the Borrower that have not been sold to Beacon) below the aggregate of (i) \$2.75 million plus (ii) the outstanding principal amount of the Loan at the time of calculation, and
 - (C) the Borrower shall not, if it makes such distribution, be in breach of any covenant of this Agreement; and
 - (ii) the Lender shall participate in the Growth Incentive Plan to the extent of 50% of its ownership position of the Borrower, including the Lender Warrants, on an as-converted basis.
- (hhh) **“Guarantee”** means, with respect to a Person, any absolute or contingent liability of that Person under any guarantee, agreement, endorsement (other than for collection or deposit in the ordinary course of business), discount with recourse or other obligation to pay, purchase, repurchase or otherwise be or become liable or obligated upon or in respect of any Debt and/or trade payables of any other Person, and including any absolute or contingent obligations to:

- (i) advance or supply funds for the payment or purchase of any Debt and/or trade payables of any other Person;
- (ii) purchase, sell or lease (as lessee or lessor) any property, assets, goods, services, materials or supplies primarily for the purpose of enabling any other Person to make payment of Debt and/or trade payables or to assure the holder thereof against loss; or
- (iii) indemnify or hold harmless any other Person from or against any losses, liabilities or damages, in circumstances intended to enable such other Person to incur or pay any Debt and/or trade payables or to comply with any agreement relating thereto or otherwise to assure or protect creditors against loss in respect of such Debt and/or trade payables.

Each Guarantee shall be deemed to be in an amount equal to the amount of the obligations in respect of which the Guarantee is given, unless the Guarantee is limited to a determinable amount in which case the amount of the Guarantee shall be deemed to be the lesser of the amount of the obligations in respect of which the Guarantee is given and such determinable amount.

- (ii) **“Hazardous Materials”** means any substance, product, waste, residue, pollutant, material, chemical, contaminant, dangerous good, constituent or other material which is or becomes listed, regulated, defined or addressed under or subject to any Environmental Law or any applicable Permit issued under any Environmental Law, including asbestos, and polychlorinated biphenyls.
- (jjj) **“Indemnities”** has the meaning defined in Section 9.6(2).
- (kkk) **“Initial Customer Loan Balance”** means, for purposes of the Growth Incentive Plan, the amount of the Customer Loan, on the initial date of such loan, that is used to calculate the customer’s monthly payments on such Customer Loan, and for greater clarity, the “Initial Customer Loan Balance” is the amount before any Discharge Fees are added.
- (lll) **“Intangible Assets”** means the following assets now or hereafter owned or acquired by the Borrower:
 - (i) all Intellectual Property;
 - (ii) all goodwill;
 - (iii) any expenditures which have been capitalized instead of expensed, all in accordance with GAAP;
 - (iv) all deferred charges (including, without limitation, financing charges); and
 - (v) all advances to Related Parties.
- (mmm) **“Intellectual Property”** means patents, trade-marks, service marks, trade names, copyrights, trade secrets, industrial designs and other similar rights.

- (nnn) **“Interest Expense”** means all finance charges for all obligations of the Borrower to any person, calculated in accordance with GAAP.
- (ooo) **“Inventory Delta”** means, with respect to a Fiscal Period, the difference between (i) the value on the Borrower’s books of Vehicle Inventory plus uncollected accounts receivable for sold Vehicle Inventory for the most recent Fiscal Period, minus (ii) such value for the immediately prior Fiscal Period.
- (ppp) **“Lease”** means any lease, sublease, offer to lease or sublease, occupancy or tenant agreement and lease or sublease amending agreement, and **“Leased”** shall have a corresponding meaning.
- (qqq) **“Leased Properties”** means the Properties leased by the Borrower as more particularly described in Schedule 1.1(qqq).
- (rrr) **“Lender Warrants”** means those certain warrants granted the Lender pursuant to the Warrant Agreement.
- (sss) **“Life Insurance Policy”** means a current, valid and fully paid key man life insurance policy in the amount of at least One Million Two Hundred Fifty Thousand Dollars (\$1,289,000) that insures the life of Mark Wilson and that is issued by a carrier and otherwise is in form and substance acceptable to the Lender, in its reasonable discretion.
- (ttt) **“Loan”** means the non-revolving loans made by the Lender in its sole and absolute discretion in favour of the Borrower pursuant to Article 2 of this Agreement.
- (uuu) **“Loan Documents”** means this Agreement, all Security, the Fountain Subordination and Postponement Agreement, the Warrant Agreement, the Beacon Agreement, the Blocked Account Agreement, and all other documents executed by the Borrower from time to time relating to the Loan.
- (vvv) **“Material Adverse Effect”** means any material adverse change in or effect on (a) the business, assets, liabilities, financial condition, results of operations or prospects of the Borrower taken as a whole; (b) the ability of the Borrower to observe, perform or comply with its obligations under any of the Loan Documents or Material Contracts; or (c) the rights and remedies of the Lender under any of the Loan Documents or Material Contracts.
- (www) **“Material Contract”** means:
- (i) any Contract (or group of related Contracts) for the lease of personal property to or from any Person providing for lease payments in excess of \$50,000 per annum;
 - (ii) any Contract concerning an investment or interest in a limited liability company, partnership, joint venture, or similar arrangement;

- (iii) any Contract (or group of related Contracts) under which the Borrower has created, incurred, assumed, or guaranteed any liability for borrowed money or any capitalized lease in excess of \$50,000 or under which it has imposed or suffered to exist an Encumbrance on any of its assets;
 - (iv) any Contract purporting to limit the right of the Borrower to engage or compete in any line of business;
 - (v) any profit sharing, stock option, stock purchase, stock appreciation, deferred compensation, severance, or other similar Contract for the benefit of the Borrower's current or former directors, officers, and employees;
 - (vi) any collective bargaining Contract;
 - (vii) any Contract of the Borrower for the employment of any individual on a full-time, part-time, consulting, or other basis providing severance benefits and/or providing total annual compensation, including benefits, in excess of \$100,000;
 - (viii) any Contract under which the Borrower has advanced or loaned or guaranteed any loan in any amount to any of its directors or officers or to the Company or its employees; and
 - (ix) any other Contract (or group of related Contracts) the performance of which involves consideration in excess of \$50,000.
- (xxx) **"Maturity Date"** means sixty (60) months from the Closing Date.
- (yyy) **"Net Income"** has the meaning ascribed to that term under GAAP.
- (zzz) **"Non-Cash Revenue"** means, with respect to a Fiscal Period, the sum of: 20% of aggregate Discharge Fees for such period, 66% of Gross-Up Fees for such period, and 40% of Collection Fees for such period.
- (aaaa) **"Obligations"** means all obligations of the Borrower to the Lender under or in connection with this Agreement, including but not limited to all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Borrower to the Lender in any currency or remaining unpaid by the Borrower to the Lender in any currency under or in connection with this Agreement, whether arising from dealings between the Lender and the Borrower or from any other dealings or proceedings by which the Lender may be or become in any manner whatever a creditor of the Borrower under or in connection with this Agreement, and wherever incurred, and whether incurred by the Borrower alone or with another or others and whether as principal or surety, and all interest, fees, legal and other costs, charges and expenses.
- (bbbb) **"Operating Cashflow"** means, with respect to any given Fiscal Period, Net Income minus Non-Cash Revenue, minus the Inventory Delta.

- (cccc) “**Pending Event of Default**” means an event which would constitute an Event of Default hereunder, except for satisfaction of any requirement for giving of notice, lapse of time, or both, or any other condition subsequent to such event.
- (dddd) “**Pension Plan**” means (a) a “pension plan” or “plan” which is a “registered pension plan” as defined in the *Income Tax Act* (Canada) or pension benefits standards legislation in any jurisdiction of Canada and is applicable to employees resident in Canada of the Borrower; and (b) any other defined benefit, supplemental pension benefit plan or similar arrangement applicable to any employee of the Borrower, but excluding the Quebec Pension Plan administered by the Province of Quebec and the Canada Pension Plan maintained by the Government of Canada.
- (eeee) “**Permits**” means licences, certificates, authorizations, consents, registrations, exemptions, permits, attestations, approvals, characterization or restoration plans, depollution programmes and any other approvals required by or issued pursuant to any Applicable Law, in each case, against a Person or its Property which are made, issued or approved by a Governmental Authority.
- (ffff) “**Permitted Encumbrances**” means, with respect to any Person, the following:
- (i) Encumbrances for Taxes (i) for which instalments have been paid based on reasonable estimates pending final assessments, or (ii) not yet due or, if due, the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person and either (x) adequate provision has been made for the payment of the obligations secured or intended to be secured by the Encumbrance or (y) the applicable Encumbrances do not in the aggregate have a Material Adverse Effect;
 - (ii) Encumbrances arising solely by virtue of any statutory or common law provision relating to banker’s liens, rights of combination of accounts or similar rights in the ordinary course of conducting day-to-day banking business in relation to deposit accounts or other funds maintained with a creditor depository institution;
 - (iii) Encumbrances in favour of the Lender created by the Security; and
 - (iv) Encumbrances set out on Schedule 1.1(ffff)(iv).
- (gggg) “**Permitted Obligations**” means:
- (i) the Secured Obligations;
 - (ii) obligations of the Borrower with respect to the Subordinated Debt;
 - (iii) debts, liabilities and obligations secured by Permitted Encumbrances, other than the Security;
 - (iv) current accounts payable of the Borrower incurred in the ordinary course of business, the payment of which is not overdue by more than thirty (30) days

under the applicable supplier's payment terms, accrued expenses and other similar debts, liabilities and obligations (including operating Lease and employee obligations) incurred in the ordinary course of business which do not constitute Debt;

- (v) current and deferred taxes;
 - (vi) other debts, liabilities and obligations set out on Schedule 1.1(gggg)(vi); and
 - (vii) other debts, liabilities and obligations expressly consented to by the Lender in writing.
- (hhhh) **"Person"** and **"person"** is to be broadly interpreted and includes an individual, a corporation, a partnership, a joint venture, a trust, an association, an unincorporated organization, a Governmental Authority, an executor or administrator or other legal or personal representative, or any other juridical entity.
- (iiii) **"Priority Payables"** means, at any time, the amount due and owing (whether or not past due) by the Borrower or for which it has an obligation to remit to a Governmental Authority pursuant to any Applicable Law in respect of which any Governmental Authority may claim an Encumbrance or other claim ranking or capable of ranking prior to or *pari passu* with the Security (or interests similar thereto under Applicable Law) against all or part of the assets which are the subject of the Security including, without limitation, in respect of pension fund obligations, employment insurance, GST, HST, sales taxes and other taxes payable or to be remitted or withheld, employee withholdings, vacation pay, employee salaries and wages, workers' compensation assessment, municipal taxes and claims by public utilities and other like charges and demands.
- (jjjj) **"Property"** means, with respect to any Person, any or all of its undertaking, property and assets.
- (kkkk) **"Related Party"** means, in relation to any Person, a "related party" in respect of such Person within the meaning of Multilateral Instrument Rule 61-101 as in force and adopted in the Province of Ontario.
- (llll) **"Repair Act"** means the Repair and Storage Liens Act (Ontario).
- (mmmm) **"Repair Act Lien"** means, with respect to a vehicle, a first ranking lien in such vehicle under the Repair Act.
- (nnnn) **"Restricted Payment"** means, with respect to any Person, any payment by such Person: (i) of any principal of, or interest or premium on, any Debt of such Person ranking in right of payment subordinate to any liability of such Person under the Loan Documents (including any Subordinated Debt), or (ii) of any principal of, any Debt of such Person to a shareholder of such Person or to any non-arm's length party (within the meaning of the *Income Tax Act* (Canada) of such Person or shareholder.
- (oooo) **"Schedule"** means the designated Schedule of this Agreement.

- (pppp) “**Section**” means the designated section of this Agreement.
- (qqqq) “**Secured Obligations**” means the Obligations.
- (rrrr) “**Security**” means the guarantees and security held from time to time by or on behalf of the Lender, securing or intended to secure or support repayment of any of the Secured Obligations, including, without limitation, the security and guarantees described in Section 3.1 from time to time.
- (ssss) “**Shareholder Distribution**” means, with respect to any Person, any payment by such Person: (i) of any shareholder advances, dividends, share redemptions, equity distributions, share buybacks, or the Growth Incentive Plan; and/or (ii) of any: (A) management, consulting or similar fee or any bonus payment or comparable payment, but excluding the Wilson Management Fees, or (B) by way of gift or other gratuity, or (C) for services rendered, property leased or acquired, or for any other reason, in each case, to any Related Party or any non-arm’s length party (within the meaning of the *Income Tax Act* (Canada) of such Person (except in the ordinary course of business at prices and on terms and conditions not less favourable to such Person than could be obtained on an arm’s-length basis from unrelated third parties).
- (tttt) “**Subject Vehicle**” means a vehicle which is the subject of a Customer Loan.
- (uuuu) “**Subordinated Debt**” means, at any time, Debt of the Borrower (i) the primary terms of which (including, without limitation, its interest rate, payment schedule, maturity date and applicable acceleration rights and the proposed use of such funds) are all satisfactory to the Lender in its sole discretion, (ii) which has been validly postponed and subordinated in right of payment and collection to the repayment in full of the Obligations to the satisfaction of the Lender in its sole discretion, and (iii) all security, if any, held for such Debt has been fully subordinated and postponed to the Security to the satisfaction of the Lender in its sole discretion, and, for greater clarity, includes the Fountain Loan.
- (vvvv) “**Subsidiary**” means, with respect to a Person, a subsidiary of such Person as defined in the *Business Corporations Act* (Ontario) (determined as if each such Person was a body corporate), and any other Person in which the Person or any Subsidiary of the Person has the right, directly or indirectly, through one or more intermediaries, to make or control management decisions.
- (wwww) “**Swap Transaction**” means any interest rate swap, basis swap, forward rate transaction, currency hedging or swap transaction, cap transaction, floor transaction, collar transaction or other similar transaction, whether with respect to interest rates, currencies, equities, commodities (including natural gas, electricity, diesel fuel, home heating fuel or distillates or any other petroleum based products) or otherwise, or any option with respect to such a transaction or combination of any such transactions.
- (xxxx) “**Taxes**” means all taxes, levies, imposts, stamp taxes, duties, deductions, withholdings and similar governmental impositions payable, levied, collected, withheld or assessed to

or by any Governmental Authority under Applicable Law and all interest, charges and penalties in respect thereof, and “**Tax**” shall have a corresponding meaning.

- (yyyy) “**Total Funded Unsubordinated Debt**” means, without duplication, the aggregate principal amount (including capitalized interest) of Debt for borrowed money incurred by the Borrower including Priority Payables and Debt for borrowed money evidenced by notes, bonds, debentures, documents, instruments, agreements, or electronic or manual accounting entries, the Capitalized Lease Obligations, the principal amount (including capitalized interest) of Secured Obligations, accrued but unpaid interest and any Guarantees of such Debt of other Persons, but excluding the Subordinated Debt.
- (zzzz) “**Unfunded Capital Expenditures**” means those Capital Expenditures of the Borrower which have not been funded by either debt or equity proceeds raised specifically for such Capital Expenditures.
- (aaaaa) “**Vehicle Inventory**” means, with respect to a Fiscal Period of the Borrower, any vehicles which have been successfully repossessed from customers who or which have defaulted under Customer Loans, and are being held by the Borrower for resale.
- (bbbbbb) “**Warrant Agreement**” means an agreement dated the date hereof between the Borrower and the Lender pursuant to which the Lender is granted a warrant for Capital Stock in the Borrower.
- (ccccc) “**Wilson Management Fees**” means the amount of \$250,000 per annum excluding HST, payable to Mark Wilson pursuant to a Management Agreement between Mark Wilson and the Borrower dated the date hereof.
- (dddddd) “**Welfare Plan**” means any life, medical, health, dental, hospitalization, disability, travel, accident, accidental health and dismemberment insurance or other employee benefit or welfare plan, agreement or arrangement, other than a Pension Plan, applicable to any employee of the Borrower, whether or not insured and whether or not subject to any Applicable Laws, but excludes any statutory plans with which the Borrower is required to comply, including the Canada Pension Plan, the Quebec Pension Plan or plans administered pursuant to applicable provincial health, workers’ compensation and employment insurance legislation.

1.2 Construction

This Agreement has been negotiated by each party with the benefit of legal representation and any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not apply to the construction or interpretation of this Agreement.

1.3 Certain Rules of Interpretation

In this Agreement:

- (a) the division into sections and other subdivisions thereof and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;
- (b) unless specified otherwise or the context otherwise requires:
 - (i) references to any Section or Schedule are references to the Section of, or Schedule to, this Agreement;
 - (ii) “including” or “includes” means “including (or includes) but not limited to” and shall not be construed to limit any general statement preceding it to the specific or similar items or matters immediately following it;
 - (iii) references to Contracts, agreements or instruments, unless otherwise specified, are deemed to include all present and future amendments, supplements, restatements or replacements to or of such Contracts, agreements or instruments, provided that such amendments, supplements, restatements or replacements to or of such Contracts, agreements or instruments have been, if applicable, approved or consented to and otherwise made in accordance with the provisions of this Agreement;
 - (iv) references to any legislation, statutory instrument or regulation or a section or other provision thereof, unless otherwise specified, is a reference to the legislation, statutory instrument, regulation, section or other provision as amended, restated or re-enacted from time to time;
 - (v) references to anything includes the whole or any part of that thing and a reference to a group of things or Persons includes each thing or Person in that group;
 - (vi) references to Person includes that Person’s successors and permitted assigns;
 - (vii) all references to specific times are references to Toronto time; and
 - (viii) words in the singular include the plural and vice versa and words in one gender include all genders.

1.4 Accounting Terms

Except as otherwise expressly provided, wherever in this Agreement reference is made to GAAP or to a calculation to be made or an action to be taken in accordance with generally accepted accounting principles, such reference will be deemed to be to GAAP as at the date on which such calculation or action is made or taken or required to be made or taken in accordance with GAAP applied on a consistent basis. Notwithstanding the foregoing and subject to the last paragraph of Section 6.2(1), it is acknowledged and agreed that should GAAP change so as to permit consolidation of economic interests held in other Persons, the parties will negotiate such changes to the financial covenants and calculations set forth herein and all definitions relating thereto as may be required, each party acting reasonably, in order that such financial covenants and calculations as interpreted in accordance with then current GAAP be applied on a consistent basis.

1.5 Capitalized Terms

All terms used in any of the Loan Documents (other than this Agreement) which are defined in this Agreement shall have the meaning defined herein unless otherwise defined in the other Loan Document.

1.6 Currency

All payments made hereunder shall be made in the currency in respect of which the obligation requiring such payment arose. Unless the context otherwise requires, all amounts expressed in this Agreement in terms of money shall refer to Canadian Dollars.

1.7 Maximum Interest Rate.

- (1) In the event that any provision of this Agreement would oblige the Borrower to make any payment of interest or any other payment which is construed by a court of competent jurisdiction to be interest in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by the Lender of interest at a criminal rate (as such terms are construed under the Criminal Code (Canada)), then notwithstanding such provision, such amount or rate shall be deemed to have been adjusted nunc pro tunc to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in a receipt by the Lender of interest at a criminal rate, such adjustment to be effected, to the extent necessary, as follows:
 - (i) firstly, by reducing the amount or rate of interest required to be paid under Sections 2.8 or 2.9 or 9.8 of this Agreement; and
 - (ii) thereafter, by reducing any fees, commissions, premiums and other amounts which would constitute interest for the purposes of Section 347 of the *Criminal Code* (Canada);
- (2) If, notwithstanding the provisions of Subsection (1) and after giving effect to all adjustments contemplated thereby, the Lender shall have received an amount in excess of the maximum permitted by such clause, then such excess shall be applied by the Lender to the reduction of the principal balance of the Outstanding Principal and not to the payment of interest or if such excessive interest exceeds such principal balance, such excess shall be refunded to the Borrower; and
- (3) Any amount or rate of interest referred to in this Section shall be determined in accordance with generally accepted actuarial practices and principles at an effective annual rate of interest over the term of this Agreement on the assumption that any charges, fees or expenses that fall within the meaning of "**interest**" (as defined in the Criminal Code (Canada)) shall, if they relate to a specific period of time, be prorated over that period of time and otherwise be prorated over the terms of this Agreement and, in the event of dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by the Lender shall be conclusive for the purposes of such determination.

1.8 Schedules

The Schedules attached to and forming part of this Agreement are as follows:

Schedule A – Compliance Certificate
 Schedule 1.1(l) – Bank Accounts
 Schedule 1.1(p) – Beacon No Interest Letter
 Schedule 1.1(s) – Beacon Sale Compliance Certificate
 Schedule 1.1(fff) – Growth Incentive Plan
 Schedule 1.1(qqq) – Leased Properties
 Schedule 1.1(ffff)(iv) – Permitted Encumbrances
 Schedule 1.1(gggg)(vi) – Permitted Obligations
 Schedule 2.3 – Other Lenders of the Borrower
 Schedule 5.1(4)(A) – Business, Property and Material Contracts
 Schedule 5.1(4)(H) – Untransferred Customer Loans
 Schedule 5.1(6)(A) – Taxes
 Schedule 5.1(6)(B) – Withholdings
 Schedule 6.3(4)(C) – Corporate Matters
 Schedule 6.3(4)(D) – Ownership and Control

ARTICLE 2 LOAN

2.1 Amount and Availment Options

Upon and subject to the terms and conditions of this Agreement, the Lender agrees to establish for the use of the Borrower a credit facility by way of a single advance in the amount of One Million Two Hundred Eighty-Nine Thousand Dollars (\$1,289,000.00), and the Additional Credit.

2.2 Non-Revolving Loan

The Loan is a non-revolving fixed rate term loan. The principal amount of the Loan that is repaid may not be re-borrowed.

2.3 Use of Loan

The Loan shall be used only to: (i) repay \$300,000.00 of maturing notes payable to Fountain Asset Corp.; (ii) repay 100% of the debt owing to all lenders to the Borrower (other than Fountain Asset Corp.) in the amount of \$380,000, as more particularly set out in Schedule 2.3, and (iii) to make Customer Loans under the Business Model.

2.4 Term and Repayment

All Obligations in respect of the Loan shall be due and payable on the Maturity Date, and payments in respect of principal shall be due and payable at the end of each calendar quarter for so long as any amount of the Loan is outstanding as follows:

Calendar Quarter	Amount of Original Principal Amount Due
Until the calendar quarter ending June 30, 2020	None (i.e. Interest Only)
Commencing with the calendar quarter ending September 30, 2020 through the calendar quarter ending March 31, 2022	An amount of principle equal to 3.75% of the aggregate principal amount advanced. For instance, if \$1.25 million is the aggregate principal amount advanced, then \$46,875 shall be repaid each quarter; if \$5 million is the aggregate principal amount advanced, then \$187,500 shall be repaid each quarter.
June 30, 2022	All remaining outstanding principal.

(each such payment, a “**Quarterly Principal Payment**”). The Loan shall, in any event, be repaid in full and cancelled on or before the Maturity Date.

2.5 Placement Fee

The Borrower shall pay to the Lender an aggregate fee for the placement of the Loan of two percent (2%) of the original principal amount of each tranche of the Loan which shall be paid (i) 1.2% on the Closing Date with respect to the principal amount of the Loan advanced on such date (reflecting credit to the Borrower for 0.8% paid in respect of such fee in connection with the execution and delivery of the Term Sheet), and (ii) 2.0% shall be paid on the Additional Credit Advance Date(s) with respect to any amounts advanced on such date(s).

2.6 Optional Pre-Payments of Principal

- (1) On notice of not less than four Business Days, the Borrower may prepay without penalty or bonus an amount of principal outstanding under the Loan at any time in minimum amounts of Two Hundred and Fifty Thousand Dollars (\$250,000). Notwithstanding the foregoing, and subject to section 2.10(5), any such prepayment of principal made prior to the end of the 36th month after the Closing Date or the Additional Credit Advance Date, as the case may be, must be paid together with the amount of interest that would have been paid through the 36th month after the Closing Date or the Additional Credit Advance Date, as the case may be, had it continued to be outstanding, at the Interest Rate (the “**Minimum Interest**”).
- (2) Any prepayment of principal will be applied in inverse order of maturity to the mandatory principal repayments required to be made pursuant to Section 2.4 above.

2.7 Payments to the Lender

Each payment under this Agreement shall be made for value at or before 1:00 p.m. (Toronto time) on the day such payment is due, provided that, if any such day is not a Business Day, such payment shall be deemed for all purposes of this Agreement to be due on the Business Day prior to such day. Unless otherwise provided or agreed between the Borrower and the Lender, all payments to be made by the

Borrower must be made to the Lender by way of wire transfer or electronic funds transfer in accordance with instructions of the Lender.

2.8 Interest

The interest rate (the “**Interest Rate**”) for the Loan will be calculated at a rate of fourteen point two five percent (14.25%) per annum calculated and due and payable on the last Business Day of each and every month from the Closing Date until the Loan and all accrued and unpaid interest is repaid by the Borrower to the Lender and, if any interest is not paid when due, it shall be capitalized monthly in arrears. In the event that the Closing Date is any day other than the first day of a calendar month, the interest for the partial month shall be pro-rated accordingly.

2.9 Interest on Overdue Amounts

Upon any payment not received by the Lender on or before its due date, or a default in the payment of principal, interest or other amount due under this Agreement, including default in payment in the event of an acceleration of Obligations pursuant to the provisions of this Agreement or otherwise, the Borrower shall pay interest on any such overdue amount both before and after judgment at a rate per annum equal to the Interest Rate plus 13.25% on the date of Event of Default, calculated on a daily basis and on the basis of the actual number of days elapsed and a 365 or 366 day year, computed from the date such amount becomes overdue for so long as such amount remains overdue. Such interest shall be payable by the Borrower upon demand by the Lender and shall be compounded on each date on which interest is to be paid pursuant to Section 2.8 above. The Borrower confirms that any such additional interest shall be considered liquidated damages of the Lender.

2.10 Additional Credit

- (1) The Borrower may, at any time and from time to time following the Closing Date up to and including the Additional Credit Availability Date and provided that no Event of Default has occurred and is continuing and that the advance of Additional Credit shall not render the Borrower non-compliant with any covenants herein including the covenants set out in Section 6.1(3), by written notice to the Lender, request that the Lender provide the Additional Credit, provided that the Additional Credit shall not exceed the aggregate amount of \$3.711 million.
- (2) The notice from the Borrower pursuant to Section 2.10(1) shall: (i) specify the requested aggregate amount of the Additional Credit (which shall not exceed \$3.711 million), (ii) specify the proposed advance date of the initial borrowing under the Additional Credit (the “**Additional Credit Advance Date**”), and (iii) be delivered not less than 60 days prior to the proposed Additional Credit Advance Date.
- (3) Within 45 days of the Lender receiving a written request pursuant to Section 2.10(1), the Lender shall confirm to the Borrower if it shall extend the Additional Credit, and the amount of Additional Credit it is willing to extend. The Lender may, in its sole and unfettered discretion, elect or decline to provide the Additional Credit. The Lender and the Borrower confirm that any amounts advanced under the Additional Credit, including any Interest owing thereon or any other payments in respect thereof, shall form Obligations under this Agreement.

- (4) The Borrower shall only use the proceeds of any Additional Credit for the purposes of making Customer Loans under the Business Model.
- (5) In the event that the Borrower meets all of the requirements set out herein for the Additional Credit, and the Lender nonetheless elects to not provide the full requested amount of Additional Credit pursuant to the terms of this Agreement, then, notwithstanding the provisions of Section 2.6 above, the Borrower may, within 120 days of receipt of the confirmation provided for in Clause (3) above, prepay all and not less than all of the Obligations outstanding under this Agreement without any Minimum Interest (provided in each case that interest shall otherwise be payable in accordance with this Agreement until and including the date of such prepayment).

ARTICLE 3 SECURITY

3.1 Security

- (1) The Security shall include the following, all in form and substance satisfactory to the Lender and subject only to Permitted Encumbrances:
 - (a) first ranking security over all present and after acquired Property of the Borrower in the form of a general security agreement;
 - (b) assignment by the Borrower of all proceeds of insurance policies of the Borrower with respect to all Property that is subject to the Security, with the Lender named as an additional insured and loss payee, as applicable, under all such insurance policies, together with certificates of all such insurance showing the Lender as an additional insured and loss payee, as applicable;
 - (c) assignment by the Borrower of all proceeds of the Life Insurance Policy;
 - (d) assignment by the Borrower of the Customer Loans and all liens in favour of the Borrower with respect thereto;
 - (e) subordination and postponement agreement of Fountain;
 - (f) subordination and postponement agreement with respect to any shareholder loans;
 - (g) the Blocked Account Agreement;
 - (h) a landlord waiver with respect to the Leased Premises;
 - (i) an assignment of contracts with respect to the rented post box on Commissioner's Rd. West in London, ON, and a key to such box; and
 - (j) such other security as is required by the Lender.

- (2) All Security shall, at the Borrower's expense, be registered, filed or recorded in all offices in such jurisdictions as the Lender may from time to time reasonably require where such registration, filing or recording is, in the opinion of the Lender, necessary or desirable for the creation, perfection or preservation of the Security.
- (3) The Borrower shall, from time to time, upon request of the Lender, execute and deliver all such further instruments of hypothecation, assignment, transfer, mortgage, pledge or charge as the Lender may reasonably request to grant the Lender valid Encumbrances intended to be created and perfected thereby. The Borrower shall promptly notify the Lender in writing (i) of any freehold real property and any leases which the Borrower may own or acquire or enter into after the Closing Date, and in each case, at any time, if requested by the Lender, provide the Lender with such security and other documents (including legal opinions), and use commercially reasonable efforts to obtain landlord consent agreements in relation to any leases, as the Lender may reasonably request for the purpose of providing security to the Lender or registering security on such Property.

3.2 Obligations Secured by the Security

The documents constituting the Security shall secure the Secured Obligations and all other indebtedness, liabilities and obligations of the Borrower to the Lender under the Loan Documents, on a *pari passu* basis, subject to the Permitted Encumbrances.

3.3 Release of Security

For all Beacon Sales made in compliance with the provisions of this Agreement including Section 6.3(3)(e), the Lender shall provide a Beacon No-Interest Letter in form attached hereto as Schedule 1.1(p) forthwith upon demand and in any event within six (6) Business Days.

In the event the Lender does not provide such requested No-Interest Letter referred to in the immediately preceding paragraph within six (6) Business Days, then, within one hundred and twenty (120) days of the expiry of the six (6) Business Day period referred to above, the Borrower may prepay all and not less than all of the Obligations outstanding under this Agreement without any Minimum Interest (provided in each case that interest shall otherwise be payable in accordance with this Agreement until and including the date of such prepayment).

In the event of any other proposed Beacon Sale where the Borrower is not in breach of any covenant and is in compliance with the terms of this Agreement prior to such sale but delivers a duly executed Beacon Sale Compliance Certificate showing non-compliance after the closing of such sale, then upon delivery to the Lender by the Borrower of such certificate and request for approval of the related Beacon Sale, the Lender shall have 6 Business Days following receipt of same to provide an executed Beacon No-Interest Letter in form attached hereto as Schedule 1.1(p), failing which then, notwithstanding the provisions of Section 2.6 above, within 120 days of the expiry of the 6 Business Day period referred to above, the Borrower may prepay all and not less than all of the Obligations outstanding under this Agreement without any Minimum Interest (provided in each case that interest shall otherwise be payable in accordance with this Agreement until and including the date of such prepayment).

3.4 Subordination

In the event that the Borrower is not in breach of any covenant and is in compliance with the terms of this Agreement, and the Borrower proposes to implement an Acceptable Warehouse Facility, has provided the Lender with a *pro forma* Compliance Certificate certifying that upon the closing of such facility the Borrower shall be in compliance with the covenants in this Agreement, has provided all legal documents related to the proposed Acceptable Warehouse Facility, and the Lender does not agree within 6 days of receipt of such Compliance Certificate and documentation to provide a no interest letter in substantially similar form as the Beacon no-Interest Letter attached hereto as Schedule 1.1(p), then, notwithstanding the provisions of Section 2.6 above, within 120 days of not receiving the notice referred to above from the Lender, the Borrower may prepay all and not less than all of the Obligations outstanding under this Agreement without any Minimum Interest (provided in each case that interest shall otherwise be payable in accordance with this Agreement until and including the date of such prepayment).

ARTICLE 4 DISBURSEMENT CONDITIONS

4.1 Conditions Precedent to Closing

The following conditions precedent must be satisfied at or before the Closing Date, unless waived by the Lender. Where delivery of documents is referred to, the documents shall be delivered to the Lender and shall be in full force and effect and in form and substance satisfactory to the Lender.

- (1) Diligence Review – The Lender shall be satisfied with its review of all of the due diligence materials provided to it.
- (2) Events of Default – No Event of Default or Pending Event of Default has occurred and is continuing, or would result from making the Loan;
- (3) Investment Committee Approval – The Lender shall have received approval of the Loan from the Lender's investment committee.
- (4) Releases from Prior Lenders – The Lender shall have received evidence that Echo Bay Strategic Yield Fund and those lenders listed in Schedule 2.3 shall have fully and finally released the Borrower.
- (5) Security and Other Documents - The Lender shall:
 - (a) have received duly executed copies of this Agreement, the Security, and the other Loan Documents, accompanied by all necessary approvals, consents, acknowledgments and ancillary agreements as may be reasonably required by the Lender, all in form and substance satisfactory to the Lender;
 - (b) have received a Compliance Certificate;
 - (c) have received an undertaking from Mark Wilson that he shall devote substantially all of his time and attention to the Business;

- (d) be satisfied that the Borrower has in place adequate insurance coverage against all relevant risks and shall have received certificates of insurance or other evidence showing that the covenants and conditions of the Loan Documents concerning insurance coverage are being complied with and, if requested by the Lender, copies of all such policies;
 - (e) be satisfied that the Security has been registered, filed or recorded in all offices in such jurisdictions as has been required by the Lender for the creation, perfection or preservation of the Security; and
 - (f) The Life Insurance Policy shall have been issued, with a copy to the Lender.
- (5) Corporate and Other Information - The Lender shall have received a certificate from the Borrower with copies of its Constatting Documents, as applicable, a list of its officers and directors, with specimens of the signatures of those who are executing Loan Documents on its behalf, and copies of the corporate proceedings taken to authorize it to execute, deliver and perform its obligations under the Loan Documents and the Lender being satisfied that all internal approvals and authorizations of the Borrower to permit it to enter into and to perform its obligations in relation thereto have been obtained; and
- (6) Opinions - The Lender shall have received the favourable legal opinion, in form and substance satisfactory to it, of Semenyei Mackenzie Group Law Firm LLP in relation to, among other things, the Borrower and the Loan Documents and such other matters as the Lender may reasonably require, addressed to the Lender and Gardiner Roberts LLP;
- (7) Other Matters - The following conditions must also be satisfied:
- (a) the Lender shall be satisfied that there has not occurred and does not exist a change of circumstances or event which has or could reasonably be expected to have a Material Adverse Effect;
 - (b) all fees and expenses payable under the Loan Documents (including the legal fees and expenses of the Lender's counsel) shall have been paid; and
 - (c) the Lender shall have received such other documents as the Lender may reasonably require.
 - (d) All inventory of repossessed vehicles where ownership has been transferred to AGT or another related party shall have a valid bill of sale at the carrying value of the loan on the Borrower's balance sheet immediately prior to such sale to properly document a valid receivable from AGT or such other related party buyer, as the case may be, with payment terms of no greater than 90 days. All receivables arising as a result of the sale of repossessed vehicles from Customer Loans originated by the Borrower shall have either been paid to the Borrower in cash, or shall have a documented undertaking from the purchasing party or, where AGT or another related party has acted as intermediary, an undertaking from AGT or such other related party, as the case may be, to pay such amount within 90 days of closing.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties

The Borrower represents and warrants to the Lender as follows:

(1) Corporate Matters

- (a) To the extent applicable, it is a duly established and validly existing corporation and has the corporate power and authority to enter into and perform its obligations under any Loan Document or Material Contract or Lease to which it is or will be a party, to own or lease its Property and to carry on its business as presently conducted.
- (b) It is qualified to carry on business in all jurisdictions in which the Property owned or Leased by it or the nature of the activities carried on by it makes such qualification necessary, except to the extent that the non-qualification or the absence of Permits would not and could not reasonably be expected to have a Material Adverse Effect.
- (c) It has all Permits required to own its Property and to carry on the business in which it is engaged and all such Permits are in good standing, except to the extent that the absence of Permits or lack of good standing of Permits would not and could not reasonably be expected to have a Material Adverse Effect.
- (d) To the extent applicable, the entering into and the performance by it of the Loan Documents and the Material Contracts and Leases to which it is or will be a party (i) have been duly authorized by all necessary corporate or other action on its part; (ii) do not, did not and will not violate its Constating Documents or any Applicable Law; (iii) do not, did not and will not result in a breach of or constitute (with the giving of notice, the lapse of time or both) a default under or require a consent under (A) any Material Contract to which it is a party or by which it or its Property is bound or (B) any other Contract or Permit or Lease to which it is a party or by which it or its Property is bound, the breach of which or default under would or could reasonably be expected to have a Material Adverse Effect; and (iv) do not, did not and will not result in the creation of any Encumbrance on any of its Property, other than pursuant to the Security or Permitted Encumbrances and will not require it to create any Encumbrance on any of its Property other than pursuant to the Security or Permitted Encumbrances and do not, did not and will not result in the forfeiture of any of its Property.
- (e) To the extent applicable, its Constating Documents do not restrict the power of its directors or trustees, as the case may be, to borrow money, to give financial assistance by way of loan, guarantee or otherwise as contemplated by the Loan Documents, or to encumber any or all of its present and future Property to secure the Secured Obligations, except for restrictions under any Constating Document which have been complied with in connection with the Loan Documents.

- (f) To the extent applicable, it is not in violation of any term of its Constatng Documents and is not in violation of any Applicable Law, Permit, Contract, the violation of which would or could reasonably be expected to have a Material Adverse Effect.
- (2) Loan Documents, etc.
 - (a) The Loan Documents and the Material Contracts to which it is or will be a party have been or will be duly executed and delivered by it (or on its behalf) and, when executed and delivered, will constitute legal, valid and binding obligations enforceable against it in accordance with their respective terms, subject to the availability of equitable remedies and the effect of bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights generally and to the fact that equitable remedies, including specific performance and injunctive relief, are discretionary and may not be ordered in respect of certain defaults.
 - (b) No Event of Default or Pending Event of Default has occurred and is continuing.
 - (c) From and after the date on which the relevant Security is delivered, the Lender will have legal, valid and enforceable security upon all of its present and future Property (as owner or lessee) subject only to Permitted Encumbrances, the availability of equitable remedies, and the effect of bankruptcy, insolvency and similar laws affecting the rights of creditors generally and recognizing that certain Property, such as Permits and Intellectual Property, may not be susceptible to the creation of a security interest.
 - (d) The Loan will not be used by, on behalf of or for the benefit of any Person other than the Borrower.
- (3) Litigation, Financial Statements and Other Matters
 - (a) As of the Closing Date, there are and will be no actions, suits, arbitration or administrative proceedings or industrial or labour disputes outstanding or, to its knowledge after having made reasonable inquiry, pending or threatened, against it which, in any such case, would or could reasonably be expected to have a Material Adverse Effect.
 - (b) The historical financial statements of the Borrower which have been furnished to the Lender in connection with this Agreement, are materially complete and fairly present the financial position of the Borrower, as of the dates and for the periods referred to therein and have been prepared in accordance with GAAP except that, in the case of monthly financial statements, notes to the statements and normal year end audit adjustments required by GAAP are not included.
 - (c) All projections, including forecasts, budgets, *pro formas* and business plans provided to the Lender under or in connection with this Agreement were prepared in good faith based on assumptions which, at the time of preparation thereof, were believed to be reasonable and, in the case of the projections most recently provided, are believed to be reasonable estimates of the prospects of the businesses referred to therein.

- (d) As of the Closing Date, it has and will have no liabilities (contingent or other) or other obligations of the type required to be included in the financial statements of the Borrower in accordance with GAAP, other than Permitted Obligations.
 - (e) It is not in default under any of the Permitted Encumbrances to an extent that such defaults, individually or in the aggregate, would or could reasonably be expected to have a Material Adverse Effect.
 - (f) No event has occurred and no fact has become known to it that has not been disclosed to the Lender in writing that has or could reasonably be expected to have a Material Adverse Effect.
 - (g) It has no obligations that are not Permitted Obligations.
- (4) Business, Property and Material Contracts
- (a) Schedule 5.1(4)(A) fully and fairly describes, as of the Closing Date, the ownership of all of its issued and outstanding Capital Stock, to the extent applicable, and of Capital Stock that it owns in other Persons, the nature of the business that it carries on, the locations of its head office (and chief executive office, if different) and the jurisdictions in which its Property (other than accounts receivable) is located. Except as set out in 5.1(4)(a), it does not have any Subsidiaries, direct or indirect, is not a partner in any partnership (general or limited) and is not a co venturer in any joint venture, as of the Closing Date.
 - (b) It maintains, or is the beneficiary of, appropriate insurance coverage that satisfies the covenants and conditions of the Loan Documents concerning insurance coverage.
 - (c) Schedule 1.1(qqq) describes all of the real Property used by the Borrower and the Borrower does not currently use any other real Property, whether in the prosecution of the business of the Borrower or otherwise.
 - (d) It has good title to all Property owned or Leased by it, free and clear from any Encumbrance, other than any Permitted Encumbrances, and no Person has any agreement with it or right to acquire an interest in any such Property.
 - (e) It does not have or administer any Pension Plan or Welfare Plan.
 - (f) It is not a charity registered with the Canada Revenue Agency and does not solicit charitable financial donations from the public.
 - (g) It operates its business in accordance with all Applicable Laws, and without limiting the foregoing, it is in compliance with the Consumer Protection Act, 2002 (Ontario), the Business Names Act (Ontario) and all usury laws, anti-spam laws (including the law commonly known as CASL), and privacy laws.
 - (h) Each Customer Loan on the Borrower's balance sheet dated May 31, 2017 (including performing loans, non-performing loans, and inventory resulting from repossession of vehicles under non-performing loans), and any lien, underlying loan application, pre-

approval document, disclosure statement and applicable related documentation with respect to such Customer Loan, are all registered using the proper legal name of the Borrower, except as disclosed in Schedule 5.1(4)(H) – Untransferred Customer Loans.

- (i) All inventory of repossessed vehicles where ownership has been transferred to AGT or another related party have a valid bill of sale at the carrying value of the loan on the Borrower's balance sheet immediately prior to such sale, with such resulting sale showing on the Borrower's balance sheet as a valid receivable from AGT or such other related party buyer, as the case may be.
- (5) Environmental Matters
- (a) (i) It and all of its respective Property and operations are in full compliance in all respects with all Environmental Laws; (ii) it is not aware of, nor has it received notice of, any past, present or future conditions, events, activities, practices or incidents which may interfere with or prevent the compliance or continued compliance of it in all respects with all Environmental Laws and (iii) it has obtained all Permits which are currently required under all Environmental Laws and is in full compliance with the provisions of such Permits, in each case except to the extent that the non-compliance would not or could not reasonably be expected to have a Material Adverse Effect.
 - (b) The Borrower is not aware that any Hazardous Materials exist on, about or within or have been used, generated, stored, transported, disposed of on, or released from any of the properties or assets forming any part of its respective Property or in respect of the Leased Properties, other than in material accordance and compliance with all Environmental Laws, except to the extent that the non-compliance would not or could not reasonably be expected to have a Material Adverse Effect.
 - (c) The use which the Borrower has made and intends to make of its Property will not result in the use, generation, storage, transportation, accumulation, disposal, or release of any Hazardous Materials on, in or from any such properties except in material accordance and compliance with all Environmental Laws, except to the extent that the non-compliance would not or could not reasonably be expected to have a Material Adverse Effect.
 - (d) There is no action, suit or proceeding, or, to its knowledge, investigation, or inquiry, before any Governmental Authority pending or, to its knowledge, threatened against the Borrower relating in any way to any Environmental Law that would or could reasonably be expected to have a Material Adverse Effect.
 - (e) The Borrower whether under the terms of the Leases or otherwise, described in Schedule 1.1(qqq) has not (i) incurred any current and outstanding liability for any clean up or remedial action under any Environmental Law in respect to both current and past operations, events, activities, practices, incidents or the condition or use of any properties or assets owned currently or in the past; (ii) received any outstanding written request for information (other than information to be provided in the normal course in connection with applications for Permits) by any Person under any Environmental Law with respect to the condition, use or operation of its respective Property; or (iii) received any outstanding written notice or claim under any Environmental Law or relating to the

presence of Hazardous Material on or originating from its respective Property and operations or from other Persons with respect to any material violation of or liability under any Environmental Law or relating to the presence of Hazardous Material on or originating from its respective Property and operations; that, in any such case, would or could reasonably be expected to have a Material Adverse Effect.

(6) Taxes and Withholdings

- (a) Except as set out on Schedule 5.1(6)(A), it has (i) duly filed on a timely basis all tax returns, elections and reports required to be filed by it under Applicable Law and has paid, collected and remitted all Taxes due and payable, collectible or remittable by it under Applicable Law, unless being contested in good faith by appropriate proceedings and for which adequate reserves have been set aside; and (ii) made adequate provision for Taxes payable by it under Applicable Law for the current period and any previous period for which tax returns are not yet required to be filed and, except as disclosed in writing to the Lender from time to time, there are no actions, proceedings or claims pending or, to its knowledge, threatened, against it in respect of Taxes, other than Taxes being contested in good faith by appropriate proceedings and in respect of which (x) adequate reserves have been established and set aside, and (y) the Borrower has notified the Lender in writing.
- (b) Except as set out on Schedule 5.1(6)(B), it has (i) withheld from each payment made to any of its past or present employees, officers, directors, trustees, agents and/or beneficiaries, as the case may be, and to any non-resident of the country in which it is resident, the amount of all Taxes and other deductions required under Applicable Law to be withheld therefrom and has paid the same to the proper tax or other receiving officers within the time required under any applicable legislation, unless being contested in good faith by appropriate proceedings and in respect of which (x) adequate reserves have been established and set aside, and (y) the Borrower has notified the Lender in writing; and (ii) collected and remitted to the appropriate tax authority when required under Applicable Law to do so all amounts collectible and remittable in respect of goods and services tax and similar provincial or state Taxes, and has paid all such amounts payable by it under Applicable Law on account of sales Taxes including goods and services and value added taxes, other than Taxes being contested in good faith by appropriate proceedings and in respect of which (x) adequate reserves have been established and set aside, and (y) the Borrower has notified the Lender in writing.

5.2 Survival of Representations and Warranties

The representations and warranties made in this Agreement shall survive the execution of this Agreement and all other Loan Documents. The Lender shall be deemed to have relied upon such representations and warranties as a condition of continuing to extend the Loan hereunder.

ARTICLE 6 COVENANTS

6.1 Positive Covenants

During the term of this Agreement, the Borrower shall perform the covenants specified below

(1) Payments and Operation of Business

- (a) It shall duly and punctually pay and perform its indebtedness, liabilities and obligations hereunder and under the other Loan Documents at the times and places and in the manner required by the terms hereof and thereof.
- (b) It shall maintain its existence as an entity, and operate and carry on and conduct its business and affairs in compliance in all material respects with all applicable Material Contracts.
- (c) It shall operate its business in compliance with all Applicable Laws, except to the extent that a failure to do so would not and could not reasonably be expected to have a Material Adverse Effect.
- (d) The Borrower shall operate its business substantially in accordance with the Business Model.
- (e) It shall maintain in good standing and shall obtain, as and when required, all Permits and Contracts and Leases which may be necessary to permit it to acquire, own, operate and maintain its business and Property, observe and perform all the obligations imposed upon it under or in connection therewith, and take any and all commercially reasonable actions necessary to preserve its rights thereunder, except to the extent that a failure to do so would not and could not reasonably be expected to have a Material Adverse Effect.
- (f) In the case of the Borrower, it shall utilize proceeds of the Loan solely for the purposes set out in Section 2.3.

(2) Undertakings

The Borrower shall,

- (a) Prior to December 31, 2017, upgrade certain reporting features to allow less manual effort in calculating compliance with the covenants of this Agreement, including: (i) implementation of aging of loans receivables into categories that align with the business and covenants (eg. automatically identifying loans where the customer is late by more than 5 days); (ii) creating the ability to compare carrying value of each loan versus its Black Book Value, and the Borrower shall pull an approximate Black Book Value annually as at December 31 for each loan in the book and each vehicle in Vehicle Inventory and will, with each new loan, enter into the Borrower's tracking system the appropriate Black Book Value from the date of initial approval; and (iii) implementing the ability to create a Vehicle Inventory listing;

- (b) ensure that for any inventory of repossessed vehicles that the Borrower retains legal ownership of either a receivable from the purchaser of the repossessed vehicle, or the vehicle itself, and that the payment terms of any sale are reasonable for the industry; and
 - (c) in the event that it leases premises other than the Leased Premises, obtain in favour of the Lender a landlord waiver in the form approved by the Lender.
- (3) Financial Covenants
 - (a) The Borrower shall have, at the end of each fiscal quarter and Fiscal Period and on the effective date of any proposed sale of receivables to Beacon, a Current Ratio of not less than 1.10:1.
 - (b) The Borrower shall have, at the end of each fiscal quarter and Fiscal Period and on the effective date of any proposed sale of receivables to Beacon, a Fixed Charge Coverage Ratio of not less than 1.10:1.
 - (c) The Borrower shall have, at the end of each fiscal quarter and Fiscal Period and on the effective date of any proposed sale of receivables to Beacon, a Customer Loan Book to Total Funded Unsubordinated Debt Ratio of not less than 1.5:1.
- (4) Inspection
 - (a) It shall, at all reasonable times and from time to time upon reasonable request made by the Lender and upon reasonable notice, permit representatives of or consultants to the Lender, to inspect any of its Property, conduct environmental site assessments and/or compliance audits, examine and report on all insurance maintained by or on behalf of the Borrower and to examine and take extracts from its financial books, accounts and records, including but not limited to accounts and records stored in computer data banks and computer software systems, and to discuss its financial condition with its senior officers and (in the presence of such of its representatives as it may designate) its auditors, the commercially reasonable expense of all of which shall be paid by the Borrower, provided that (i) the Lender's exercise of its rights under this Section does not unreasonably interfere with the operations of the Borrower; and (ii) the Lender maintains the confidentiality of all information it receives in accordance with usual requirements of banker/customer confidentiality.
- (5) Insurance
 - (a) At the request of the Lender, it shall maintain or cause to be maintained:
 - (i) insurance on all its Property with insurers that have a rating of at least A- in the A.M. Best's Key Rating Guide (or B in the A.M. Best's Key Rating Guide in the case of vehicle insurance) which insurance shall include all risk property insurance, commercial general liability insurance, business interruption insurance, vehicle liability insurance and crime insurance, in amounts and on terms that are customary in the industry; and

- (ii) the Life Insurance Policy.
 - (b) It shall cause policies of insurance referred to above to contain the following provisions all in a form acceptable to the Lender, acting reasonably: (i) with respect to the all risk property and business interruption policies, a standard mortgage clause and other customary endorsements for the benefit of the Lender; (ii) with respect to the commercial general liability policy, a severability of interest and cross liability clause and other customary endorsements for the benefit of lenders; and (iii) a provision that such policies will not be cancelled during the term of the policies without 30 days prior written notice being given to the Lender by the issuers thereof. It shall also cause the Lender to be named as an additional insured with respect to commercial general liability insurance and first loss payee with respect to all other policies of insurance, except for the Life Insurance Policy.
 - (c) Whenever reasonably requested in writing by the Lender, it shall cause true and complete copies of the policies of insurance carried pursuant to this Section to be made available to the Lender and the Lender's insurance consultants for review.
 - (d) It shall provide the Lender promptly with such other evidence of the insurance as the Lender may from time to time reasonably require and shall cooperate with the Lender, if requested by the Lender acting reasonably, in the appointment of an insurance consultant by the Lenders at the Borrower's expense, to review and report on all insurance related matters to the Lender.
- (6) Taxes and Withholdings
- (a) It shall pay all Taxes required to be paid by it under Applicable Law as they become due and payable under Applicable Law unless they are being contested in good faith by appropriate proceedings and it has set aside adequate reserves for payment of the contested amount.
 - (b) It shall withhold from each payment made to any of its past or present employees, officers, directors, partners and trustees, and to any non-resident of Canada, the amount of all Taxes and other deductions required under Applicable Law to be withheld therefrom and pay the same to the proper tax or other receiving officers within the time required under any Applicable Law.
 - (c) It shall collect from all Persons the amount of all Taxes required to be collected from them and remit the same to the proper tax or other receiving officers within the time required under any Applicable Law.
- (7) Other Matters
- (a) It will do, observe and perform all of its obligations and all matters and things necessary or expedient and which may be legally done, observed and performed for the purposes of creating and maintaining the Encumbrances intended to result from the Security as valid, effective and perfected first priority Encumbrances (subject only to Permitted Encumbrances) at all times and shall comply with all requirements of Section 3.1(3).

- (b) It will use commercially reasonable efforts to obtain all governmental and other third party consents or approvals with respect to other material Property as determined by the Lender acting reasonably that has been assigned or charged pursuant to the Security that requires the consent or approval of another Person.
- (c) It shall provide such evidence of its on-going compliance with Applicable Laws relating to Hazardous Materials as the Lender may reasonably require from time to time including upon the receipt by the Borrower of a written order or notice of inquiry, investigation, complaint, allegation or claim pertaining to matters that are the subject of Environmental Laws or Permits the would or could reasonably be expected to have a Material Adverse Effect, subject (in the case of leasehold property) to any restrictions on doing so contained in any Lease to which it is a party, have conducted one or more environmental site assessment and/or compliance audits (each consisting of a non-intrusive phase I audit and recommendations with respect to the findings described therein and such other audits or investigations recommended in each such phase I audit, including an intrusive phase II audit) and reports thereon by an independent consultant engaged by the Borrower and acceptable to the Lender, acting reasonably. It shall also remove, clean up or otherwise remedy the matters referred to in Section 6.2(2)(c) to the extent required under applicable Environmental Laws which, if not remediated, would or could reasonably be expected to have a Material Adverse Effect.

6.2 Reporting and Notice Requirements

During the term of this Agreement, the Borrower shall deliver or cause the delivery of the periodic reports specified below and shall give notices in the circumstances specified below, or cause notices to be given. All financial statements and other reports shall be in a form satisfactory to the Lender acting reasonably and all financial statements shall be prepared in accordance with GAAP applied on a consistent basis, unless otherwise expressly provided.

(1) Periodic Financial Reports

- (a) The Borrower shall, as soon as practicable and in any event within thirty (30) days of the end of each month, cause to be prepared and delivered to the Lender the interim unconsolidated unaudited financial statements of the Borrower as at the end of such month.
- (b) The Borrower shall, as soon as practicable and in any event within thirty (30) days of the end of each month, cause to be prepared and delivered to the Lender the current book of Eligible Customer Loans, non-performing Customer Loans, Vehicle Inventory listing, a copy of the monthly Subservicer Report that the Borrower sends to Beacon along with any calculation of amounts earned by the Borrower from Beacon Portfolio for the month, aged accounts receivable and aged accounts payable, reviewed and signed by a senior financial officer of the Borrower, as the case may be.
- (c) The Borrower shall, as soon as practicable and in any event within one hundred and twenty (120) days after the end of its Fiscal Period, prepare and deliver to the Lender the annual non-consolidated financial statements together with the notes thereto, which shall be audited by the Auditor.

- (d) The Borrower shall, as soon as practicable and in any event within ninety (90) days after the end of its Fiscal Period, prepare and deliver to the Lender its monthly business plan and forecast for the next Fiscal Period including a forward-looking balance sheet, income statement and cash flow statement.
 - (e) The Borrower shall provide the Lender with a Compliance Certificate concurrently with the delivery of its:
 - (i) financial statements at the end of each fiscal quarter; and
 - (ii) annual audited financial statements delivered pursuant to Section 6.2(1)(c) in the event that there is any difference between the quarterly financial statements referred to in the Compliance Certificate delivered pursuant to Section 6.2(1)(e)(i) in respect of the last month in any Fiscal Period and the financial statements in respect of month following completion of the audit of the Borrower's financial statements for such Fiscal Period.
 - (f) The Borrower shall promptly provide the Lender with all other information, reports and certificates requested by the Lender, acting reasonably, from time to time concerning the business, financial condition and Property of the Borrower.
- (2) Requirements for Notice
- (a) The Borrower shall, promptly after it becomes aware thereof, notify the Lender of any Event of Default or Pending Event of Default, or of any material breach of any obligation or default (whether it is its own default or a default by any other party) under any Material Contract to which it is a party, or of any termination or cancellation of a Material Contract (other than termination in accordance with its terms at the expiry of its term by elapse of time), or of any event which, with or without the giving of notice, lapse of time or any other condition subsequent, would be a material default under or would otherwise allow the termination of any Material Contract or the imposition of any material sanction on any party to a Material Contract, and shall from time to time provide the Lender with all information reasonably requested by the Lender concerning the status thereof.
 - (b) The Borrower shall promptly notify the Lender on becoming aware of the occurrence of any action, suit, dispute, arbitration, proceeding, labour or industrial dispute or other circumstance affecting it, the result of which if determined adversely would or could reasonably be expected to have a Material Adverse Effect, and shall from time to time provide the Lender with all reasonable information requested by the Lender concerning the status thereof.
 - (c) The Borrower shall promptly notify the Lender upon learning of (i) the existence of Hazardous Materials located on, above or below the surface of any land which the Borrower occupies or controls (except those being stored, used or otherwise handled or existing in substantial compliance with applicable Environmental Laws), or contained in the soil or water (including groundwater) constituting such land (in excess of levels prescribed under applicable Environmental Laws or which would constitute an actual

breach of or non-compliance with any Environmental Laws) which, in either case, would or could reasonably be expected to have a Material Adverse Effect, (ii) the occurrence of any release, spill, leak, emission, discharge, leaching, dumping or disposal of Hazardous Materials reportable under Environmental Laws that has occurred on or from such land if such occurrence would or could reasonably be expected to have a Material Adverse Effect, in which case the Borrower shall within 90 days thereof provide the Lender with details, including cost, of the work required to remove, clean up or otherwise remedy the matters referred to in the notice; and (iii) any violation, alleged violation, notice of infraction, order, claim, suit or proceeding relating to Environmental Laws, Permits or the presence of Hazardous Materials on or originating from its respective Property and operations which would or could reasonably be expected to have a Material Adverse Effect, including the notices and other claims described in Section 6.1(7)(c).

- (d) The Borrower shall forthwith notify the Lender of any notice received by it from an issuer of an insurance policy described in Sections 6.1(5)(a) and 6.1(5)(b), that any of such policies is to be amended in a manner that is materially adverse to the Lender.

6.3 Negative Covenants

During the term of this Agreement, the Borrower shall not do any of the things specified in this Section without the prior written consent of the Lender.

(1) Encumbrances and Special Considerations

The Borrower shall not:

- (a) agree to, or amend or revise in any way whatsoever, the Beacon Documents, without the express written consent of the Lender;
- (b) pay any sums to Fountain under the Fountain Facility which would reduce the principal amount owing to Fountain to a sum less than the principal amount owing to the Lender;
- (c) create, incur or assume or suffer to exist or cause or permit any Encumbrance upon or in respect of any of its Property, except for Permitted Encumbrances;
- (d) do or permit anything to adversely affect the ranking or validity of the Security except by incurring a Permitted Encumbrance;
- (e) cause or permit any amendment or modification to, or waiver of any term of, any of its Constating Documents which would, or could reasonably be expected to, individually or in the aggregate, have a Material Adverse Effect; or
- (f) enter into any transaction of any kind with any Affiliate or Related Party, or other Person with whom it does not deal at arm's length within the meaning of the *Income Tax Act* (Canada), except on a commercially reasonable basis (in the opinion of an experienced tax accountant) as if it were dealing with such Person on an arm's length basis.

(2) Financial Transactions

The Borrower shall not:

- (a) operate a bank account for the Business other than the Bank Account, and any other bank accounts set out on Schedule 1.1(l);
- (b) create, incur, assume or permit any Debt or other debts, liabilities or obligations of any kind (including contingent liabilities) to remain outstanding, other than Permitted Obligations;
- (c) prepay, redeem prior to maturity, defease, repurchase or make other prepayments in respect of any of its Debt in any manner other than the Secured Obligations; and
- (d) make loans or advances to, or investments in, any other Person, guarantee, endorse or otherwise become liable for any debts, liabilities or obligations of any other Person, or give other financial assistance of any kind to any other Person, except for Customer Loans; and
- (e) make any Restricted Payments or Shareholder Distributions, except
 - (i) payments pursuant to the Growth Incentive Plan with the consent of the Lender, and provided that the Growth Incentive Plan Distribution Conditions are met, and
 - (ii) the Wilson Management Fees;

(3) Business and Property

The Borrower shall not:

- (a) effect any material change in its business;
- (b) permit any Affiliate or Related Party to engage in the Business or a business competitive to the Business;
- (c) make any Capital Expenditures, in any Fiscal Period, that, in the aggregate, exceed five percent (5%) of EBITDA of the prior Fiscal Period, provided that for the Fiscal Period ending on December 31, 2017, the Borrower may spend up to an additional \$100,000 upgrading its IT system without requiring further approval of the Lender;
- (d) make any Acquisitions, in any Fiscal Period, that, in the aggregate, have a purchase price that exceeds five percent (5%) of EBITDA of the prior Fiscal Period;
- (e) permit any sale, lease or other disposition of the whole or any part of its Property (excluding real property) or any rights or interest therein (including any sale or other disposition of Customer Loans or related rights pursuant to any factoring arrangements) other than inventory disposed of in the ordinary course of business or in accordance with Beacon Agreement and pursuant to the Beacon Documents, provided that no disposition to Beacon shall occur unless the Borrower has delivered to the Lender, concurrent with such disposition, a Beacon Sale Compliance Certificate certifying that immediately upon

effecting the sale of such receivables to Beacon that the Borrower shall continue to be in compliance with all covenants of this Agreement ; or

- (f) permit any sale, lease or other disposition of the whole or any part of its real property, except for leases entered into in the ordinary course of business.

(4) Corporate Matters

The Borrower shall not:

- (a) consolidate, amalgamate or merge with any other Person, enter into any corporate reorganization or other transaction intended to effect or otherwise permit a change in its existing Constatng Documents, liquidate, wind up or dissolve itself, or permit any liquidation, winding up or dissolution;
- (b) change its name without providing the Lender with prior written notice thereof and promptly taking other steps, if any, as the Lender reasonably requests to permit it to perfect the Security with respect to the change in name;
- (c) permit its chief executive office or domicile to be located out of the respective jurisdictions specified on Schedule 6.3(4)(C) without providing the Lender with prior written notice thereof and promptly taking other steps, if any, as the Lender reasonably requests to permit it to perfect the Security with respect to the change in location;
- (d) except as set out in Schedule 6.3(4)(D), change its ownership or control;
- (e) change its fiscal year end;
- (f) change its auditors; or
- (g) directly or indirectly, by operation of law or otherwise, (i) form or acquire any Subsidiary, (ii) merge with, consolidate with, or otherwise combine with any Person, (iii) acquire, whether through purchase or exchange of stock or assets or otherwise, all or any part of the assets of any other Person or any stock of or other equity interest in any other Person, (iv) dissolve, terminate its existence, consummate any recapitalization, reorganization or other change in its capital structure or the respective voting rights of its members, including without limitation the issuance of any new, additional or different type or class of stock, the modification, reduction or retirement of any existing class of stock, or (v) enter into any agreement to do any of the foregoing.

(5) Mark Wilson

Mark Wilson shall devote materially all of his working time and attention to the business of the Borrower.

6.4 Insurance

- (1) Unless otherwise specified in this Section 6.4, all proceeds of insurance policies maintained by or on behalf of the Borrower shall be paid to the Lender.

- (2) Any third party insured claim, judgment, settlement or money compromise and any insured expenses associated with its defence or investigation associated with the operations of the Borrower payable under commercial general liability insurance or directors' and officers' liability insurance shall be paid first to any Person entitled to payment of such unpaid insured claim, judgment, settlement or money compromise and entitled to payment of such unpaid insured expenses and thereafter to the Borrower. Proceeds of insurance covering loss of or damage to Property in an aggregate amount less than Ten Thousand Dollars (\$10,000) per claim may be paid by the insurer directly to the Borrower, provided that (a) if an Event of Default has occurred and is continuing or would result from such payment, then the payment shall be made to the Lender to be applied by it on account of the Obligations and (b) if a Pending Event of Default (which is not also an Event of Default) has occurred and is continuing or would result from such payment, then such proceeds shall be paid to the Lender and held as set forth in Section 6.4(5) below and returned to the Borrower if the Pending Event of Default is cured, but if an Event of Default subsequently occurs and is continuing, then such proceeds shall be applied on account of the Obligations. Subject to the rights of any holder of a Permitted Encumbrance that has priority over the Encumbrance of the Security, proceeds paid to the Borrower shall be used to substantially repair or replace the Property in respect of which the insurance proceeds are payable (or to reimburse the Borrower for payment it made for such purpose) within a reasonable period of time such that the affected Property is returned to as good or better condition than it was in before the event occurred that caused the insurance proceeds to be paid.
- (3) Subject to the rights of any holder of a Permitted Encumbrance that has priority over the Encumbrance of the Security, proceeds of insurance covering loss of or damage to Property in an aggregate amount of Ten Thousand Dollars (\$10,000) per claim or more shall be paid to the Lender and shall be disbursed by the Lender to the Borrower on conditions appropriate to a construction credit, to fund the repair or replacement of the Property in respect of which the insurance proceeds are payable, provided that:
- (a) no Event of Default has occurred and is continuing; and
 - (b) the Lender is satisfied, acting reasonably, that the proceeds of such insurance together with other resources available to the Borrower (the use of which would not contravene this Agreement, any of the other Loan Documents or any agreement to which the Borrower is a party or is bound) are sufficient to substantially repair or replace the property in respect of which the insurance proceeds are payable within a reasonable period of time such that the property is returned to as good or better condition than it was in before the event occurred that caused the insurance proceeds to be paid.

If either of (a) or (b) above are not satisfied, such insurance proceeds shall be applied to reduce the principal amount of the Obligations.

- (4) The proceeds of business interruption insurance may be used to carry on the business of the Borrower as long as the Lender is satisfied, acting reasonably, that adequate provision has been made for payment of the Obligations, provided that (a) if an Event of Default has occurred and is continuing or would result from such payment, then the payment shall be made to the Lender to be applied by it on account of the Obligations and (b) if a Pending Event of Default (which is not also an Event of Default) has occurred and is continuing or would result from such payment, then such proceeds shall be held as set forth in Section 6.4(5) below and returned to the Borrower if

the Pending Event of Default is cured, but if an Event of Default subsequently occurs and is continuing, then such proceeds shall be applied on account of the Obligations.

- (5) All insurance proceeds held by the Lender shall, unless and until the same are applied to payment of the Obligations or released to the Borrower, be held as collateral pursuant to the Security. The Lender shall invest such funds in its sole discretion with the interest thereon to accrue to the benefit of the Borrower.

ARTICLE 7 DEFAULT

7.1 Events of Default

The occurrence of any one or more of the following events shall constitute an Event of Default under this Agreement:

- (1) any change in Applicable Law results in any Eligible Customer Loan ceasing to be an Eligible Customer Loan;
- (2) the Borrower fails to pay, whether by acceleration or otherwise, any amount of principal when due; or
- (3) the Borrower fails to pay any amount of interest within two Business Days of when due, or to pay other Obligations (other than amounts on account of principal or interest) within three Business Days of receipt of notice of the amount due; or
- (4) the occurrence of an Event of **Termination or Subservicer Termination Event** (as defined under the Beacon Documents), that has not been waived or cured after any applicable grace period specified in the Beacon Documents;
- (5) there is a breach of any of the covenants in Sections 6.1(1)(f) and 6.2(2); or
- (6) the Borrower makes any representation or warranty in any Loan Document, or in any written statement or certificate made or delivered pursuant to this Agreement, which is incorrect, incomplete or misleading in any material respect when made or deemed to be made; or
- (7) the Borrower ceases or threatens to cease to carry on its business; or
- (8) the Borrower defaults or there is the occurrence of a default or event of default, however defined, under one or more agreements or instruments relating to its Debt (other than the Obligations), that has not been waived or cured after any applicable grace period specified in such agreements or instruments; or
- (9) the Borrower (i) admits its inability to pay its debts generally, fails to pay its debts generally, acknowledges its insolvency in writing or becomes a bankrupt (voluntarily or involuntarily); or (ii) becomes subject to any proceeding seeking liquidation, dissolution, arrangement, winding up, relief of debtors or from creditors or the appointment of a receiver or trustee over any material

part of its Property or analogous proceeding in any jurisdiction or becomes subject to any judgment or order in relation to any of the foregoing, and such proceeding, if instituted against any such Person, or such judgment or order, is not contested diligently, in good faith and on a timely basis and vacated, dismissed, withdrawn or stayed within 20 days of its commencement or issuance; or

- (10) the Borrower denies, to any extent, its obligations under any Loan Document or claims any Loan Document to be invalid or withdrawn in whole or in part; or
- (11) any Loan Document is invalidated in any material respect by any act, regulation or governmental action or is determined to be invalid in any material respect by a court or other judicial entity and such determination has not been stayed pending appeal; or
- (12) any part of the Security is not or ceases to constitute, in whole or in part, an Encumbrance on the Property of the Borrower; or
- (13) one or more final judgments, writs of execution, garnishments or attachments or similar processes are issued or levied against the Borrower or any of its Property which have, or could reasonably be expected to have, a Material Adverse Effect and are not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 10 days after their entry, commencement or levy; or
- (14) one or more Encumbrancer and/or landlord exercising distraint or similar rights takes possession of all or, in the aggregate, a material portion of the Property of the Borrower by appointment of a receiver or receiver and manager, by seizure, repossession or distraint, or otherwise; or
- (15) there is a breach of any covenant, condition or other provision of any Loan Document (other than a breach which is specifically dealt with elsewhere in this Section 7.1), by any party thereto other than the Lender, and such breach, if capable of being remedied, is not corrected or otherwise satisfied within 20 days after the Lender gives written notice thereof; or
- (16) the occurrence of any event or circumstance that has a Material Adverse Effect, as determined by the Lender.

7.2 Acceleration and Termination of Rights, Pre Acceleration Rights

- (1) If any Event of Default occurs which has not been waived, the Lender may give notice to the Borrower declaring the Obligations or any of them to be forthwith due and payable, in whereupon they shall become and be forthwith due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower.
- (2) Notwithstanding the preceding paragraph, if the Borrower becomes a bankrupt (voluntarily or involuntarily), or institutes any proceeding seeking liquidation, dissolution, arrangement, winding up, relief of debtors or from creditors or the appointment of a receiver or trustee over any material part of its Property or analogous proceeding in any jurisdiction, then without prejudice to the other rights of the Lender as a result of any such event, without any notice or action of any kind by the Lender, and without presentment, demand or protest, the Obligations shall immediately become due and payable.

7.3 Remedies

- (1) Upon the occurrence of any event by which any of the Obligations become due and payable under Section 7.2, the Security shall become immediately enforceable and the Lender may take such action or proceedings pursuant to the Security and in accordance with Applicable Law as the Lender in its sole discretion deems expedient to enforce the same, all without any additional notice, presentment, demand, protest or other formality, all of which are hereby expressly waived by the Borrower.
- (2) The Borrower acknowledges that the ability of the Lender to appoint or cause the appointment of a receiver, receiver and manager, trustee, interim receiver, custodian, sequestrator or other person with similar powers of or in respect of it or any of its Property promptly following the occurrence of an Event of Default is of the utmost importance to the Lender, and the Borrower therefore agree that they shall not oppose or challenge the appointment of any such Person by or on behalf of or at the suit of the Lender.

7.4 Saving

The Lender shall not be under any obligation to the Borrower or any other Person to realize any collateral or enforce the Security or any part thereof or to allow any of the collateral to be sold, dealt with or otherwise disposed of. The Lender shall not be responsible or liable to the Borrower or any other person for any loss or damage upon the realization or enforcement of, the failure to realize or enforce the collateral or any part thereof or the failure to allow any of the collateral to be sold, dealt with or otherwise disposed of or for any act or omission on their respective parts or on the part of any director, officer, agent, servant or adviser in connection with any of the foregoing, except that the Lender may be responsible or liable for any loss or damage arising from the wilful misconduct or gross negligence of the Lender.

7.5 Perform Obligations

If an Event of Default has occurred and is continuing and the Borrower has failed to perform any of its covenants or agreements in the Loan Documents, the Lender, may, but shall be under no obligation to, perform any such covenants or agreements in any manner deemed fit by the Lender without thereby waiving any rights to enforce the Loan Documents. The reasonable expenses (including any legal costs) paid by the Lender in respect of the foregoing shall be secured by the Security.

7.6 Third Parties

No person dealing with the Lender or any agent of the Lender shall be concerned to inquire whether the Security has become enforceable, or whether the powers which the Lender is purporting to exercise have become exercisable, or whether any Obligations remain outstanding upon the security thereof, or as to the necessity or expediency of the stipulations and conditions subject to which any sale shall be made, or otherwise as to the propriety or regularity of any sale or other disposition or any other dealing with the collateral charged by such Security or any part thereof.

7.7 Remedies Cumulative

The rights and remedies of the Lender under the Loan Documents are cumulative and are in addition to and not in substitution for any rights or remedies provided by law. Any single or partial exercise by the Lender of any right or remedy for a default or breach of any term, covenant, condition or agreement herein contained shall not be deemed to be a waiver of or to alter, affect, or prejudice any other right or remedy or other rights or remedies to which the Lender may be lawfully entitled for the same default or breach. Any waiver by the Lender of the strict observance, performance or compliance with any term, covenant, condition or agreement herein contained, and any indulgence granted by the Lender shall be deemed not to be a waiver of any subsequent default.

7.8 Set Off or Compensation

In addition to and not in limitation of any rights now or hereafter granted under Applicable Law, if the Obligations become due and payable pursuant to Section 7.2, the Lender, may at any time and from time to time without notice to the Borrower or any other Person, any notice being expressly waived by the Borrower, set off and compensate and apply any and all deposits, general or special, time or demand, provisional or final, matured or unmatured, and any other indebtedness at any time owing by the Lender, to or for the credit of or the account of the Borrower against and on account of the Secured Obligations, or any of them, notwithstanding that any of them are contingent or unmatured.

ARTICLE 8 ADDITIONAL LENDERS, SUCCESSORS AND ASSIGNS

8.1 Successors and Assigns

- (1) The Loan Documents shall be binding upon and enure to the benefit of the Lender, the Borrower and their respective successors and permitted assigns, except that the Borrower shall not assign any rights or obligations with respect to this Agreement or any of the other Loan Documents without the prior written consent of the Lender.
- (2) The Lender reserves the right to sell a participation in the Loan, in whole or in part, to one or more Persons (the “**Participants**”). For the purpose of selling of a participation in the Loan, the Lender may disclose, on a confidential basis, to a potential Participant such information concerning the Borrower as the Lender considers appropriate, provided such Participant agrees to maintain the confidentiality of such information. Despite any sale by the Lender of participating interests to a Participant, the Lender’s obligations under the Loan Documents shall remain unchanged, and the Lender shall remain the holder of its Loan for all purposes, all amounts payable by the Borrower shall be determined as if such Lender had not sold such participating interests, and the Borrower shall continue to deal solely and directly with the Lender in connection with the Loan Documents. The Borrower agrees to execute and deliver such further documentation and take such further action as the Lender may reasonably request to give effect to such sale of a participation.

ARTICLE 9 MISCELLANEOUS PROVISIONS

9.1 Severability

Any provision of this Agreement which is or becomes prohibited or unenforceable in any relevant jurisdiction shall not invalidate or impair the remaining provisions hereof which shall be deemed severable from such prohibited or unenforceable provision and any such prohibition or unenforceability in any such jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Should this Agreement fail to provide for any relevant matter, the validity, legality or enforceability of this Agreement shall not thereby be affected.

9.2 Amendment, Supplement or Waiver

No amendment, supplement or waiver of any provision of the Loan Documents, nor any consent to any departure by the Borrower therefrom, shall in any event be effective unless it is in writing, makes express reference to the provision affected thereby and is signed by the Lender and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. In addition, any amendment or supplement shall require the written consent of the other parties to the Loan Document in question. No waiver or act or omission of the Lender shall extend to or be taken in any manner whatsoever to affect any subsequent Event of Default or breach by the Borrower of any provision of the Loan Documents or the rights resulting therefrom.

9.3 Governing Law

Each of the Loan Documents, except for those which expressly provide otherwise, shall be conclusively deemed to be a contract made under, and shall for all purposes be governed by and construed in accordance with, the laws of the Province of Ontario and the laws of Canada applicable in Ontario. For the purposes of all legal proceedings this Agreement will be deemed to have been performed in the Province of Ontario and the courts of the Province of Ontario will have jurisdiction to entertain any action arising under this Agreement. Each party to this Agreement hereby irrevocably and unconditionally attorns to the exclusive jurisdiction of the courts of the Province of Ontario and all courts competent to hear appeals therefrom.

9.4 This Agreement to Govern

In the event of any conflict or inconsistency between the terms of this Agreement and the terms of any other Loan Document, the provisions of this Agreement shall govern to the extent necessary to remove the conflict or inconsistency.

9.5 Permitted Encumbrances

The designation of an Encumbrance as a Permitted Encumbrance is not, and shall not be deemed to be, an acknowledgment by the Lender that the Encumbrance shall have priority over the Security.

9.6 Expenses and Indemnity

- (1) All statements, reports, certificates, opinions, appraisals and other documents or information required to be furnished to the Lender by the Borrower under this Agreement shall be supplied without cost to the Lender. The Borrower shall pay on demand all reasonable third party costs and expenses of the Lender (including the reasonable fees and expenses of counsel for the Lender on a substantial indemnity basis), (collectively, “**Expenses**”) incurred in connection with (i) the preparation, execution, delivery, and enforcement of the Loan Documents and all amendments, waivers and consents with respect; (ii) obtaining advice as to their rights and responsibilities in connection with the Loan and the Loan Documents; (iii) reviewing, inspecting and appraising the collateral that is the subject of the Security at reasonable intervals; and (iv) all other matters relating to the Loan. Such costs and expenses shall be payable whether or not the Loan is made.
- (2) The Borrower shall indemnify the Lender and its Affiliates, agents, receivers, successors, assigns, officers, directors and employees (collectively for the purpose of this Section 9.6 the “**Indemnitees**”) (in respect of each of whom it is agreed that the Lender is acting as agent for the purpose of agreeing to the availability of such indemnity) from and against any claim, liability, obligation, loss, damage or expense (including reasonable legal fees and expenses) which any of them may sustain or incur as a consequence of (i) any representation or warranty made herein by the Borrower which was incorrect at the time it was made or deemed to have been made, (ii) a default by the Borrower in the payment of any sum due from it under or in connection with the Loan Documents, including, but not limited to, all sums (whether in respect of principal, interest or any other amount) paid or payable to lenders of funds borrowed by the Lender in order to fund the amount of any such unpaid amount to the extent the Lender is not reimbursed pursuant to any other provisions of this Agreement, (iii) the failure of the Borrower to make any payment after notice therefor has been given under this Agreement, (iv) any other default hereunder, (v) any transaction by the Borrower contemplated by any of the Loan Documents, (vi) any lack of perfection or first priority of any of the Encumbrances intended to result from the Security (subject only to Permitted Encumbrances), and (vii), generally, the Lender having entered into this Agreement and the other Loan Documents or having made the Loan to the Borrower. A certificate of the Lender as to the amount of any such loss or expense shall be *prima facie* evidence as to the amount thereof, in the absence of manifest error, provided that the Lender determines the amount owing to it in good faith using any reasonable method and provides a detailed description of its calculation of the amount owing to it.
- (3) The Borrower shall indemnify and hold harmless the Indemnitees from and against any and all liabilities (including strict liability), actions, demands, fines, awards, sanctions, penalties, damages, obligations, losses, costs and expenses (including consultants’ fees, investigation and laboratory fees, reasonable legal fees, expenses and remedial costs), suits, costs of any settlement or judgement and claims of any and every nature and kind whatsoever which may now or in the future (whether before or after the release and discharge of any Security) be paid, incurred or suffered by or served against any Indemnitee (whether direct or indirect and whether based on any Applicable Law or at equitable cause or on contract or otherwise) by any Person for, with respect to, in connection with or as a direct or indirect result of the presence on, above, in or under, or the migration, escape, seepage, leakage, spillage, discharge, emission or release from any of the property subject to the Encumbrance of any of the Security (including real property such as the Leased Properties) (the “**Mortgaged Property**”) of any Hazardous Materials above, on, in, under or originating from the Mortgaged Property, regardless of whether or not caused by

the sole negligence or control of the Borrower or any Indemnatee, except (i) prior to any Indemnatee taking control of the Mortgaged Property, to the extent caused by the gross negligence or wilful misconduct of any Indemnatee and (ii) after any Indemnatee takes control of the Mortgaged Property, to the extent caused by any Indemnatee. This indemnity includes the obligation to perform or cause to be performed any corrective, remedial or clean-up work that may be required under the Loan Documents or under any Applicable Law.

- (4) The agreements in this Section 9.6 shall survive the termination of this Agreement and repayment of the Obligations.

9.7 Manner of Payment and Taxes

- (1) All payments to be made by or on behalf of the Borrower in connection with the Loan Documents are to be made without set off, compensation or counterclaim, free and clear of and without deduction for or on account of any Tax, except if such deduction is required by Applicable Law or the administration thereof. If the Borrower or the Lender is required by Applicable Law or the administration thereof to deduct, withhold or pay any Tax (other than any Excluded Tax) in respect of any payment due under the Loan Documents, then (i) the amount of such payment will be increased when payable so that, after making or allowing for all required deductions, withholdings and payments in respect of such Tax (including deductions, withholdings and payments applicable to all increases under this Section), the Lender receives an amount equal to the payment it would have received had no such deductions, withholdings or payments been required, and (ii) the Borrower shall pay the full amount deducted or withheld by it to the relevant Governmental Authority within the time allowed for such payment under Applicable Law or the administration thereof, and shall deliver to the Lender as soon as practicable the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment or, if such receipt is not obtainable, other evidence confirming such payment reasonably satisfactory to the Lender.
- (2) If the Lender becomes liable for any Tax (other than Excluded Tax) in the jurisdiction in which the person making a payment under the Loan Documents is located as a result of a payment being made under the terms of a Loan Document without the required Tax in that jurisdiction having been deducted or withheld, the payer shall indemnify the Lender, as the case may be, for such Tax and any interest and penalties thereon, and the indemnity payment shall be increased as necessary so that after the imposition of any Tax in that jurisdiction on the indemnity payment (including Tax in respect of any such increase in the indemnity payment), the Lender shall receive the full amount of Taxes, interest and penalties for which it is liable in that jurisdiction as a result of the failure to deduct or withhold Tax.

9.8 Interest on Miscellaneous Amounts

If the Borrower fails to pay any amount payable hereunder (other than principal, interest thereon, interest upon interest or any other amount on which interest is payable as otherwise provided in this Agreement) on the due date, the Borrower shall, on demand, pay interest on such overdue amount to the Lender from and including such due date up to but excluding the date of actual payment, both before and after demand, default or judgment, at a rate of interest per annum equal to the highest rate of interest payable hereunder plus six percent (6%).

9.9 Address for Notice

Notice to be given under the Loan Documents shall, except as otherwise specifically provided, be in writing addressed to the party for whom it is intended and, unless the law or a specific provision in another Loan Document deems a particular notice to be received earlier, a notice shall not be deemed received until actual receipt thereof by the other party. The addresses of the parties hereto for the purposes hereof shall be the addresses specified beside their respective signatures to this Agreement or on any assignment agreement, or such other mailing, internet e mail, secure internet website or telecopier addresses as each party from time to time may notify the other as aforesaid.

9.10 Time of the Essence

Time shall be of the essence in this Agreement.

9.11 Further Assurances

The Borrower shall, at its expense, at the request of the Lender, do all such further acts and execute and deliver all such further documents, agreements, certificates and instruments as may, in the reasonable opinion of the Lender, be necessary or desirable in order to fully perform and carry out the purpose and intent of the Loan Documents.

9.12 Term of Agreement

Except as otherwise provided herein, this Agreement shall remain in full force and effect until the indefeasible payment and performance in full of all of the Secured Obligations and the termination of the Loan.

9.13 Payments on Business Day

Whenever any payment or performance under the Loan Documents would otherwise be due on a day other than a Business Day, such payment shall be made on the following Business Day, unless the following Business Day is in a different calendar month, in which case the payment shall be made on the preceding Business Day.

9.14 Counterparts and Facsimile

This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same agreement. For the purposes of this Section, the delivery of a facsimile copy of an executed counterpart of this Agreement shall be deemed to be valid execution and delivery of this Agreement.

9.15 Waiver of Jury Trial and Consequential Damages

- (1) Each party hereto hereby waives, to the fullest extent permitted by Applicable Law, any right it may have to a trial by jury in any legal proceeding directly or indirectly arising out of or relating to this Agreement or the other Loan Documents, the transactions contemplated thereby or any course of conduct, course of dealing, statements (whether oral or written) or actions of any party (whether based on contract, tort or any other theory).

- (2) Notwithstanding anything to the contrary contained in any Loan Document, no party shall assert, and each party hereby waives, to the fullest extent permitted by Applicable Law, any claim against any other party 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, the Loan Documents, the transactions contemplated thereby or any course of conduct, course of dealing, statements (whether oral or written) or actions of any party (whether based on contract, tort or any other theory).
- (3) The Borrower acknowledges and agrees that the Lender shall not have any liability to them in relation to any due diligence investigations conducted by it in connection with the transactions contemplated hereby or be under any obligation whatsoever to disclose to them any information received or facts disclosed by any such investigations. The Borrower further acknowledges and agrees that it is not relying, will not rely, and will not be deemed, in any respect whatsoever, to have relied upon the facts received by and information disclosed to the Lender under or in connection with such due diligence investigations.
- (4) Each party hereto (a) certifies that no representative, agent or attorney of any other party has represented, expressly or otherwise, that such other party would not, in the event of litigation, seek to enforce the foregoing provisions and (b) acknowledges that it and the other parties hereto have been induced to enter into this Agreement by, among other things, the waivers, acknowledgments and certifications in this Section.

9.16 Whole Agreement

Except in relation to matters contemplated by the other Loan Documents, this Agreement constitutes the whole and entire agreement between the parties hereto concerning the matters addressed in this Agreement, and cancels and supersedes any prior agreements, undertakings, declarations, commitments or representations, written or verbal, in respect thereof.

9.17 English Language

The Loan Documents have been negotiated in English and will be or have been executed in the English language. Les soussigné ont expressément demandé que ce document soit rédigé en langue anglaise. All paper writings given or delivered pursuant to this Agreement and the other Loan Documents shall be in the English language or, if not, shall be accompanied by a certified English translation thereof. The English language version of any document shall, absent manifest error, control the meaning and interpretation of the matters set forth therein.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have duly executed this Agreement.

Address For Notice:

376 Richmond Street
3rd Floor
London, Ontario
N6A 3C7

2400918 ONTARIO INC.

By: 

Name: Mark Wilson

Title: President

By: 

Name: Jason Ewart

Title: Director

Address For Notice:

34 King Street East, Suite 400
Toronto, Ontario M5C 2X8

**FMMC PRIVATE YIELD FUND LIMITED
PARTNERSHIP I, by its general partner, FMCC GP
INC.**

By: _____

Name: Don Bent

Title: Managing Partner

By: _____

Name: Michael Liik

Title: Managing Partner

IN WITNESS WHEREOF, the parties have duly executed this Agreement.

Address For Notice:

376 Richmond Street
3rd Floor
London, Ontario
N6A 3C7

2400918 ONTARIO INC.

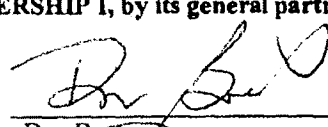
By: _____
Name: Mark Wilson
Title: President

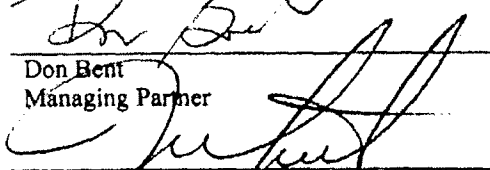
By: _____
Name: Jason Ewart
Title: Director

Address For Notice:

34 King Street East, Suite 400
Toronto, Ontario M5C 2X8

**FMMC PRIVATE YIELD FUND LIMITED
PARTNERSHIP I, by its general partner, FMCC GP
INC.**

By: 
Name: Don Bent
Title: Managing Partner

By: 
Name: Michael Liik
Title: Managing Partner

SCHEDULE A
FORM OF COMPLIANCE CERTIFICATE

See attached.

2400918 Ontario Inc

COVENANT CALCULATIONS FOR MONTH ENDED:

Apr-17**1. Current Ratio not less than 1.10:1**

(tested quarterly)

Current Assets as stated per balance sheet

Less:

Due from affiliated company (non guarantor)

Less:

Advances to directors, employees, shareholders

Net Current Assets

(A) -

Current Liabilities as stated per balance sheet

\$ -

Net Current Liabilities

(B) -

Current Ratio				(A/B)	#DIV/0!
Covenant Compliance	YES	NO	(circle one)		#DIV/0!

2. Customer Loan Book to Total Funded Unsubordinated Debt Ratio of Minimum 1.50:1

(tested quarterly)

Cash

Add: Total Customer Loans loans as per balance sheet

Less: Excluded Customer Loans (generally those > 5 days over due & those sold to Beacon if included above)

Less: Portion of any eligible customer loans in excess of 80% CBB value

Eligible Customer Loans

D -

FMMC Debt

\$ 1,289,000

Add: Unsubordinated Debt from other lenders

Add: Priority Payables per below

0

TOTAL UNSUBORDINATED DEBT

C 1,289,000**Priority Payables**

Source Deductions Payable

WSIB Payable

EHT Payable

HST/PST Payable

Garnishee Payable (if any)

Liened or Lienable trade payables

Maximum WEPP obligations (lesser of \$2,000/employee or actual wages payable)

TOTAL PRIORITY PAYABLES

-

Customer Loan Book to Total Unsubordinated Debt Ratio				(D/C)	<u>-</u>
Covenant Compliance	YES	NO	(circle one)		NO

2400918 Ontario Inc

COVENANT CALCULATIONS FOR MONTH ENDED:

Apr-17

3. Debt Service Coverage Ratio minimum 1.1:1

(tested quarterly on rolling four quarter)

Ratio defined as:

$$\frac{\text{EBITDA} - \text{cash taxes} - \text{dividends/shareholder withdrawals} - \text{unfunded capex}}{\text{Principal} + \text{Interest}}$$

where "EBITDA" refers to "earnings before interest, taxes, depreciation and amortization";

where "unfunded capex" refers to "capital expenditures funded through working capital" (i.e. not by lease)

where "Principal + Interest" refers to all principal and interest payments made on all debts (FMMC and other)

EBITDA		\$	
Less:	cash Taxes (provision)	()
Less:	dividends/shareholder withdrawals	()
Less:	Unfunded Capex	()
Net Cash Flow Subtotal (E)			

Principal Payments on FMMC Debt in previous 12 months

Principal Payments - Leases in previous 12 months

Principal Payments - Fountain Asset Corp in previous 12 months**

Principal Payments - All Other lenders in previous 12 months **

Plus: Interest expense in previous 12 months

Debt Service Costs Subtotal (F)

Debt Service Coverage Ratio		(E/F)	#DIV/0!
Covenant Compliance	YES NO (circle one)		#DIV/0!

Note ** excluding those paid out of closing proceeds of FMMC/Beacon 1st close financing and Beacon 2nd close financing

Authorized Signature _____

Name (print): _____

Position (print): _____

Date: 30-Apr-17

Commentary on covenant ratios if not in order and action plan to correct:

SCHEDULE 1.1(l) – BANK ACCOUNTS

TD Canada Trust – Branch – 001 Account # 5281308

SCHEDULE 1.1(p) – BEACON NO INTEREST LETTER

ACKNOWLEDGEMENT AND NO INTEREST LETTER

TO: Beacon Holdings Limited (the “Purchaser”)

AND TO: 2400918 Ontario Inc. (the “Debtor”)

AND TO: Beacon Trust (the “Trust”, and together with the Purchaser and the Debtor, the “Addressees”)

FROM: FMMC Private Yield Fund Limited Partnership I (the “Secured Party”)

RE: The registrations described in Schedule A (as amended or renewed from time to time, the “Registrations”) made against the Debtor under the *Personal Property Security Act* (Ontario) (the “PPSA”) and the Civil Code of Quebec (the “CCQ”)

DATE: ●, 201● [NTD: INSERT CLOSING DATE.]

WHEREAS the Secured Party is as at the date hereof, the holder of certain security (collectively, the “Security”) securing the indebtedness of the Debtor owing from time to time to the Secured Party, and the Security and the security interests and hypothecs created thereunder were perfected by the Registrations described in Schedule A hereto, pursuant to the PPSA and the CCQ;

AND WHEREAS the Debtor has entered into a series LWI receivables purchase agreement, dated as of May 18, 2017 (as such agreement may be amended, restated, supplemented or otherwise modified from time to time, the “Receivables Purchase Agreement”), between the Debtor, as seller, and the Purchaser, as purchaser, pursuant to which the Debtor will sell from time to time to the Purchaser certain consumer receivables, all related security and all cash collections and all cash proceeds (including insurance payments) received or receivable in respect of such receivables (collectively, the “Receivables”);

AND WHEREAS pursuant to the Receivables Purchase Agreement, the Purchaser intends to purchase from the Debtor on the date hereof the Receivables described in Schedule B hereto (collectively, the “Transferred Receivables”);

NOW THEREFORE for the benefit of the Addressees, the Secured Party provides as follows:

1. The Secured Party acknowledges, agrees and confirms to the Addressees that:
 - (a) the Debtor has granted the Security to the Secured Party pursuant to one or more security agreements or hypothecs between the Debtor and the Secured Party (the “Security Agreements”);
 - (b) it has not assigned any of its rights under the Security Agreements, or any of its rights in the related collateral or the Registrations; and

- (c) it does not have, and will not claim, a security interest, hypothec, ownership interest or other interest in any of the Transferred Receivables as a result of the Security, the Security Agreements, the Registrations (or any amendment to or renewal of any of the foregoing), or any security interest, hypothec, ownership interest or other interest which the Debtor has granted or may grant in favour of the Secured Party in the future.
- 2. The Secured Party agrees with the Addressees that:
 - (a) to the extent that the Security Agreements create, or any of the Registrations may perfect, a security interest, hypothec, ownership interest or other interest in all or any of the Transferred Receivables, the Secured Party hereby irrevocably releases any such security interest, hypothec, ownership interest or other interest, as applicable, and acknowledges and confirms that it will not rely upon the Registrations, or any other registrations made in any personal property security registry in Canada (including the Register of Personal and Movable Real Rights of Quebec (the "RPMRR")), to perfect, protect, or take any action to enforce any security interest, hypothec, ownership interest or other interest in all or any of the Transferred Receivables. Notwithstanding the foregoing, upon confirmation by each of the Addressees that it has no remaining interest in the Transferred Receivables, the Secured Party reserves the right to rely on the Registrations and the Security Agreements to create and perfect a security interest or hypothec, as applicable, in the Transferred Receivables;
 - (b) the hypothecs described in any of the Registrations that are registered at the RPMRR in favour of the Secured Party are hereby reduced, partially discharged and released, but only with respect to the Transferred Receivables; and
 - (c) the Secured Party hereby also further undertakes not to file a notice of preservation of hypothec at the RPMRR pursuant to Article 2700 of the CCQ with respect to the Transferred Receivables.
- 3. Terms used in this Acknowledgement and No Interest Letter that are defined in the PPSA and the CCQ and are not otherwise defined herein will have the same meaning herein as in the PPSA or the CCQ, as applicable.
- 4. This Acknowledgement and No Interest Letter is being executed and delivered by the Secured Party for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.
- 5. This Acknowledgement and No Interest Letter will enure to the benefit of each of the Addressees and their respective successors and assigns and will be binding upon the Secured Party and its successors and assigns.
- 6. This Acknowledgement and No Interest Letter is governed by and will be construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- 7. Delivery of an executed signature page to this Acknowledgement and No Interest Letter by any party by electronic transmission will be as effective as delivery of a manually executed copy of the Acknowledgement and No Interest Letter by such party.

[INTENTIONALLY LEFT BLANK – SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the Secured Party has caused this Acknowledgement and No Interest Letter to be duly executed as of the date first written above.

[•]

Per:

Name:

Title:

Name:

Title:

[SIGNATURE PAGE TO ACKNOWLEDGEMENT AND NO INTEREST LETTER]

Schedule A

Registrations*Personal Property Security Act (Ontario)*

Reference File No.	Registration No.	Secured Party	Debtor	Collateral Classifications
[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]

Register of Personal and Movable Real Rights (Quebec)

Nature of Right	Date and Registration No.	Parties	Summary of Charge and Information
[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]

Schedule B

Transferred Receivables

- see attached -

[NTD: ATTACH LIST OF RECEIVABLES BEING SOLD ON THE CLOSING DATE.]

SCHEDULE 1.1(s) – BEACON SALE COMPLIANCE CERTIFICATE

Quarterly Compliance Certificate

2400918 Ontario Inc

COVENANT CALCULATIONS FOR MONTH ENDED:

31-May-17

1. Current Ratio not less than 1.10:1

(tested quarterly)

Current Assets as stated per balance sheet

Less:

Due from affiliated company (non guarantor)

Less:

Advances to directors, employees, shareholders

Net Current Assets

(A)

Current Liabilities as stated per balance sheet

\$

Net Current Liabilities

(B)

Current Ratio

(A/B)

#DIV/0!

Covenant Compliance

YES

NO

(circle one)

#DIV/0!

2. Customer Loan Book to Total Funded Unsubordinated Debt Ratio of Minimum 1.50:1

(tested quarterly)

Cash

Add: Total Customer Loans as per balance sheet

Less: Excluded Customer Loans (generally those > 5 days over due & those sold to Beacon if included above)

Less: Portion of any eligible customer loans in excess of 80% CBB value

Eligible Customer Loans

D

FMMC Debt

\$

1,289,000

Add: Unsubordinated Debt from other lenders

Add: Priority Payables per below

0

TOTAL UNSUBORDINATED DEBT

C

1,289,000

Priority Payables

Source Deductions Payable

WSIB Payable

EHT Payable

HST/PST Payable

Garnishee Payable (if any)

Liened or Lienable trade payables

Maximum WEPP obligations (lesser of \$2,000/employee or actual wages payable)

TOTAL PRIORITY PAYABLES

Customer Loan Book to Total Unsubordinated Debt Ratio

(D/C)

Covenant Compliance

YES

NO

(circle one)

NO

2400918 Ontario Inc

COVENANT CALCULATIONS FOR MONTH ENDED:

May-17

3. Debt Service Coverage Ratio minimum 1.1:1

(tested quarterly on rolling four quarter)

Ratio defined as:

$$\frac{\text{EBITDA} - \text{cash taxes} - \text{dividends/shareholder withdrawals} - \text{unfunded capex}}{\text{Principal + Interest}}$$

where "EBITDA" refers to "earnings before interest, taxes, depreciation and amortization";

where "unfunded capex" refers to "capital expenditures funded through working capital" (i.e. not by lease)

where "Principal + Interest" refers to all principal and interest payments made on all debts (FMMC and other)

EBITDA		\$	
Less:	cash Taxes (provision)	()
Less:	dividends/shareholder withdrawals	()
Less:	Unfunded Capex	()
Net Cash Flow Subtotal (E)			-

Principal Payments on FMMC Debt in previous 12 months

Principal Payments - Leases in previous 12 months

Principal Payments - Fountain Asset Corp in previous 12 months**

Principal Payments - All Other lenders in previous 12 months **

Plus: Interest expense in previous 12 months

Debt Service Costs Subtotal (F) -

Debt Service Coverage Ratio		(E/F)	#DIV/0!
Covenant Compliance	YES NO (circle one)		#DIV/0!

Note ** excluding those paid out of closing proceeds of FMMC/Beacon 1st close financing and Beacon 2nd close financing

Authorized Signature _____

Name (print): _____

Position (print): _____

Date: 30-Jun-17

Commentary on covenant ratios if not in order and action plan to correct:

Beacon Sale Compliance Certificate

2400918 Ontario Inc

COVENANT CALCULATIONS FOR DATE OF SALE OF RECEIVABLES TO BEACON:

31-Aug-171. Attachments

(a) Beacon Purchase Request

(b) Details of Receivables to be sold in electronic (XL) format, sufficient for FMMC to remove such Receivables from our forward cashflow model and from our security table

2. Current Ratio not less than 1.10:1

(tested on date of sale of receivables to Beacon)

Current Assets as stated per balance sheet

Add pro forma Net Cash to be received from beacon from proposed sale of Receivables

Less: Portion of Receivables proposed to be sold included in Current Assets

Less: Due from affiliated company (non guarantor)

Less: Advances to directors, employees, shareholders

Net Current Assets

(A) -

Current Liabilities as stated per balance sheet

\$

Net Current Liabilities

(B) -

Current Ratio	(A/B)	#DIV/0!
Covenant Compliance YES NO (circle one)		#DIV/0!

3. Customer Loan Book to Total Funded Unsubordinated Debt Ratio of Minimum 1.50:1

(tested on date of sale of receivables to Beacon)

Cash on Balance Sheet

Add: Net Cash proceeds from proposed Beacon Receivables Sale

TOTAL pro forma Cash

A

Add: Total Customer Loans as per balance sheet

Less: Balance Sheet Value of loans to be sold to Beacon

TOTAL pro forma receivables on balance sheet

B

Less: Excluded Customer Loans (generally those > 5 days over due & those sold to Beacon if included in B)

(C)

Less: Portion of any eligible customer loans included in "B" in excess of 80% CBB value

(D)

Eligible Customer Loans

E (A+B less C less D)

FMMC Debt

\$ 1,289,000

Add: Unsubordinated Debt from other lenders

Add: Priority Payables per below

0

TOTAL UNSUBORDINATED DEBT

F 1,289,000

Priority Payables

Source Deductions Payable

WSIB Payable

EHT Payable

HST/PST Payable

Garnishee Payable (if any)

Liened or Lienable trade payables

Maximum WEPP obligations (lesser of \$2,000/employee or actual wages payable)

TOTAL PRIORITY PAYABLES

Customer Loan Book to Total Unsubordinated Debt Ratio	(E/F)	-
Covenant Compliance YES NO (circle one)		NO

2400918 Ontario Inc

COVENANT CALCULATIONS FOR DATE OF SALE OF RECEIVABLES TO BEACON:

31-Aug-174. Debt Service Coverage Ratio minimum 1.1:1

(tested on date of Beacon sale on rolling trailing 12 month basis)

Ratio defined as:

EBITDA – cash taxes – dividends/shareholder withdrawals – unfunded capex
Principal + Interest

where "EBITDA" refers to "earnings before interest, taxes, depreciation and amortization";
 where "unfunded capex" refers to "capital expenditures funded through working capital" (i.e. not by lease)
 where "Principal + Interest" refers to all principal and interest payments made on all debts (FMMC and other)

EBITDA		\$	
Less:	cash Taxes (provision)	()
Less:	dividends/shareholder withdrawals	()
Less:	Unfunded Capex	()
<i>Net Cash Flow Subtotal (E)</i>			-
Principal Payments on FMMC Debt in previous 12 months			
Principal Payments - Leases in previous 12 months			
Principal Payments - Fountain Asset Corp in previous 12 months**			
Principal Payments - All Other lenders in previous 12 months **			
Plus: Interest expense in previous 12 months			
<i>Debt Service Costs Subtotal (F)</i>			-

Debt Service Coverage Ratio			(E/F)	#DIV/0!
Covenant Compliance	YES	NO	(circle one)	#DIV/0!

Note ** excluding those paid out of closing proceeds of FMMC/Beacon 1st close financing and Beacon 2nd close financing

Authorized Signature _____

Name (print): _____

Position (print): _____

Date: 31-Aug-17 _____

Commentary on covenant ratios if not in order and action plan to correct:

SCHEDULE 1.1(fff) – GROWTH INCENTIVE PLAN

20% of the operating cashflow (as defined below) is anticipated to be paid out annually, following receipt of the annual audited financial statements of the Borrower. This Growth Incentive Plan replaces and is not in addition to all prior or existing growth incentive or similar plans of the Borrower. Such growth incentives shall require the prior written consent of the Lender which shall not be unreasonably with-held so long as the Growth Plan Distribution Conditions contained in the Credit Agreement are met.

Total payments made under the Growth Incentive Plan in any given year shall be made 50% to Mark Wilson for so long as he continues in his role of ultimate responsibility for managing the growth of the Borrower and 50% shall be split *pro rata* among Mark Wilson, Fountain and the Lender based on their shareholdings (on an as-converted basis) for so long as they remain shareholders of the Business (on an as-converted basis). The format of such payouts (dividends or some other form) shall be at the discretion of the board of directors of the Corporation.

For purposes of calculating the potential growth incentive payout, the following formula shall be used:

Growth Incentive = 20% x Operating Cashflow

Operating Cashflow = NI - NCR - INV, where

NI (Net Income) = Net Income

NCR (Non Cash Revenue) = [20% of Discharge Fees] + [66% of Gross-Up Fees] + [40% of Collection Fees]

INV (Inventory Delta) = [Current year's ending Inventory Amount] – [Prior year's ending Inventory Amount]

SCHEDULE 1.1(qqq) – LEASED PROPERTIES

376 Richmond St., London, Ontario N6A 3C7

SCHEDULE 1.1(ffff)(iv) – PERMITTED ENCUMBRANCES

All encumbrances against personal property arising from the following PPSA registrations:

	Debtor	Secured Party	Encumbrance	PPSA Registration No. and Reference File No.
1.	2400918 Ontario Inc.	Beacon Holdings Limited	Security interests in favour of Beacon Holdings Limited in personal property of 2400918 Ontario Inc. perfected by the PPSA registration set out in this row, as described in, subject to and to the extent provided in the Beacon Agreement delivered to the Lender in accordance with this Credit Agreement	PPSA Registration No. 20170510 1359 1862 4278 (Reference File No. 727503012)
2.	2400918 Ontario Inc.	Fountain Asset Corp.	Security interests in favour of Fountain Asset Corp. in personal property of 2400918 Ontario Inc. perfected by the PPSA registration set out in this row, as described in, subject to and to the extent provided in the subordination and postponement agreement of Fountain Asset Corp. delivered to Lender in accordance with the provisions of this Credit Agreement	PPSA Registration No. 20131220 1254 1590 3611, as amended by Registration No. 20170531 1526 1590 4957 (Reference File No. 692741502)

SCHEDULE 1.1(gggg)(vi)– PERMITTED OBLIGATIONS

No.	Debtor	Creditor	Obligations
1.	2400918 Ontario Inc.	Beacon Holdings Limited	Debts, liabilities and obligations of 2400918 Ontario Inc. to Beacon Holdings Limited pursuant to that certain series LW1 receivables purchase agreement, made as of May 18, 2017, between 2400918 Ontario Inc. and Beacon Holdings Limited, as described in, subject to and to the extent provided in that certain series LW1 receivables purchase agreement, made as of May 18, 2017 between 2400918 Ontario Inc. and Beacon Holdings Limited in the form delivered to the Lender prior to the date of this Credit Agreement
2.	2400918 Ontario Inc.	Fountain Asset Corp.	Debts, liabilities and obligations of 2400918 Ontario Inc. to Fountain Asset Corp., as described in, subject to and to the extent provided in the subordination and postponement agreement of Fountain Asset Corp. delivered to Lender in accordance with the provisions of this Credit Agreement

SCHEDULE 2.3 – OTHER LENDERS OF THE BORROWER

Steve Stapleton - \$52,666.85

Matt Dickie – \$157,872.52

Mark Root – \$42,088.90

Indcom Leasing \$81,558.60

Remi and Beverly Cooreman - \$100,625.00

SCHEDULE 5.1(4)(A)**BUSINESS, PROPERTY AND MATERIAL CONTRACTS**

Share Capital

Mark Wilson 1,000 Class A Common Shares

Fountain Asset Corp. 1,000 Class A Common Shares

Shares owned in other Persons

None

Nature of business

Financing auto repair loans

Head Office/Chief Executive Office

376 Richmond St., London, ON, N6A 3C7

Jurisdictions where Property is located

Ontario

SCHEDULE 5.1(6)(A)**TAXES**

Harmonized Sales Tax 2nd Quarter Due July 31, 2017

SCHEDULE 5.1(6)(B)**WITHHOLDINGS**

None

SCHEDULE 5.1(4)(H)
UNTRANSFERRED CUSTOMER LOANS

None

SCHEDULE 6.3(4)(C)
CORPORATE MATTERS

Chief Executive Office/Head Office/Domicile

Ontario, Canada

SCHEDULE 6.3(4)(D)
OWNERSHIP AND CONTROL

Share Capital

Mark Wilson 1,000 Class A Common Shares

Fountain Asset Corp. 1,000 Class A Common Shares

This is Exhibit "E" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

FIRST AMENDMENT TO CREDIT AGREEMENT

This FIRST AMENDMENT TO CREDIT AGREEMENT (this “**FIRST Amendment**”), is dated and is effective as of July 13, 2017 among 2400918 ONTARIO INC., (the “**Borrower**”), and FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I, as lender (the “**Lender**”) (the “**Agreement**”). :

WHEREAS pursuant to a credit agreement dated as of the 30th day of June, 2017 between the Borrower and the Lender (the “**Credit Agreement**”), the Lender agreed to advance a non-revolving term loan to the Borrower;

AND WHEREAS the parties hereto desire to enter into this First Amendment to modify certain of the terms and provisions of the Credit Agreement;

NOW, THEREFORE, in consideration of the premises, agreements and provisions contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1 DEFINITIONS

1.1 Definitions.

All capitalized terms in this First Amendment (including the recitals hereto) that are not otherwise defined in this First Amendment, shall have the meanings ascribed thereto in the Credit Agreement.

ARTICLE 2 AMENDMENTS

2.1 Section 3.3 of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

For all proposed Beacon Sales, the Borrower shall provide to the Lender at least six (6) Business Days in advance of the proposed sale date the list of receivables offered for sale to Beacon (in electronic format with sufficient detail as the Lender may reasonably require) and related Beacon Sale Compliance Certificate, with such certificate showing compliance with the covenants of this Agreement on a post-sale basis assuming that Beacon shall purchase 100% of the loans offered for sale (the “Initial Submission”). Beacon shall provide the Lender at least two (2) Business Days in advance of the proposed sale date a Beacon Purchase Letter showing the final list of loans to be purchased, all of which shall have been included in the initial list provided by the Borrower in the prior sentence hereto. In the event that less than 100% of the receivables offered for sale in the Initial Submission are desired to be purchased by Beacon, The Borrower shall, upon delivery of the relevant Beacon Purchase Letter, re-submit to the Lender in electronic form details of the actual final list of loans to be sold on a basis consistent with the details provided on the initial list (collectively with the Beacon Purchase Letter, the “Final Submission”)

For all Beacon Sales made in compliance with the provisions of this Agreement including Section 6.3(3)(e), the Lender shall provide a Beacon No-Interest Letter in form attached hereto as Schedule 1.1(p) forthwith upon demand and in any event within the later of: (i) six (6) Business Days following receipt of

the Initial Submission from the Borrower; or (ii) two (2) Business Days following receipt of the Final Submission.

In the event of any other proposed Beacon Sale where the Borrower is not in breach of any covenant and is in compliance with the terms of this Agreement prior to such sale but delivers a duly executed Beacon Sale Compliance Certificate showing non-compliance after the closing of such sale, then upon delivery to the Lender by the Borrower of such certificate and request for approval of the related Beacon Sale, the Lender shall have 6 Business Days following receipt of same to provide an executed Beacon No-Interest Letter in form attached hereto as Schedule 1.1 (p), failing which then, notwithstanding the provisions of Section 2.6 above, within 120 days of the expiry of the 6 Business Day period referred to above, the Borrower may prepay all and not less than all of the Obligations outstanding under this Agreement without any Minimum Interest (provided in each case that interest shall otherwise be payable in accordance with this Agreement until and including the date of such prepayment).

ARTICLE 3 GENERAL PROVISIONS

- 3.1** This First Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and all such counterparts together shall constitute one and the same instrument.
- 3.2** Section headings in this First Amendment are included for convenience of reference only and shall not constitute a part hereof for any other purpose or be given any substantive effect.
- 3.3** This First Amendment shall be construed in accordance with and governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- 3.4** On or after the date first above written, each reference in the Credit Agreement to "this Agreement" words of like import shall be deemed to refer to the Credit Agreement as amended by this First Amendment.

-----REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK -----


IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the date first written above.

2400918 ONTARIO INC., as Borrower

By: 
Mark Wilson

**FMMC PRIVATE YIELD FUND
LIMITED PARTNERSHIP I**, as
Lender, by its general partner, **FMMC
GP INC.**

By: 
Don Bent, Managing Partner

By: 
Michael Liik, Managing Partner

This is Exhibit "F" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

AMENDMENT TO CREDIT AGREEMENT

This SECOND AMENDMENT TO CREDIT AGREEMENT (the “**Second Amendment**”), is dated and is effective as of February 6, 2018 among 2400918 ONTARIO INC., (the “**Borrower**”), and FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I, as lender (the “**Lender**”) (the “**Agreement**”). :

WHEREAS pursuant to a limited partnership agreement dated as of the 30th day of April, 2014 between the Borrower and the Lender (the “**Credit Agreement**”), as amended by the First Amendment to the Credit Agreement dated July 13, 2017, the Lender agreed to advance a non-revolving term loan to the Borrower;

AND WHEREAS the parties hereto desire to enter into this Second Amendment to modify certain of the terms and provisions of the Credit Agreement;

NOW, THEREFORE, in consideration of the premises, agreements and provisions contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1 DEFINITIONS

1.1 Definitions.

All capitalized terms in this Second Amendment (including the recitals hereto) that are not otherwise defined in this Second Amendment, shall have the meanings ascribed thereto in the Credit Agreement.

ARTICLE 2 AMENDMENTS

- 2.1 The definition of “Additional Credit” in Section 1.1 (c) of the Credit Agreement shall be modified as follows: (a) the words “or a mutually agreeable lesser amount” shall be added to the end of the bracketed language, and (b) the word three shall be struck and the word six inserted to replace it, such that it reads (bold used only to indicate the modified language):

“**Additional Credit**” means up to **six** tranches of additional Loan amounts aggregating \$3.711 million (in tranches of not less than \$1 million each, **or a mutually agreeable lesser amount**).

- 2.2 The definition of "EBITDA" in Section 1.1 (qq) of the Credit Agreement shall be modified such that the cost incurred in the calendar year 2018 relating to paying David Minor for a term contract as part-time Chief Financial Officer shall be ignored in arriving at EBITDA, such that the definition now reads (bold used only to indicate the modified language):

"EBITDA" means, without duplication, for any period, Net income (excluding extraordinary gains or losses, **the cost of David Minor's part-time Chief Financial Officer contract during the calendar year 2018,** and non-cash write-downs or write-ups of asset values) before Interest Expense, income taxes, depreciation and amortization.

- 2.3 A new Section 3.5 shall be added as follows:

Notwithstanding any other term in this agreement, commencing February 6, 2018 until the end of the term of this Agreement, the Lender shall not be required to approve any further Beacon Sales nor provide any further no interest letters unless by mutual agreement of the Borrower and the Lender.


ARTICLE 3 GENERAL PROVISIONS

- 3.1 This Second Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and all such counterparts together shall constitute one and the same instrument.
- 3.2 Section headings in this Second Amendment are included for convenience of reference only and shall not constitute a part hereof for any other purpose or be given any substantive effect.
- 3.3 This Second Amendment shall be construed in accordance with and governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- 3.4 On or after the date first above written, each reference in the Credit Agreement to "this Agreement" words of like import shall be deemed to refer to the Credit Agreement as amended by this Second Amendment.


-----REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK -----

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered as of the date first written above.

2400918 ONTARIO INC., as Borrower

By: 
Mark Wilson

**FMMC PRIVATE YIELD FUND
LIMITED PARTNERSHIP I**, as
Lender, by its general partner, **FMMC
GP INC.**

By: 
Don Bent, Managing Partner

By: 
Michael Liik, Managing Partner

This is Exhibit "G" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke extending to the right.

Commissioner for Taking Affidavits (or as may be)

THIRD AMENDMENT TO CREDIT AGREEMENT

THIS AMENDMENT TO CREDIT AGREEMENT is dated as of March 8, 2019 between 2400918 ONTARIO INC. (the “Borrower”) and FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP 1 (the “Lender”), and is hereinafter referred to as the “Third Amendment”.

WHEREAS the Borrower and the Lender are parties to that certain Credit Agreement dated June 30, 2017 (the “Original Agreement”) in respect of the Loan made by the Lender to the Borrower, as later amended on July 13, 2017 (the “First Amendment”) and as further amended on February 6, 2018 (the “Second Amendment”), as may be further amended, restated, supplemented, renewed, replaced or otherwise modified from time to time, (collectively, the “Credit Agreement”); and

WHEREAS the Borrower and the Lender wish to further amend the Credit Agreement to include within the definition of Subordinated Debt any future Debt of the Borrower incurred by way of the issuance of notes to capital investors, in form attached hereto (“Capital Investment Notes”);

NOW THEREFORE, for value received intending to be legally bound by this Amendment, the parties agree as follows:

ARTICLE I.

DEFINED TERMS

SECTION 1.1 Use of Defined Terms. Unless otherwise defined or the context otherwise requires, terms for which meanings are provided in the Credit Agreement shall have such meanings when used in this Amendment.

ARTICLE II.

AMENDMENTS

SECTION 2.1 Section 1.1 of the Credit Agreement is hereby amended and modified in the manner set forth below:

(a) The following defined term is added to the Credit Agreement immediately following the definition of the term “Capital Expense”:

“Capital Investment Notes” means any present or future Debt of the Borrower incurred by way of the issuance of notes in substantially the form and having the material terms set forth in Exhibit A attached hereto. Without limiting the generality of the foregoing all Capital Investment Notes shall have a minimum term of 24 months, a maximum annual interest rate of 15.0%, and shall

according to their terms be subordinated and postponed in favour of the Lender.”

(b) The definition of “**Permitted Encumbrances**” is hereby amended by adding the following subsection “(v)” to the end of such definition:

“(v) Encumbrances incurred by the Debtor in favour of the holders of Capital Investment Notes as security for the Debt issued pursuant to the Capital Investment Notes and other obligations related thereto, only to the extent they are subordinated and postponed to the security of the Lender.”

(c) The definition of “**Subordinated Debt**” is hereby amended by adding the following language to the end of such definition:

“and any Capital Investment Notes.”.

ARTICLE III.

MISCELLANEOUS PROVISIONS

SECTION 3.1 Ratification of and References to the Credit Agreement. This Amendment shall be deemed to be an amendment to the Credit Agreement, and the Credit Agreement, as amended hereby, is hereby ratified, approved and confirmed in each and every respect. All references to the Credit Agreement in any other document, instrument, agreement or writing shall hereafter be deemed to refer to the Credit Agreement as amended hereby.

SECTION 3.2 Execution in Counterparts, Effectiveness, etc. This Amendment may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

SECTION 3.3 No Other Amendments. Except for the amendments expressly set forth above, the text of the Credit Agreement and the other Loan Documents shall remain unchanged and in full force and effect.

SECTION 3.4 Governing Law; Entire Agreement. This Amendment shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. This Amendment constitutes the entire understanding among the parties hereto with respect to the subject matter hereof and supersedes any prior agreements, written or oral, with respect thereto.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

2400918 ONTARIO INC.

By: 

Name: Mark Wilson

Title: President

FMMC PRIVATE YIELD FUND LIMITED
PARTNERSHIP I

By: 

Name: Don Best

Title: Managing Partner

By: 

Name: Michael Link

Title: Managing Partner

EXHIBIT 'A'
FORM OF
CAPITAL INVESTMENT NOTE

FROM: 2400918 Ontario Inc. (the "Debtor")
 [Note: Debtor proposes to change its name to
 "Advantagewon Capital Corp.]
TO: [•] (the "Holder")
AMOUNT: Cdn. \$[•] (the "Principal")
EFFECTIVE DATE: [•]

This note is issued by the Debtor, being 2400918 Ontario Inc., whose main business is the lending of funds for the purposes of automotive repairs, to the Holder as lender.

The Debtor acknowledges and agrees to the following:

1. **Indebtedness.** For value received, the Debtor promises to pay at maturity of this note to, or to the order of, the Holder the Principal in lawful money of Canada in immediately available funds at the address of the Holder set out in Section 14 hereof (or as the Holder may otherwise designate in writing from time to time) in the manner provided in this note, together with interest and other monies that the Debtor may owe from time to time under this note.
2. **Interest.** The Debtor shall pay the Holder interest ("Interest") on the Principal from the Effective Date, both before and after maturity, default, or judgment and until actual payment in full, at the rate of [•]% [Note: not greater than 15%] per annum, calculated and compounded annually. The Debtor shall pay the Holder interest on any overdue Interest at the same rate, calculated and payable in the same manner, as Interest.
3. **Limitations Act.** The Debtor has issued this note for business purposes; accordingly, this note will be treated as a business agreement for purposes of the *Limitations Act, 2002* (Ontario). The Debtor agrees that any limitation period applicable to this note, any proceeding relating to a claim in connection with this note, or the Debtor's obligations under this note (other than the ultimate limitation period provided for in Section 15 of that Act) is suspended and will not apply to this note or the obligations that it evidences.
4. **Prepayment.** At any time prior to maturity, the Debtor may prepay the Principal or Interest either in whole at one time or in part from time to time without notice to the Holder, penalty, or bonus, together with all accrued and unpaid Interest to the date fixed for repayment and, in the case of prepayment in whole, all other monies owing under this note.
5. **Application of Payments.** The Holder shall apply any amount paid in satisfaction of any indebtedness under this note first against any accrued and unpaid Interest and second against the outstanding Principal.

6. **Term.** The loan shall run for a term of [•] months [Note: not less than 24 months]. The Holder has the right to renew the loan for an additional period of [•] months, with 90 days prior written notice.
7. **Waiver – Specific Items.** The Debtor waives presentment for payment, demand, protest, notice of any kind, and statutory days of grace in connection with this note. The Debtor agrees that it is not necessary for the Holder to first bring legal action in order to enforce payment of this note.
8. **Assignment.** The Debtor may not assign all or any portion of its rights and obligations under this note without the Holder's prior written consent, except to FMMC Private Yield Fund Limited Partnership I, to which it may assign such rights and obligations without the consent of the Holder.
9. **Waiver – General.** No waiver of satisfaction of a condition or non-performance of an obligation under this note is effective unless it is in writing and signed by the Holder. No waiver under this section affects the exercise of any other rights under this note.
10. **Governing Law.** The laws of Ontario and the laws of Canada applicable in Ontario, excluding any rule or principle of conflicts of law that may provide otherwise, govern this note.
11. **Severability.** The invalidity or unenforceability of any particular provision of this note will not affect or limit the validity or enforceability of the remaining provisions.
12. **Binding Effect.** This note enures to the benefit of and binds the parties' respective heirs, executors, administrators, and other legal representatives, successors, and permitted assigns.
13. **Amendment.** This note may only be amended by a written document signed by each of the parties.
14. **Notice.** To be effective, a Notice must be in writing and delivered (a) personally, either to the individual designated below for that party or to an individual having apparent authority to accept deliveries on behalf of that individual at its address set out below, (b) by registered mail, or (c) by electronic mail to the address or electronic mail address set out opposite the party's name below or to any other address or electronic mail address for a party as that party from time to time designates to the other parties in the same manner:

in the case of the Debtor, to:

2400918 Ontario Inc.
376 Richmond St. Suite 300
London, Ontario
N6A 3C7

Attention: Mark Wilson, President
Email: mwilson@advantagewon.com

in the case of the Holder, to:

[ADDRESS]

Email: [•]

Any Notice is effective (i) if personally delivered, as described above, on the day of delivery if that day is a Business Day and it was received before 5:00 p.m. local time in the place of receipt and otherwise on the next Business Day, or (ii) if sent by registered mail, on the fourth Business Day following the day on which it is mailed, except that if at any time between the date of mailing and the fourth Business Day thereafter there is a disruption of postal service then, Notice must be given by means other than mail, or (iii) if sent by electronic mail, on the day the sender receives confirmation of receipt by return electronic mail from the recipient if that day is a Business Day and if that confirmation was received before 5:00 p.m. local time in the place of receipt, and otherwise on the next Business Day.

15. **Security.** The Debtor acknowledges that a general security agreement effective the date hereof and delivered by the Debtor to the Holder, secures all present and future indebtedness, liabilities, and obligations evidenced by this note (collectively, the “**Holder Indebtedness**”).
16. **Postponement and Subordination.** The Holder acknowledges that the Debtor has granted and may hereafter grant security (collectively, as the same may be amended, modified, restated, supplemented, renewed or replaced from time to time (the “**Senior Security**”) in favour of certain senior lenders to the Debtor, including FMMC Private Yield Fund Limited Partnership I (“**FMMC**”), as security for the payment and discharge of all indebtedness, obligations and liabilities of any kind, present or future, direct or indirect, absolute or contingent, matured or not, joint or several, of the Debtor to such senior lenders, including FMMC, whether as principal or as surety, together with all expenses (including legal fees on a full indemnification basis) incurred by such senior lenders, including FMMC, their receivers or agents, in the preparation, perfection and enforcement of security and other agreements held by such senior lenders, including FMMC, in respect of such indebtedness, obligations or liabilities and interest thereon, and, in the case of FMMC, all as more particularly set out in the credit agreement between the Debtor and FMMC dated the 30th day of June, 2017, as same may amended and restated (collectively, with respect to FMMC, all of such obligations are the “**Senior Obligations**”). The Holder confirms that if there is a default with respect to the Senior Obligations, payment of the Holder Indebtedness shall be postponed until the Senior Obligations have been paid in full. The Holder further acknowledges that all security granted by the Debtor in favour of the Holder as security for the payment and discharge of the Holder Indebtedness, including the general security agreement delivered by the Debtor to the Holder as provided for in paragraph 15 (collectively, the “**Holder Security**”), is postponed, subordinated and subject to the Senior

Security, and the Holder Security shall in all respects and for all purposes be subordinated and postponed and rank junior to the Senior Security, notwithstanding that any of the Senior Security shall be defective, unperfected, void or unenforceable for any reason whatsoever, and further, that neither the Holder nor its agent shall take any enforcement action whatsoever against the Debtor, nor contest the validity of the Senior Security, until the Senior Obligations are paid in full. The Holder authorizes FMMC to register under the *Personal Property Security Act* such filings as are necessary to subordinate all financing statements representing the Holder Security.

[signature page follows]

This promissory note has been executed by the Debtor as of the date first noted above.

2400918 Ontario Inc.

By: _____
Mark Wilson
President

The Holder hereby acknowledges and agrees to the provisions of this Note as outlined above.

DATED as of the date first noted above.

HOLDER:

(Entity name, if applicable)
By: _____
Name: _____
Title: _____
Address: _____

This is Exhibit "H" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

FOURTH AMENDMENT TO CREDIT AGREEMENT

THIS AMENDMENT TO CREDIT AGREEMENT is dated as of August 20, 2020 between ADVATAGEWON CAPITAL CORP. (formerly 2400918 ONTARIO INC.) (the “**Borrower**”) and FMMC PRIVATE YIELD LIMITED PARTNERSHIP I (the “**Lender**”), and is hereinafter referred to as the “**Fourth Amendment**”.

WHEREAS the Borrower and the Lender are parties to that certain Credit Agreement dated June 30, 2017 (the “**Original Agreement**”) in respect of the Loan made by the Lender to the Borrower, as later amended on July 13, 2017 (the “**First Amendment**”) as further amended on February 6, 2018 (the “**Second Amendment**”) and March 8, 2018 (the “**Third Amendment**”), as may be further amended, restated, supplemented, renewed, replaced or otherwise modified from time to time, (collectively, the “**Credit Agreement**”); and

WHEREAS the Borrower and the Lender wish to further modify the Credit Agreement;

NOW THEREFORE, for value received intending to be legally bound by this Amendment, the parties agree as follows:

ARTICLE I.

DEFINED TERMS

SECTION 1.1 Use of Defined Terms. Unless otherwise defined or the context otherwise requires, terms for which meanings are provided in the Credit Agreement shall have such meanings when used in this Amendment.

ARTICLE II.

AMENDMENTS

SECTION 2.1 Section 6.3 (3) (e) of the Credit Agreement is hereby deleted in its entirety and replaced as set forth below:

“permit any sale, lease or other disposition of the whole or any part of its Property (excluding real property) or any rights or interest therein (including any sale or other disposition of Customer Loans or related rights pursuant to any factoring arrangements) other than inventory of re-possessed vehicles disposed of in the ordinary course of business. For greater certainty, from the date hereof the Borrower shall not sell or offer for sale any additional Customer Loans to Beacon (nor any other entity) nor amend or extend the Beacon Documents; or”

ARTICLE III.

MISCELLANEOUS PROVISIONS

SECTION 3.1 Ratification of and References to the Credit Agreement. This Amendment shall be deemed to be an amendment to the Credit Agreement, and the Credit Agreement, as amended hereby, is hereby ratified, approved and confirmed in each and every respect. All

references to the Credit Agreement in any other document, instrument, agreement or writing shall hereafter be deemed to refer to the Credit Agreement as amended hereby.

SECTION 3.2 Execution in Counterparts, Effectiveness, etc. This Amendment may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

SECTION 3.3 No Other Amendments. Except for the amendments expressly set forth above, the text of the Credit Agreement and the other Loan Documents shall remain unchanged and in full force and effect.

SECTION 3.4 Governing Law; Entire Agreement. This Amendment shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. This Amendment constitutes the entire understanding among the parties hereto with respect to the subject matter hereof and supersedes any prior agreements, written or oral, with respect thereto.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

ADVANTAGWON CAPITAL CORP.

DocuSigned by:
Mark Wilson
By: _____
C8004C2B37A3416
Name: Mark Wilson
Title: President

**FMMC PRIVATE YIELD FUND LIMITED
PARTNERSHIP I**

DocuSigned by:
Don Bent
By: _____
A1A2C607A48A48C...
Name: Don Bent
Title: Managing Partner

This is Exhibit "I" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

GENERAL SECURITY AGREEMENT

This General Security Agreement made as of the 30th day of June, 2017.

Between:

2400918 ONTARIO INC. (hereinafter called the 'Debtor')
376 Richmond Street, 3rd Floor, London, Ontario N6A 3C7

And:

FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I (hereinafter called the 'Lender')
34 King Street East, Suite 400, Toronto, Ontario M5C 2X8

The Debtor hereby enters into this General Security Agreement with the Lender for valuable consideration and as security for the repayment and discharge of all indebtedness, obligations and liabilities of any kind, now or hereafter existing, direct or indirect, absolute or contingent, joint or several, of the Debtor to the Lender, whether as principal or surety, together with all expenses (including legal fees on a solicitor and client basis) incurred by the Lender, its receiver or agent in the preparation, perfection and enforcement of security or other agreements held by the Lender in respect of such indebtedness, obligations or liabilities and interest thereon (all of which present and future indebtedness, obligations, liabilities, expenses and interest are herein collectively called the '**Indebtedness**').

A. Grant of Security Interests

1. The Debtor hereby grants to the Lender, by way of mortgage, charge, assignment and transfer, a security interest (the '**Security Interest**') in the undertaking of the Debtor and in all Personal Property including, without limitation, all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Accounts, Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Investment Property now or hereafter owned or acquired by or on behalf of the Debtor and in all proceeds and renewals thereof, accretions thereto and substitutions therefor (hereinafter collectively called the '**Collateral**') including without limitation, all of the following now or hereafter owned or acquired by or on behalf of the Debtor:
 - (i) all Inventory of whatever kind and wherever situate;
 - (ii) all Equipment of whatever kind and wherever situate including, without limitation, all machinery, tools, apparatus, plant furniture, fixtures and vehicles of whatsoever nature or kind;
 - (iii) all accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit, guarantees and advices of credit which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Debtor;
 - (iv) all deeds, documents, writings, papers, books of account and other books relating to or being records of Accounts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
 - (v) all contractual rights and insurance claims and all goodwill, patents, trademarks, copyrights and other intellectual property;
 - (vi) all monies other than trust monies lawfully belonging to others; and
 - (vii) all property and assets, real and personal, moveable or immovable, of whatsoever nature and kind.
2. The Security Interest hereby created shall not extend or attach to (i) any personal property held in trust by the Debtor and lawfully belonging to others or (ii) any property of the Debtor that constitutes consumer goods for the personal use of the Debtor; or (iii) the last day of the term of any lease, oral or written or agreement therefor, now held or hereafter acquired by the Debtor, provided that upon the enforcement of the Security Interest the Debtor shall stand possessed of such last day in trust to assign and dispose of the same to any person acquiring such term. Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed thereto in the PPSA.

B. Attachment

3. The Debtor warrants and acknowledges that the Debtor and the Lender intend the Security Interest in existing Collateral to attach upon the execution of this General Security Agreement; that value has been given; that the Debtor has rights in such existing Collateral; and that the Debtor and the Lender intend the Security Interest in hereafter acquired Collateral to attach at the same time as the Debtor acquires rights in the said after acquired Collateral.

C. Representations and Warranties of Debtor

4. The Debtor hereby represents and warrants to the Lender that:
- (a) the Debtor has or expects hereafter to have assets at the location(s) set out in **Schedule 'A'**, its jurisdiction of incorporation is as set out in **Schedule 'A'**, and the only locations of the Debtor's places of business including chief executive office, registered office and mailing address are as set out in **Schedule 'A'**;
 - (b) the Collateral is primarily situated or located at the location(s) set out in **Schedule 'A'** on the date hereof but may from time to time be located at other premises of the Debtor; may also be located at other places while in transit to and from such locations and premises; and may from time to time be situate or located at any other place when on lease or consignment to any lessee or consignee from the Debtor; and
 - (c) the Collateral is genuine and owned by the Debtor free of all security interests, mortgages, liens, claims, charges or other encumbrances (collectively hereinafter called '**Encumbrances**'), save for the Security Interest and those Encumbrances set out in **Schedule 'B'**.

D. Covenants and Agreements of Debtor

5. The Debtor hereby covenants and agrees with the Lender that until all of the Indebtedness is paid in full:
- (a) subject to the provisions of the Credit Agreement entered into between Debtor and Lender dated as of the 30th day of June, 2017 (as may be amended, renewed or supplemented from time to time, the "**Credit Agreement**"): (i) the Debtor shall not without the prior written consent of the Lender sell or dispose of any of the Collateral other than inventory disposed of in the ordinary course of business or in accordance with the Credit Agreement, and (ii) if the amounts on or in respect of the Collateral or Proceeds thereof shall be paid to the Debtor, the Debtor shall receive the same in trust for the Lender and forthwith pay over the same to the Lender upon request; provided however that the Inventory of the Debtor may be sold or disposed of in the ordinary course of business and for the purpose of carrying on the same;
 - (b) the Debtor shall not without the prior written consent of the Lender create or permit any Encumbrances upon or assign or transfer as security or pledge or hypothecate as security the Collateral except to the Lender, save for the Permitted Encumbrances in accordance with the Credit Agreement and those Encumbrances set out in **Schedule 'B'**;
 - (c) the Debtor shall at all times have and maintain insurance over the Collateral against risks of fire (including extended coverage), theft, and such risks as the Lender may reasonably require in writing, containing such terms, in such form, for such periods and written by such companies as may be reasonably satisfactory to the Lender. The Debtor shall duly and reasonably pay all premiums and other sums payable for maintaining such insurance and shall cause the insurance money thereunder to be payable to the Lender as its interest hereunder may appear and shall, if required, furnish the Lender with certificates or other evidence satisfactory to the Lender of compliance with the foregoing insurance provisions. In the event that Debtor fails to pay all premiums and other sums payable in accordance with the foregoing insurance provision, the Lender may make such payments to be repayable by the Debtor on demand and any such payments made by the Lender shall be secured hereby;
 - (d) the Debtor shall keep the Collateral in good condition and repair according to the nature and description thereof, and the Lender may, upon reasonable notice and during regular business hours of the Debtor, either in person or by agent, inspect the Collateral and the reasonable cost of such inspection shall be paid by the Debtor and secured hereby and the Lender may make repairs as it deems necessary and the cost thereof shall be paid by the Debtor and secured hereby;
 - (e) the Debtor shall duly pay all taxes, rates, levies, assessments of every nature which may be lawfully levied, assessed or imposed against or in respect of the Debtor or the Collateral as and when the same become due and payable; and
 - (f) the Debtor agrees that the Lender may after a default under this General Security Agreement, notify any account debtor of the Debtor of the Security Interest, require such account debtor to make payment to the Lender, take control of any Proceeds of Collateral and may hold all amounts received from any account debtor and any Proceeds as part of the Collateral and as security for the Indebtedness.
6. The Debtor shall from time to time do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered any such further act, deed, transfer, assignment, assurance, document or instrument as the Lender may reasonably require for the better granting, mortgaging, charging, assigning and transferring unto the Lender the property and assets hereby subjected or intended to be subject to the Security Interest or which the Debtor may hereafter become bound to mortgage, charge, assign, transfer or subject to the Security Interest in favour of the Lender for the better accomplishing and effectuating of this General Security Agreement and the provisions contained herein and effective after a default under this General Security Agreement each and every officer of the Lender is irrevocably appointed attorney to execute in the name and on behalf of the Debtor any document or instrument for the said purposes.

7. The Debtor shall permit the Lender, upon reasonable notice and during regular business hours of the Debtor, either in person or by agent, to inspect the Debtor's books and records pertaining to the Collateral. The Debtor shall at all times upon request by the Lender furnish the Lender with such information concerning the Collateral and the Debtor's affairs and business as the Lender may reasonably request including, without limitation, lists of Inventory and Equipment and lists of Accounts showing the amounts owing upon each Account and securities therefor and copies of all financial statements, books and accounts, invoices, letters, papers and other documents in any way evidencing or relating to the Accounts.
8. The Debtor acknowledges and agrees that, in the event it amalgamates with any other corporation or corporations, it is the intention of the parties hereto that the term '**Debtor**' when used herein shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the Security Interest granted hereby:
 - (i) shall extend and attach to '**Collateral**' (as that term is herein defined) owned by each of the amalgamating corporations and the amalgamated corporation at the time of amalgamation and to any '**Collateral**' thereafter owned or acquired by the amalgamated corporation;
 - (ii) shall secure the '**Indebtedness**' (as that term is herein defined) of each of the amalgamating corporations and the amalgamated corporation to the Lender at the time of amalgamation and any '**Indebtedness**' of the amalgamated corporation to the Lender thereafter arising.

E. Default

9. The Debtor shall be in default under this General Security Agreement upon the occurrence of any one of the following events:
 - (a) the nonpayment by the Debtor, when due, whether by acceleration or otherwise, of any of the Indebtedness;
 - (b) the failure of the Debtor to observe or perform any covenant, undertaking or agreement heretofore or hereafter given to the Lender, whether contained herein or not;
 - (c) any Event of Default as defined in the Credit Agreement between Debtor, as borrower, Lender, as lender, and others dated with even date herewith, as may be amended, renewed, supplemented or replaced from time to time;
 - (d) an execution or any other process of the Court becomes enforceable against the Debtor or a distress or an analogous process is levied upon the property of the Debtor or any part thereof;
 - (e) the Debtor becomes insolvent, commits an act of bankruptcy, makes an assignment in bankruptcy or a bulk sale of its assets, any proceeding for relief as a debtor or liquidation, re-assignment or winding-up is commenced with respect to the Debtor or a bankruptcy petition is filed or presented against the Debtor and is not bona fide opposed by the Debtor;
 - (f) the Debtor ceases to carry on business; or
 - (g) the Debtor defaults in the observance or performance of any provision relating to indebtedness of the Debtor to any creditor other than the Lender and thereby enables such creditor to demand payment of such indebtedness.
10. The Lender may in writing waive any breach by the Debtor of any of the provisions contained herein or any default by the Debtor in the observance or performance of any covenant or condition required by the Lender to be observed or performed by the Debtor; provided that no act or omission by the Lender in the premises shall extend to or be taken in any manner whatsoever to affect any subsequent breach or default or the rights resulting therefrom.

F. Remedies of the Lender

11.
 - (a) Upon any default under this General Security Agreement, the Lender may declare any or all of the Indebtedness to be immediately due and payable and the Lender may proceed to realize the security hereby constituted and to enforce its rights by entry or by the appointment by instrument in writing of a receiver or receivers of all or any part of the Collateral and such receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Lender or not, and the Lender may remove any receiver or receivers so appointed and appoint another or others in his or their stead; or by proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Collateral or any part thereof; or by any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity; and may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relative to the Debtor.
 - (b) Any such receiver or receivers so appointed shall have power:
 - (i) to take possession of the Collateral or any part thereof and to carry on the business of the Debtor;

- (ii) to borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Debtor;
- (iii) to further charge the Collateral in priority to the Security Interest as security for money so borrowed; and
- (iv) to sell, lease or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as he shall determine.

In exercising any powers any such receiver or receivers shall be deemed to act as agent or agents for the Debtor and the Lender shall not be responsible for the actions of such agent or agents.

- (c) In addition, the Lender may enter upon and lease or sell the whole or any part or parts of the Collateral and any such sale may be made hereunder by public auction, by public tender or by private contract, with or without notice, advertising or any other formality, all of which are hereby waived by the Debtor, and such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Lender in its sole discretion may seem advantageous and such sale may take place whether or not the Lender has taken such possession of such Collateral.
- (d) No remedy for the realization of the security hereof or for the enforcement of the rights of the Lender shall be exclusive of or dependent on any other such remedy, and any one or more of such remedies may from time to time be exercised independently or in combination.
- (e) The term 'receiver' as used in this General Security Agreement includes a receiver and manager.

G. Rights of the Lender

- 12. All payments made in respect of the Indebtedness and money realized from any securities held therefor may be applied on such part or parts of the Indebtedness as the Lender may see fit and the Lender shall at all times and from time to time have the right to change any appropriation of any money received by it and to re-apply the same on any other part or parts of the Indebtedness as the Lender may see fit, notwithstanding any previous application by whomsoever made.
- 13. The Debtor grants to the Lender the right to set off against any and all accounts, credits or balances maintained by it with the Lender, the aggregate amount of any of the Indebtedness when the same shall become due and payable whether at maturity, upon acceleration of maturity thereof or otherwise.
- 14. The Lender, without exonerating in whole or in part the Debtor, may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities from and give the same and any or all existing securities up to, may abstain from taking securities from or from perfecting securities of, may accept compositions from and may otherwise deal with the Debtor and all other persons and securities as the Lender may see fit.
- 15. The Lender may assign, transfer and deliver to any transferee any of the Indebtedness or any security or any documents or instruments held by the Lender in respect thereof provided that no such assignment, transfer or delivery shall release the Debtor from any of the Indebtedness; and thereafter the Lender shall be fully discharged from all responsibility with respect to the Indebtedness and security, documents and instruments so assigned, transferred or delivered. Such transferee shall be vested with all powers and rights of the Lender under such security, documents or instruments but the Lender shall retain all rights and powers with respect to any such security, documents or instruments not so assigned, transferred or delivered. The Debtor shall not assign any of its rights or obligations hereunder without the prior written consent of the Lender.

H. Miscellaneous

- 16. This General Security Agreement is in addition to, not in substitution for and shall not be merged in any other agreement, security, document or instrument now or hereafter held by the Lender or existing at law in equity or by statute.
- 17. Nothing herein shall obligate the Lender to make any advance or loan or further advance or loan or to renew any note or extend any time for payment of any indebtedness of the Debtor to the Lender.
- 18. This General Security Agreement shall be binding upon the Debtor and its heirs, legatees, trustees, executors, administrators, successors and assigns including any successor by reason of amalgamation of or any other change in the Debtor and shall enure to the benefit of the Lender and its successors and assigns.
- 19. In construing this General Security Agreement, terms herein shall have the same meaning as defined in the PPSA, as hereinafter defined, unless the context otherwise requires. Words importing gender shall include all genders. Words importing the singular number shall include the plural and vice versa.
- 20. If one or more of the provisions contained herein shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

21. The headings in this General Security Agreement are included herein for convenience of reference only and shall not constitute a part of this General Security Agreement for any other purpose.
22. Any notice or statement referred to herein may be delivered, or providing that postal service throughout Canada is fully operative, may be mailed by ordinary prepaid mail to the Debtor at his last address known to the Lender and the Debtor shall be deemed to have received such notice or statement on the day of delivery, if delivered, and three business days after mailing, if mailed.
23. Where any provision or remedy contained or referred to in this General Security Agreement is prohibited, modified or altered by the laws of any province or territory of Canada which governs that aspect of this General Security Agreement and the provision or remedies may be waived or excluded by the Debtor in whole or in part, the Debtor hereby waives and excludes such provision to the fullest extent permissible by law.
24. This General Security Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario as the same may be in effect from time to time including, where applicable, the Personal Property Security Act of that Province (as amended or substituted, the 'PPSA'). For the purpose of legal proceedings this General Security Agreement shall be deemed to have been made in the said Province and to be performed there and the courts of that Province shall have jurisdiction over all disputes which may arise under this General Security Agreement and the Debtor hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts, provided always that nothing herein contained shall prevent the Lender from proceeding at its election against the Debtor in the Courts of any other Province, country or jurisdiction.
25. The Debtor acknowledges having received a copy of this General Security Agreement.

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This General Security Agreement has been duly executed by the Debtor on the 30th day of JUNE, 2017.

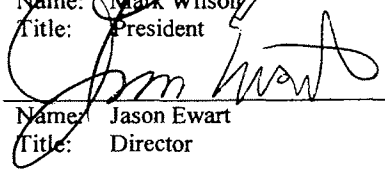
2400918 ONTARIO INC.

Per:


Name: Mark Wilson
Title: President

C/S

Per:


Name: Jason Ewart
Title: Director

I/We have authority to bind the Corporation.

Schedule "A"

Locations of CollateralLocations where Debtor Carries on Business:

Owned:

Leased:

Subleased: 376 Richmond Street, London, Ontario N6A 3C7

Occupied: Towage yards at various locations in Ontario, including towage yard at 49530 Talbot Line East, Aylmer, Ontario and 260 Talbot Street, St. Thomas, Ontario N5P 1B4

Chief Executive Office: 376 Richmond Street, London, Ontario N6A 3C7

Registered Office: 376 Richmond Street, London, Ontario N6A 3C7

Address for Service: 376 Richmond Street, London, Ontario N6A 3C7

Jurisdiction of Incorporation: Province of Ontario

Schedule "B"

Encumbrances Affecting Collateral:

This is Exhibit "J" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

**Security with Respect to
Insurance Policies**

TO: FMMC Private Yield Fund Limited Partnership I (the "Secured Party")

1. **Designation of Beneficiary and Loss Payee.** 2400918 Ontario Inc. (the "Assignor") designates the Secured Party as a loss payee, with respect to property damage and loss insurance, and as an additional insured, with respect to liability insurance, under the policy(ies) described in attached **Schedule "A"**, and further designates the Secured Party as a loss payee and additional insured, as the case may be, under any and all renewals thereof or substitutions therefor (collectively, the "**Policies**") and grants a security interest in all right, title and interest of the Assignor in, to and under the Policies and all proceeds which may become payable under the Policies. The Assignor may not revoke the loss payee or additional insured designations without the Secured Party's written consent.
2. **Indebtedness Secured.** The security constituted under this Agreement shall secure all indebtedness, obligations and liabilities of any kind, present or future, direct or indirect, absolute or contingent, matured or not, joint or several, of the Assignor to the Secured Party, whether as principal or surety, together with all expenses (including legal fees on a full indemnification basis) incurred by the Secured Party, its receiver or agent, in the preparation, perfection and enforcement of security and other agreements held by the Secured Party in respect of such indebtedness, obligations or liabilities and interest thereon (collectively, the "**Indebtedness**").
3. **Possession of Policies.** The Assignor shall deliver certified copies of the Policies to the Secured Party and inform it of any and all events which could result in payment of the sums payable thereunder, and authorizes the Secured Party to add particulars of the Policies or attach the Policies or binders or certificates in respect thereof to **Schedule "A"**.
4. **Premiums.** The Assignor shall pay the premiums for the Policies at least 10 days before the expiry date thereof and shall deliver to the Secured Party evidence of such payment. If the Assignor fails to pay such premiums, the Secured Party may pay them for the Assignor, without however being bound to do so, and any such payment shall be added to the Indebtedness and secured by this Agreement.
5. **Rights of the Secured Party.** The Secured Party may, without however being bound to do so, collect any and all sums payable under the Policies (save and except any such sums payable to third parties under liability insurance) and exercise all rights arising from the Policies. All sums collected by the Secured Party may, at its discretion, be remitted to the Assignor, or they may be held by the Secured Party as security for the Indebtedness, or applied to the payment of the Indebtedness and any such payment shall be applied to the Indebtedness and obligations secured by this Agreement, whether or not due. The Secured Party shall have the choice of how any such sums collected shall be applied.
6. **Remedies of the Secured Party.** The Secured Party may exercise its rights and recourse without being required to exercise same against the Assignor or any other person, or to realize on any other security.

7. **Expenses.** The Assignor shall pay all the expenses incurred by the Secured Party in connection herewith as well as the expenses arising from the exercise of the Secured Party rights, including any premiums which the Secured Party may pay, and any such payment shall be added to the Indebtedness and secured by this Agreement.
8. **Mandate.** The Assignor constitutes and appoints the Secured Party its irrevocable attorney, with power of substitution, in order to perform all acts and to sign all documents necessary or expedient for the exercise of the rights conferred on the Secured Party under this Agreement, including to endorse all cheques or payment orders made to the order of the Assignor.
9. **Liability of the Secured Party.** The Secured Party shall only be required to exercise reasonable care in the exercise of its rights and the performance of its obligations, and it shall be liable only for its intentional fault or gross negligence.
10. **Additional Security.** The rights conferred on the Secured Party under this Agreement are in addition to all, and not in substitution for or merged in any, other security held by the Secured Party. The Secured Party may, however, waive any other security without affecting its rights under this Agreement.
11. **Successor of the Secured Party.** This Agreement shall be binding upon the Assignor and enure to the benefit of the Secured Party and its successors, by way of amalgamation or otherwise, and assigns.
12. **Governing Laws.** This Agreement shall be construed in accordance with and be governed by the laws of the Province of Ontario and for the purpose of legal proceedings this Agreement shall be deemed to have been made in the said jurisdiction and to be performed there and the courts of that jurisdiction shall have jurisdiction over all disputes which may arise under this Agreement and the undersigned irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts, provided always that nothing contained in this Agreement shall prevent the Secured Party from proceeding at its election against the undersigned in the courts of any other province, state, country or jurisdiction.

[The remainder of this page is intentionally left blank.]

Dated as of the 30th day of JUNE, 2017.

2400918 ONTARIO INC.

Per: 

Name: Mark Wilson

Title: President

Per: 

Name: Jason Ewart

Title: Director

I/We have authority to bind the Corporation.

Schedule "A"

List of Insurance Policies

See attached Certificates of Insurance

CERTIFICATE OF INSURANCE

This Certificate is for information only; it is not a contract of insurance but attests that a policy as numbered herein (as it stands at the date of this Certificate) has been issued by the Company. Said policy is subject to change by endorsement and to assignment and cancellation in accordance with its terms.

CERTIFICATE HOLDER

FMMC PRIVATE YIELD FUND LIMITED
PARTNERSHIP I
34 KING STREET EAST
SUITE 400
TORONTO, ON
M5C 2X8

INSURED

ARROW GARAGE & TIRE LIMITED
188 TALBOT STREET WEST
AYLMER, ON
N5H 1K1

DATE ISSUED: SEP 26 2017

Is Certificate of Insurance required on renewal: Yes

PROPERTY AND LIABILITY

Policy No.: 0117539.4 Effective Date: SEP 26 2017 Expiry Date: JUN 21 2018

GENERAL LIABILITY

Occurrence Limit: \$1,000,000 General Aggregate Limit: \$2,000,000
Products Completed Operations Aggregate Limit: \$2,000,000
☒ COMMERCIAL GENERAL LIABILITY INCLUDING PRODUCTS & COMPLETED OPERATIONS
☒ CROSS LIABILITY

UMBRELLA LIABILITY

Policy No.: 0117541.6 Effective Date: SEP 26 2017 Expiry Date: JUN 21 2018
Occurrence Limit: \$4,000,000 Aggregate Limit: \$4,000,000 SELF-INSURED RETENTION: \$5000

Note: The Umbrella Policy is designed to provide higher limits for any General Liability or Automobile Liability Policy listed on this Certificate of Insurance. **For example,** if the General Liability occurrence limit is \$1,000,000 and the Umbrella Liability occurrence limit is \$9,000,000, the Insured has a total limit of \$10,000,000 for any single occurrence.

AUTOMOBILE LIABILITY

Policy No.: 0117540.8 Effective Date: SEP 26 2017 Expiry Date: JUN 21 2018
Limit: \$1,000,000 Type: GARAGE INSURANCE

AUTOMOBILE LIABILITY

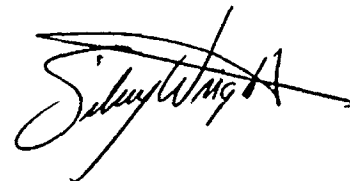
Policy No.: 0160263.2 Effective Date: SEP 26 2017 Expiry Date: JUN 21 2018
Limit: \$1,000,000 Type: STANDARD AUTO

Special Provisions: The certificate holder listed above will be given 30 days written notice of cancellation.

The Certificate holder has been added as a loss payee - details to follow with the insurance policy documents.

ADDED AS LOSS PAYEE:
FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I
INTEREST: OWNED AUTO INVENTORY
LIMIT: \$600,000

This Certificate of Insurance neither affirmatively or negatively amends, extends or alters the coverage afforded by the above policy number(s).



Chief Executive Officer

This is Exhibit "K" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

ASSIGNMENT OF LIFE INSURANCE POLICY

INSURER: London Life Insurance Company
POLICY NO.: E158120T
AMOUNT: \$1,250,000.00
LIFE INSURED: Mark J. Wilson

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned hereby assigns, transfers and sets over to **FMMC Private Yield Fund Limited Partnership I** the above-mentioned life insurance policy and all rights of the undersigned thereunder and all moneys which may at any time be or become payable thereunder or in connection therewith or be derived therefrom, including, without limitation of the foregoing, bonuses, additions, profits and other increments and any interest thereon, together with all moneys otherwise held in connection with or for the purposes of the said policy, including without limitation of the foregoing all premiums paid in advance and any interest thereon; with full power to recover, receive and grant receipts for all or any of such moneys and to surrender, assign and otherwise dispose of or deal with the same and the said policy: and the said insurer is hereby requested to give effect to the foregoing.

[The remainder of this page is intentionally left blank.]

DATED at LONDON, this 30th day of JUNE, 2017.

2400918 Ontario Inc.
(insured)

By: 

Name: Mark Wilson
Title: President

By: 

Name: Jason Ewart
Title: Director

**AGREEMENT RESPECTING ASSIGNMENT
OF LIFE INSURANCE POLICY**

TO: FMMC Private Yield Fund Limited Partnership I (the "**Lender**")

ADDRESS: 34 King Street East
Suite 400
Toronto, Ontario M5C 2X8
Attention: Don Bent, Managing Partner

RE: the following life insurance policy (the "**Policy**");

INSURER:	London Life Insurance Company (the " Insurer ")
POLICY NO.:	E158120T
AMOUNT:	\$1,250,000.00
LIFE INSURED:	Mark John Wilson

The undersigned, 2400918 Ontario Inc. (the "**Insured**"), being the insured under the Policy, acknowledges that it has this day assigned to the Lender the Policy and all money, dividends, bonuses, additions and profits which are or shall become payable under or in connection with the Policy, and all money otherwise held or accumulated with or for the purposes of the Policy, including all prepaid premiums and any interest thereon (collectively the "**Benefits**").

For valuable consideration (the receipt and sufficiency of which the undersigned hereby acknowledges), the undersigned agrees that the following provisions shall apply to the Policy or any policy substituted for it:

1. The Policy and any Benefits shall be held by the Lender as general and continuing collateral security for the payment of any present and future indebtedness and liability, direct or indirect, of the Insured to the Lender.
2. If the Insured makes default in payment of any indebtedness and/or liability to the Lender, the Lender may without any further notice to the undersigned, sell and dispose of the Policy for such price as it may see fit or may surrender the Policy and accept its surrender value. The proceeds of the realization may be applied as, when and in such manner as the Lender thinks fit on account of the indebtedness and/or liability to the Lender of the Insured.
3. The Lender may at any time, without any further consent of the undersigned, exercise and take the benefit of any option given to the holder of the Policy.
4. The Lender may demand, sue for, recover, receive and give effectual receipts, releases and discharges for such monies or other securities as may be payable under the Policy or any option under the Policy.
5. Neither the Insurer nor any other person shall be bound to inquire into the state of the account with the Lender of the Insured or to see to the application of any money paid under the Policy.

6. The Insured will promptly pay all premiums under the Policy as the same become payable, deliver to the Lender within 3 days of the date on which such payment is due confirmation satisfactory to the Lender of such payment, and do all other acts which may be necessary to keep the Policy in full force.
7. If the above confirmation is not furnished to the Lender in accordance with this Agreement, the Lender may surrender the Policy and accept the cash value of the Policy or accept a paid-up policy in lieu of its cash value, and all powers of sale or surrender contained in this Agreement shall apply to such paid-up policy.
8. The Lender may, but shall not be bound to, pay any premium or premiums upon the Policy, but shall not be responsible for any loss occasioned by the nonpayment of any premium, notwithstanding that it may have paid previous premiums.
9. All premiums paid by the Lender shall be payable to the Lender forthwith by the Insured, and shall bear interest at the highest rate of interest applicable to any indebtedness of the Insured to the Lender from the date of payment by the Lender to the date of payment to the Lender. The Lender may at its option charge such payment and interest to any account of the Insured with the Lender.
10. The Insured represents and warrants to the Lender that the Policy is a good, valid and subsisting policy, and that it has not been forfeited, assigned or otherwise disposed of or rendered void or voidable. The undersigned has good right and full authority to assign his/their interest in the Policy, and no assignment to a preferred beneficiary and no other rights have been made or granted prior to this Agreement, nor will they be granted afterwards. Without the prior written consent of the Lender, the Insured shall not purport to surrender or terminate the Policy, borrow against the Policy, withdraw any cash surrender value, change the premiums in any respect or otherwise amend the Policy in any respect.
11. The undersigned represents and warrants that no beneficiary has been irrevocably designated pursuant to legislation governing insurance in the province in which the office of the Lender referred to above is located, or otherwise, and the Insured covenants that no beneficiary will be irrevocably designated in the future.
12. The Lender may grant such indulgences and make such agreements, compositions and other arrangements with the Insured and with any other person with reference to the indebtedness and/or liability of the Insured to the Lender, as the Lender may see fit, or may take or abstain from taking or perfecting such security from any person. The Lender may assign to the Insured or any other person, all its interest in the Policy without the consent of the Beneficiary.
13. The Lender shall not be responsible for any loss which may be occasioned by the exercise of any powers contained in this Agreement or for the negligence of any solicitor or agent employed by it.
14. The taking of judgment on any covenant contained in this Agreement shall not operate to create any merger or discharge of any liability or obligation of the Insured under this


Agreement or any securities of any form held or which may in the future be held by the Lender from the Insured or any other person or persons whomsoever.

15. If any one or more of the provisions contained in this Agreement should be determined to be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained in this Agreement shall not in any way be affected or impaired by such determination.
16. This Agreement shall enure to the benefit of the Lender, its successors and assigns and be binding on the undersigned and the heirs, executors, administrators, successors and assigns of the undersigned.
17. All reasonable legal costs incurred by the Lender in the enforcement of this Agreement shall be for the account of the Insured.
18. This Agreement shall in all respects be governed by and be construed in accordance with the laws of the Province of Ontario.
19. This Agreement shall not be amended or varied or deemed to be amended or varied unless amended or varied by written instrument signed by a duly authorized officer of the Lender.
20. The undersigned will from time to time execute any further and other instruments and do any further and other things that may be necessary to implement and carry out the intent of this Agreement.

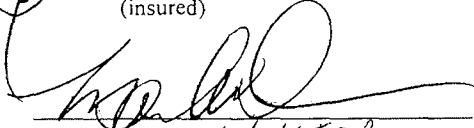
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4.

DATED at LONDON this 30th day of JUNE, 2017.


(insured)

by:


Name: MARK WILSON
Title: PRESIDENT

This is Exhibit "L" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

ASSIGNMENT OF ACCOUNTS, CONTRACTS AND SECURITY

THIS AGREEMENT made as of the 30th day of June, 2017.

BETWEEN:

2400918 Ontario Inc.
(the "Company")

- and -

Advantagewon Inc.
(“A-1”)

- and -

FMMC Private Yield Fund Limited Partnership I
(the "Lender")

RECITALS:

- A. The Company is in the business of financing auto repair loans;
- B. The Company has provided or will hereafter provide such auto repair financing (the “**Repair Financing**”) to persons or entities (each individually, a “**Debtor**”, and all such persons or entities collectively, the “**Debtors**”) pursuant to or evidenced, governed, documented or secured by contractual repair agreements, loan applications, pre-approval documents, assignments, security agreements, and other agreements and documents now or hereafter existing, and executed by the respective Debtors and where applicable their repairers and including without limitation any assignments to A-1 of any Claims for Lien or other Collateral (each term as defined below) (collectively, the “**Repair Financing Documents**”);
- C. Pursuant to the Repair Financing Documents, and as security for the Repair Financing:
 - (a) the persons who have, now or hereafter, repaired and where applicable stored the vehicles, have assigned or will hereafter assign to the Company their claims for lien (individually, a “**Claim for Lien**” and collectively, the “**Claims for Lien**”) under the *Repair and Storage Liens Act* (Ontario) or equivalent legislation (the “**RSLA**”) (the word “**repair**” as used in this clause (a) having the meaning set out in the RSLA); and
 - (b) the Debtors have, now or hereafter, granted to the Company a security interest (the “**Security**”) under the *Personal Property Security Act* (Ontario) or equivalent legislation (the “**PPSA**”) in such vehicles and related property as set out in the Repair Financing Documents;
- D. Certain of the Claims for Lien and other Collateral have been assigned by the Company to A-1 (and A-1 and the Company are referred to herein together as the “**Companies**”);
- E. The Lender has agreed to provide certain financing (the “**Lender Financing**”) to the Company pursuant to a credit agreement dated the 30th day of June, 2017 between the Lender and the Company (the “**Credit Agreement**”); and has required this Agreement as a condition of the

Lender Financing as security for the present and future indebtedness, liability and obligations of the Company to the Lender under the Credit Agreement and related agreements (collectively, the "**Obligations**").

NOW THEREFORE for value received and intending to be legally bound, the Company covenants and agrees as follows:

1. Each of the Companies for valuable consideration hereby assigns, transfers and sets over to the Lender all debts, accounts, book debts, accounts receivable, obligations, liabilities, demands and choses in action which are now due or to be performed, owing or accruing due or which may hereafter become due or to be performed, owing or accruing due to the Companies and each one of them and all claims of whatsoever nature or kind which the Companies and each one of them now has or may hereafter have in respect of the Repair Financing and pursuant to the Repair Financing Documents, including without limitation claims under insurance policies; ALSO all Repair Financing Documents, Claims for Lien, Security, RSLA registrations, PPSA registrations, contracts, securities, bills, notes, lien notes, judgments, security agreements, and all other rights, liens, security interests and benefits which now are or may hereafter be vested in the Companies and each one of them in respect of or as security for any of the said debts, accounts, book debts, accounts receivable, demands, choses in action and claims; AND ALSO all books, accounts, records, invoices, letters, papers and documents in any way evidencing or relating to any of the said debts, accounts, book debts, accounts receivable, demands, choses in action, claims, contracts and security agreements (all of the foregoing being hereinafter referred to as the "**Collateral**").

2. This assignment and transfer shall be a continuing collateral security to the Lender without impairment or novation of any other existing or future security and shall operate as a general security for all Obligations.

3. The Lender shall have the power and is expressly authorized by the Companies, after the occurrence of any Event of Default as defined in the Credit Agreement, at the cost of the Company, to collect, demand, sue for, dispose of, realize, recover, receive and enforce any of the Collateral, and to give valid and binding receipts and discharges, and to complete and issue to any Debtor the attached Notice and Direction, at such time and in such manner and on such terms and conditions as the Lender may deem advisable, either in its own name or in the name of either or both of the Company (as the case may be), without notice to the Companies, without liability for any loss resulting therefrom and without prejudice to any rights the Lender may have against other parties or to the right the Lender may have against the Companies for any deficiency, the whole to the same extent and with the same effect as if the Lender were the absolute owner thereof and without regard to the state of accounts between the Companies and the Lender; and the Lender may grant extensions or renewals, compromise, take and give up securities, grant releases and discharges and otherwise deal with the Debtors, the Companies and others, with the Collateral and with other securities as the Lender may see fit, without prejudice to the liability of the Companies or the Lender's right to hold and realize this security.

4. The Lender shall not be bound, liable or accountable for any failure to collect, demand, sue for, dispose of, realize, recover, receive or enforce any of the Collateral, or bound to institute proceedings for such purposes or for the purpose of preserving any rights of the Lender, the Companies or any other person, firm or corporation in respect of the same, and shall not be liable or responsible for any loss or damage which may accrue in consequence of its negligence or the negligence of any officer, director, partner, servant, agent, solicitor, counsel or other attorney or substitute employed by it in the collection, demand, suing for, disposition, realization, recovery, receipt or enforcement thereof.

5. The amount received by the Lender on the collection, demand, suing for, disposition, realization, recovery, receipt or enforcement of any of the Collateral, after all costs, charges and expenses incurred by

the Lender in connection therewith including all legal fees and disbursements and all reasonable commissions (collectively, "Costs"), have been deducted therefrom, shall be applied upon and in reduction of any of the Obligations as the Lender deems best, without prejudice to its claim for any deficiency. The Company agrees to pay Lender's reasonable Costs and authorizes Lender to add such Costs to the Obligations and/or to retain the same out of monies received by the Lender.

6. Each of the Companies covenants and agrees with the Lender that all of the obligations of the Companies in respect of the Collateral and all other agreements incidental or ancillary thereto shall be fulfilled, and shall ensure that all claims for lien assigned to or held by the Companies and forming part of the Collateral is and shall be at all times a valid, effective, perfected and first-ranking lien under the RSLA or equivalent legislation and that any secured interest held by the Companies and forming part of the Collateral is validly and properly perfected at all times under the PPSA or equivalent legislation.

Notwithstanding any provision of this Agreement, each and both of the Companies, as the case may be, will remain liable under all Collateral including contracts and agreements forming part thereof to pay and satisfy all indebtedness, liabilities and other monetary obligations and to observe and perform all the conditions and obligations which are to be paid, satisfied, observed and performed by the applicable one or both of the Companies thereunder, all in accordance with the terms of such contracts and agreements. The Lender will have no obligation or liability under any Collateral by reason of or arising out of this Agreement or the receipt by the Lender of any payment relating to any Collateral, and in particular (but without limitation), the Lender will not be obligated in any manner to perform any of the obligations of either or both of the Companies or of any repairer under or pursuant to any Collateral, to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party under any Collateral, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time.

7. Each of the Companies shall from time to time execute or cause to be executed all such further assignments and other documents and shall do or cause to be done such further acts and things as may be required by the Lender, acting reasonably, from time to time for the better accomplishing and effectuating of this Agreement and more effectually vesting the Collateral in the Lender or its appointee or for the collection, demanding, suing for, disposition, realization, recovery, receipt or enforcement thereof; AND each of the Companies hereby irrevocably authorizes the Lender and its counsel to make such registrations under the RSLA, PPSA and equivalent legislation, as they see fit, to perfect any Claims for Lien or Security or assign to the Lender any RSLA and PPSA registrations, relating to the Collateral; AND, effective upon the occurrence of any Event of Default as defined in the Credit Agreement, each of the managing partner of the Lender and each officer of the Lender is hereby irrevocably constituted the true and lawful attorney of each of the Companies, with full power of substitution, to execute in the name of either or both of the Companies (as the case may be) any assignment or other document for the said purposes and at the expense of the Company to act in relation to the Collateral and in securing the enforcement of all the rights of the Companies therein and thereunder as fully and effectually in all respects as the Companies could do, and without limiting the generality of the foregoing, to institute and prosecute any action or proceedings in respect of the Collateral as said attorney may deem advisable and to execute any discharges of the Collateral in favour of any Debtor. This power of attorney being coupled with an interest is irrevocable.

8. Each of the Companies shall from time to time promptly on Lender's request furnish to the Lender in writing all information requested relating to the Collateral, including without limitation the locations of any vehicles repossessed by either of the Companies, and the Lender shall be entitled from time to time to inspect the Collateral and make copies thereof and for such purposes shall have access to all premises occupied by the Companies.

9. IT IS HEREBY AGREED that upon the occurrence of an Event of Default as defined in the Credit Agreement all money received by either or both of the Companies in payment of any of the Collateral shall be received and held by the Companies in trust for the Lender and shall be forthwith delivered to the Lender.

10. Each of the Companies covenants and declares that except for Permitted Encumbrances (as defined in the Credit Agreement) in favour of: (a) Fountain Asset Corp. which in accordance with the Credit Agreement have been subordinated and postponed to all present and future security and encumbrances held by the Lender; and (b) Beacon Holdings Limited with respect to which in accordance with the Credit Agreement an agreement has been entered into between Beacon Holdings Limited, the Lender and the Company (the "**Beacon Agreement**"), none of the Collateral has been assigned, pledged or otherwise encumbered, and neither of the Companies has granted a security interest in any of the Collateral, in favour of any other person or entity. Each of the Companies covenants with the Lender not to assign, pledge, grant a security interest in or otherwise encumber all or any part of the Collateral, while this Agreement remains in force, in favour of any other person or entity, without Lender's written consent, except for any such subordinated and postponed Permitted Encumbrances in favour of Fountain Asset Corp. and Permitted Encumbrances in favour of Beacon Holdings Limited as provided in the Credit Agreement and the Beacon Agreement.

11. (a) This Agreement is given in addition to and not in substitution for any similar assignment heretofore given to and held by the Lender and is taken by the Lender as additional security for the fulfilment of the Obligations and shall not operate as a merger of any simple contract debts or in any way suspend the fulfilment of, or prejudice or affect the rights, remedies and powers of the Lender in respect of, the Obligations or any securities held by the Lender for the fulfilment hereof. (b) If one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions in this Agreement shall not in any way be affected or impaired thereby. (c) This Agreement shall be binding on the Companies and their respective successors and assigns, enure to the benefit of the Lender and its successors and assigns, and be governed by the laws of the Province of Ontario and the federal laws applicable therein.

12. If either Company amalgamates with any other corporation(s) (if permitted under the Credit Agreement), it is agreed and the intention of the parties hereto that the security interest created hereby (i) shall extend to the Collateral (as defined here) owned by each of the amalgamating corporations and the amalgamated corporation at the time of amalgamation and to the Collateral, owned or acquired by the amalgamated corporation.

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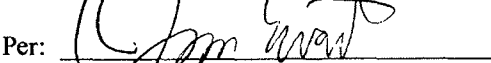
IN WITNESS WHEREOF this Agreement has been duly executed by the Companies as of the date first above written.

2400918 Ontario Inc.

Per: 

Name: Mark Wilson

Title: President

Per: 

Name: Jason Ewart

Title: Director

I/We have authority to bind the Corporation.

Advantagewon Inc.

Per: 

Name: Mark Wilson

Title: President

I have authority to bind the Corporation.

NOTICE AND DIRECTION

TO: _____ ("Debtor")

TAKE NOTICE of the attached Assignment to **FMMC Private Yield Fund Limited Partnership I**.

YOU ARE HEREBY NOTIFIED that effective from and including the date hereof, you are hereby authorized and directed to make all payments under the Repair Financing Documents (as defined in the attached Assignment), in favour of **FMMC Private Yield Fund Limited Partnership I**, at 34 King Street East, Suite 400, Toronto, Ontario M5C 2X8, or to such other party or at such other address as **FMMC Private Yield Fund Limited Partnership I** may direct in writing from time to time.

AND FOR SO DOING this shall be your good and sufficient authority.

This Notice and Direction, to the extent signed and delivered by means of email shall be treated in all manner and respects as an original document and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

DATED as of the 30th day of JUNE, 2017.**2400918 Ontario Inc.**by: 

Name: Mark Wilson

Title: President

and: 

Name: Jason Ewart

Title: Director

I/We have authority to bind the Corporation.

Advantagewon Inc.by: 

Name: Mark Wilson

Title: President

I have authority to bind the Corporation.

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT made this 30th day of June, 2017

BETWEEN:

ADVANTAGEWON INC.,

a provincial corporation incorporated under the laws of the province of Ontario having its head office in the City of London, Province of Ontario

(collectively the "**Assignor**"),

– and –

2400918 ONTARIO INC.,

a provincial corporation incorporated under the laws of the province of Ontario having its head office in the City of London, Province of Ontario

(the "**Assignee**").

WHEREAS the Assignor and Assignee are each in the business of generating and servicing receivables by way of lending money for repairs on vehicles for which they receive an assignment of the repairer's lien and a grant of security interest in the repaired vehicle and related property;

AND WHEREAS certain of the repair loans made by Assignee (the "**240 Loans**"), and related contractual repair agreements, agreements, loan applications, pre-approval documents, assignments, security agreements, books, accounts, records, invoices, letters, papers and documents evidencing, governing, documenting or securing the 240 Loans and related obligations; all receivables, debts, amounts, obligations, liabilities, demands, benefits and choses and action now or hereafter owing or due to the Assignee or to be performed under in respect of the 240 Loans; all claims under insurance policies in respect of the foregoing; all claims for lien under the *Repair and Storage Liens Act* (Ontario) (or equivalent legislation) ("**RSLA**") and all security interests under the *Personal Property Security Act* (Ontario) (or equivalent legislation) ("**PPSA**") securing such loans and obligations; related RSLA and PPSA registrations made by Assignee; and all claims of whatsoever nature or kind which the Assignor now has or may hereafter have in respect of the foregoing (collectively, the "**240 Loans and Security**"), were assigned by Assignee to Assignor for purposes of, among things, collection or enforcement by Assignor;

AND WHEREAS the parties have now agreed that all of the 240 Loans and Security including all related rights, benefits, collateral and documents should be re-assigned by Assignor to Assignee;

NOW THEREFORE in consideration of the respective covenants and agreements hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. **Recitals.** The foregoing recitals are true and accurate.
2. **Assignment.** The Assignor hereby absolutely grants, assigns, transfers, conveys and sets over unto the Assignee all of the Assignor's right, title and interest in, to and under all of the 240 Loans and Security, and all benefits and advantages to be derived thereunder and therefrom (including without limitation the benefit of all indemnities, representations, covenants and agreements), and all powers, covenants and provisos contained in or to be derived thereunder or therefrom, and the right to enforce performance of the 240 Loans and Security, TO HAVE AND TO HOLD the 240 Loans and Security unto the Assignee, its successors and assigns, for its and their sole and only use forever.
3. **Assumption.** The Assignee hereby accepts the grant, assignment, transfer, conveyance and setting over contained in **Section 2** hereof and assumes all those covenants, obligations and liabilities of the Assignor under the 240 Loans and Security (the covenants, obligations and liabilities so assumed by the Assignee are herein called the "**Assumed Obligations**") as though the Assignee were to all intents and purposes the original party thereto in the place and stead of the Assignor; and the Assignee covenants and agrees with the Assignor that the Assignee will observe and perform all Assumed Obligations, including making all payments or otherwise performing all obligations of the Assignor under the 240 Loans and Security in accordance with the provisions thereof.
4. **Further Assurances.** Each of the parties hereto shall execute and deliver all such further documents and do such other things as the other party may reasonably request to give full effect to this Agreement.
5. **Governing Law.** This Agreement shall be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the Province of Ontario.
6. **Successors and Assigns.** This Agreement shall enure to the benefit of and shall be binding on and enforceable by the parties and, where the context so permits, their respective successors and permitted assigns.
7. **Counterparts.** This Agreement may be executed in separate counterparts (by original or email scanned PDF signature), each of which when so executed and delivered shall be an original, but all of which, when taken together, shall constitute one and the same instrument.

[signatures on the following page]

IN WITNESS WHEREOF this Agreement has been executed by the parties as of the date set out above.

ADVANTAGEWON INC.

By 

Name: Mark Wilson

Title: President

I have authority to bind the Assignor.

2400918 ONTARIO INC.

By 

Name: Mark Wilson

Title: President

By 

Name: ~~Mark Wilson~~ Jason Ewart

Title: ~~President~~ Director

I have authority to bind the Assignee.

This is Exhibit "M" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

ASSIGNMENT OF CONTRACT

THIS AGREEMENT made as of the 30th day of June, 2017 by 2400918 Ontario Inc. (the “Assignor”) and as Joint Holders the Assignor and Mark Wilson in favour of **FMMC Private Yield Fund Limited Partnership I** (the “Lender”).

WHEREAS:

- (a) The Lender has or will hereafter provide certain financing (the “**Financing**”) to the Assignor pursuant to a Credit Agreement dated as of the 30th day of June, 2017 (as may be amended, renewed, supplemented, or replaced, the “**Credit Agreement**”); the term “**Event of Default**” where used below shall have the same meaning as in the Credit Agreement; and
- (b) The Assignor has entered into a Mailbox Service Agreement dated the 27th day of June, 2017 (as amended, modified, renewed, replaced, supplemented or restated from time to time, the “**Contract**”) between the Assignor, as Customer, and The UPS Store #46, and naming as Joint Holders the Assignor and Mark Wilson, for the purpose of, *inter alia*, utilizing the mailbox and private suite address #437 (the “**Mailbox**”) at 509 Commissioners Road West, London, Ontario N6J 1Y5, for receiving mail and parcel deliveries from Canada Post and private courier companies; and
- (c) As a condition of the Financing, the Lender requires the Assignor to execute in favour of the Lender an assignment of its rights under the Contract.

IN CONSIDERATION OF the Financing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Assignor, the parties hereto agree as follows:

1. As continuing collateral security for the due payment and performance of all present and future indebtedness, liability and obligations of the Assignor to or in favour of the Lender howsoever and wheresoever arising under the Credit Agreement and related documents (the “**Obligations**”), the Assignor hereby assigns to the Lender all right, title and interest of the Assignor in, to and under the Contract; **PROVIDED THAT** the Lender shall have no responsibility to the other parties under the Contract (collectively the “**Third Parties**” and each individually a “**Third Party**”) unless and until the Lender in each case has given the Third Party the notice required under **paragraph 2** hereof. The undersigned entities referred to as “Joint Holders” hereby agree to the provisions of this Assignment. The Assignor and such Joint Holders hereby confirm that the Mailbox Service Agreement dated January 7, 2005 entered into by Treadlife Co. Inc. with Mail Boxes Etc. #46 for the Mailbox has now been terminated and neither Treadlife Co. Inc. nor any joint holders to such agreement have any rights in respect of the Mailbox or access thereto (except, where applicable, pursuant to the Contract).

2. The Assignor shall, provided no Event of Default has occurred which is continuing, be permitted to exercise all rights, do or cause to be done all acts and things, collect and receive all sums due (if applicable), and to receive and enforce performance, under the Contract.

Upon the occurrence of an Event of Default which is continuing, the Lender is hereby empowered to exercise and enjoy all rights and powers conferred on the Assignor pursuant to the Contract, and shall have the right at any time to serve the present Assignment or notice thereof on any one or more of the Third Parties, and (a) the Lender, to the exclusion of the Assignor, may exercise any and all rights of the Assignor, do or cause to be done any and all acts and things, receive and enforce performance thereunder, and adjust and settle all matters relating to the performance thereof, all to the same extent and in the same manner as might the Assignor if no such Event of Default had occurred; and (b) the Lender and its agents

and employees and any receiver appointed by the Lender shall be entitled to access to the mail box and private suite address which are subject to the Contract (the “**Mailbox**”) and to collect and retain, and each Third Party is irrevocably authorized at any time and from time to time to grant access to the Mailbox to the Lender, and to deliver, release and pay to the Lender, all contents of the Mailbox as may be requested by the Lender from time to time.

3. The Assignor shall furnish to the Lender a key for the Mailbox, for use by the Lender at its option upon the occurrence of an Event of Default which is continuing, and hereby authorizes The UPS Store and every other party to and Joint Holder of the Contract to deliver the same to the Lender at Lender’s request, upon the occurrence of an Event of Default which is continuing. If the Lender elects to perform any obligations of the Assignor under the Contract as the Lender considers necessary or desirable to obtain the benefit of the Contract, any money expended by the Lender in this regard shall form part of and shall be deemed to form part of the Obligations (as defined in the Contract) and bear interest at such interest rate as determined by the Lender and provided for in the Credit Agreement.

4. The Assignor shall not amend, terminate, modify, cancel, replace, supplement, surrender or waive the Contract or any material right or relieve any party of any material obligation, in whole or in part, under the Contract without the prior written consent of the Lender and copies of all documentation effecting any of the foregoing shall be provided promptly to the Lender.

5. The Assignor represents and warrants to the Lender that except for Permitted Encumbrances (as defined in the Credit Agreement), it has not assigned, transferred, set over or granted a security interest in the Contract, nor its respective rights thereunder, to any person other than the Lender, and that it shall neither sell, assign, transfer, lease, convey, mortgage, pledge or otherwise dispose of the Contract, nor create, incur, assume or permit to exist any Encumbrances (as defined in the Credit Agreement) on the Contract, other than such Permitted Encumbrances.

6. Upon repayment and satisfaction in full of all the Obligations by the Assignor and termination of the Credit Agreement, the Contract shall be reassigned by the Lender to the undersigned. The Lender may grant extensions of time or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Assignor and with other parties and securities as the Lender sees fit, and apply all monies received from the Assignor or others or from any security upon such part of the Obligations as it may think best, without the consent of, or notice to, the Assignor and without prejudice to, or in any way limiting or lessening, the liability of the Assignor hereunder.

7. Nothing in this Assignment shall constitute an assignment or attempted assignment of the Contract which by its provisions or by applicable law is not assignable, which would result in the termination of or a breach under the Contract, or which requires the consent of a Third Party to its assignment unless such consent has been obtained. The Assignor shall promptly, upon written request by the Lender, attempt to obtain the consent of any necessary third party to its assignment under this Assignment and to its further assignment by the Lender to any third party as a result of the exercise by the Lender of remedies after demand. Upon such consent being obtained or waived, this Assignment shall apply to the Contract without regard to this Section and without the necessity of any further assurance to effect such assignment. Unless and until the consent to assignment is obtained as provided above, the Assignor shall, to the extent it may do so at law and pursuant to the provisions of the Contract hold all benefit to be derived from such Contract in trust for the Lender (including the Assignor’s beneficial interest in the Contract which may be held in trust for the Lender by a third party), as additional security for payment of the Obligations and shall deliver up all such benefit to the Lender, promptly upon demand by the Lender. This Assignment shall be governed by and construed in accordance with the laws of the Province of Ontario and shall be binding upon the Assignor, its successors and assigns.

DATED as of the day first above written.

2400918 ONTARIO INC.
(Customer and Joint Holder)

By: 

Name: Mark Wilson

Title: President

By: 

Name: Jason Ewart

Title: Director

I/We have authority to bind the Corporation.

JOINT HOLDER:


MARK WILSON

This is Exhibit "N" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

BLOCKED ACCOUNTS AGREEMENT

THIS AGREEMENT dated June 30, 2017.

AMONG:

2400918 ONTARIO INC.
as the “**Company**”

- and -

FMMC Private Yield Fund Limited Partnership I (for
itself and as agent for the lenders under the Credit
Agreement (as herein defined))
as the “**Secured Party**”

- and -

THE TORONTO-DOMINION BANK
as the “**Bank**”

RECITALS

- A. The Company and the Secured Party, amongst others, are party to a Credit Agreement dated as of June 30, 2017 (as amended, supplemented, restated or otherwise modified from time to time, the “**Credit Agreement**”).
- B. As required by the Credit Agreement, the Company has granted security to the Secured Party and, pursuant to the Credit Agreement, the Secured Party requires the implementation of the cash management arrangements provided for in this Agreement.

FOR VALUE RECEIVED, the parties agree as follows:

**ARTICLE 1
INTERPRETATION**

Section 1.1 Definitions

In this Agreement:

- (a) “**Activation Date**” means the later of (i) date which is three (3) Business Days after the date upon which the Secured Party delivers an Activation Notice to the Bank and (ii) the date upon which the Secured Party has satisfied the Bank's anti-money laundering and know your customer requirements.
- (b) “**Activation Notice**” means a written notice from the Secured Party to the Bank in the form of Schedule A hereto.
- (c) “**Blocked Accounts**” has the meaning set forth in Section 2.1(b).

- (d) **“Branch of Account”** means the branch of the Bank located at:

220 Dundas Street, London ON N6A 1H3
- (e) **“Business Day”** means any day on which the Branch of Account is open for business to the public.
- (f) **“Chargebacks”** has the meaning set forth in Section 5.3.
- (g) **“Cheques”** means all cash, cheques, money orders, wire transfers, notes, drafts and other orders for payment of money or other remittances payable to the Company.
- (h) **“Claim”** has the meaning set forth in Section 6.1.
- (i) **“CPA Rules”** means the rules established from time to time by the Canadian Payments Association to govern the clearing and settlement of payment items within the national clearing and settlement system.
- (j) **“Fees and expenses”** has the meaning set forth in Section 5.2.
- (k) **“Receivables”** means all of the Company's present and future accounts, accounts receivable, debts and book debts of any nature or type.
- (l) **“Rescission Notice”** has the meaning set forth in Section 3.3.

Section 1.2 Interpretation

In interpreting this Agreement, the headings and the division of the Articles and Sections are inserted for convenience only and are to be ignored in construing this Agreement; all references to Articles, Sections, subsections, clauses and Schedules are to Articles, Sections, subsections, clauses and Schedules of and to this Agreement; the words “hereto,” “herein,” “hereof,” “hereunder,” “this Agreement” and similar expressions mean this Agreement as a whole and not any particular Article, Section, subsection or Schedule unless expressly so stated; grammatical variations of any term defined herein shall have similar meanings and words importing the singular shall include the plural and vice versa; reference herein to any agreement or other document shall be deemed to include reference to such agreement or other document as the same may from time to time be amended, supplemented, restated or otherwise modified.

ARTICLE 2 ACKNOWLEDGEMENT OF SECURITY

Section 2.1 Acknowledgement of Security

The Company acknowledges that it has granted to, and has created in favour of, the Secured Party a first-priority, perfected security interest in:

- (a) its interest in all Cheques and other remittances received by the Company; and
- (b) the following depository accounts in the name of the Company:

Account Name
2400918 Ontario Inc

Account Number / Branch
Account 5281308 / Branch 0001

(the “**Blocked Accounts**”), including all sums now on deposit therein or payable thereto and any interest accrued or payable on the credit balances therein.

ARTICLE 3

BLOCKED ACCOUNTS OPERATION

Section 3.1 Instructions

Prior to the Activation Date, the Company shall be authorized to operate all accounts including the Blocked Accounts alone, as between the Company and Secured Party, in the usual course and without prior notice to or consent of the Secured Party. Commencing on the Activation Date, the Blocked Accounts shall be subject to instructions only from the Secured Party, which alone, as between the Company and the Secured Party, shall have all authority and right in connection with the Blocked Accounts. The Bank shall have the right to rely and act upon the instructions of any person who the Bank believes is a person that the Company (prior to the Activation Date) or the Secured Party (on and after the Activation Date) has identified in writing from time to time to the Bank as being a person authorized to give instructions regarding the Blocked Accounts to the Bank.

Section 3.2 Delivery of Activation Notice

The Secured Party agrees with the Company that it shall delivery an Activation Notice to the Bank only as permitted by the Credit Agreement. Any Activation Notice delivered by the Secured Party to the Bank shall be the Bank's sole and sufficient authority to act on such Activation Notice, and the Bank shall have no obligation or duty to the Company or any other person to verify or confirm that the Secured Party is entitled to deliver an Activation Notice before so acting.

Section 3.3 Rescission of Activation Notice

Notwithstanding any other provision of this Agreement, the Secured Party may, at any time after the delivery of an Activation Notice, deliver a notice to the Bank rescinding such Activation Notice (a “**Rescission Notice**”) and, three (3) Business Days following receipt of a Rescission Notice, this Agreement shall continue as though no Activation Notice had been delivered, provided that nothing in this Section 3.3 shall preclude the Secured Party from delivering a subsequent Activation Notice.

Section 3.4 Web Business Banking

From and after the Activation Date, the Company hereby irrevocably and unconditionally covenants and agrees to provide the Secured Party with access to its Web Business Banking Wire Payments Service with the Bank and directs the Bank to provide the Secured Party with such access and hereby further consents to the Secured Party initiating wire payments from the Blocked Accounts to the Secured Party's account(s) and the Bank is hereby authorized and directed to assist the Secured Party in connection with same. From and after the Activation Date, the Company hereby further authorizes and directs the Bank to provide the Secured Party with

electronic access to balance and transaction reporting of the Blocked Accounts and any other information concerning the Blocked Accounts the Secured Party may require, including the ability to print any such information. On the Activation Date, the Bank hereby further agrees to change the Company's access to the Blocked Accounts to "read-only" and the Company hereby consents to same. The Bank shall have no liability to the Company for any claims that may arise as a result of providing the Secured Party with such access upon the Activation Date. The transfers of amounts from the Blocked Accounts to the Secured Party's account(s) shall be effected in accordance with the Bank's usual banking practices provided however, that if such amounts are in any currency other than Canadian Dollars, such amounts will be converted at the then applicable exchange rate applied by the Bank into Canadian Dollars.

Section 3.5 Payment Not Realization

The Company and Secured Party acknowledge and agree that:

- (a) the actions and proceedings contemplated by this Article 3 are instrumental to the operation of the cash management system that is required by the Credit Agreement; and
- (b) any action or proceeding pursuant to this Article 3 shall not be considered as a realization on, or enforcement of, security or a demand for payment under the Credit Agreement but rather, following the Activation Date, among other things, a standing irrevocable direction by the Company and the Secured Party to the Bank to thereafter transfer on the direction of the Secured Party all credit balances in the Blocked Accounts and otherwise operate the Blocked Accounts as set forth in this Article 3.

Section 3.6 Wire Transfers

The Bank shall apply and credit to the applicable Blocked Account all wire transfers directed to that Blocked Account in accordance with the Bank's standard procedures.

ARTICLE 4 RECORDS AND INFORMATION

Section 4.1 Records

The Bank shall maintain a record of all money, Cheques and other remittance items deposited in and transfers to the Blocked Accounts in accordance with the Bank's standard procedures.

Section 4.2 Provision of Information

The Bank shall provide to the Company and, upon request by the Secured Party, the Company shall provide to the Secured Party, at the Company's expense, monthly statements summarizing the daily activity in each Blocked Account. The Bank shall also provide to the Secured Party, at the Company's expense, such other information compiled by the Bank with respect to the activity, on a daily, weekly or monthly basis, in or with respect to each Blocked Account as the Secured Party may reasonably request in writing from time to time. The Company hereby authorizes the Bank to release information as contemplated herein and waives any right to confidentiality in respect of any information released by the Bank to the Secured Party pursuant to this Section 4.2.

ARTICLE 5

FEES, EXPENSES, CHARGEBACKS AND INDEMNITY

Section 5.1 Waiver of Bank's Rights

Except as expressly provided in this Agreement, the Bank waives and agrees not to assert, claim or endeavour to exercise any right of deduction, set-off, pledge or other right to claim with respect to the Blocked Accounts, or the funds therein.

Section 5.2 Company's Fee Obligations

The Company hereby agrees that it is responsible for all normal and customary fees and expenses established by the Bank from time to time for the establishment and operation of this Agreement and the Blocked Accounts (all such amounts, the **"fees and expenses"**). If any of the fees and expenses are not paid by the Company when due, the Bank shall be entitled to automatically debit, by mechanical, electronic or manual means, any of the Blocked Accounts for such fees and expenses.

Section 5.3 Chargebacks

Notwithstanding Section 5.1, the Bank shall be entitled to automatically debit, by mechanical, electronic or manual means, any one or more of the Blocked Accounts at any time and from time to time solely for:

- (a) the amount of any Cheque deposited in a Blocked Account after the date hereof which is subsequently returned to the Bank for any reason whatsoever; and
- (b) the amount of any required adjustments due to clerical errors or calculation errors directly related to any Blocked Account

((a) and (b) collectively, **"Chargebacks"**),

and provided, further, that if after an Activation Date the Bank has transferred funds on deposit in a Blocked Account at the direction of the Secured Party in respect of which the Bank is entitled to a Chargeback and the funds in the Blocked Accounts are insufficient to cover the amount of the relevant Chargeback, the Secured Party shall pay the Bank the amount of the Chargeback not recoverable from the Blocked Accounts, within three (3) Business Days of receipt by the Secured Party of a statement signed by the Bank confirming the details of such Chargeback and the Bank's entitlement to such Chargeback under this Section 5.3 in form reasonably satisfactory to the Secured Party.

Section 5.4 Indemnity

The Company and the Secured Party, jointly and severally, hereby agree to pay, indemnify and hold harmless the Bank from and against any and all loss, liability, cost, claim and expense incurred by it with respect to the performance of this Agreement by the Bank or any of the Bank's directors, officers or employees, unless arising from its or their own violation of law, gross negligence or wilful misconduct.

ARTICLE 6 GENERAL PROVISIONS

Section 6.1 Adverse Claims

In the event that the Bank shall receive a court order or other statutory legal claim against any of the Blocked Accounts or any sums on deposit therein, whether such claim shall have arisen by tax lien, execution of judgment, statutory attachment, garnishment, levy, claim of a trustee in bankruptcy, debtor-in-possession, court appointed receiver, or other judicial or regulatory order or process (each, a “**Claim**”), the Bank may, in addition to other remedies it possesses under this Agreement or at law or in equity: (a) suspend disbursements from the Blocked Accounts without any liability until the Bank shall have received an appropriate court order or other assurances reasonably acceptable to the Bank establishing that funds may continue to be disbursed according to instructions then applicable to the Blocked Accounts, and/or (b) interplead the funds in the Blocked Accounts in respect of the subject matter of any such Claim into court. The Bank’s costs, expenses and reasonable legal fees incurred in connection with any such Claim shall be reimbursed to the Bank by the Company. Upon request, the Bank shall provide a copy of any such court order or other statutory legal claim to the Company and the Secured Party.

If a bankruptcy or insolvency proceeding were commenced by or against the Company, the Bank shall be entitled, without any liability, to refuse to (a) permit withdrawals or transfers from the Blocked Accounts or (b) accept or comply with the notice thereafter received by the Bank, until the Bank shall have received an appropriate court order or other assurances reasonably acceptable to the Bank establishing that (i) continued withdrawals or transfers from the Blocked Accounts or honoring or following any instruction from the Secured Party are authorized and shall not violate any law, regulation, or order of any court and (ii) the Bank shall have received adequate protection for its right to set off against or charge the Blocked Accounts or otherwise be reimbursed for fees and expenses and Chargebacks.

Section 6.2 Power of Attorney

The Company constitutes and irrevocably appoints the Secured Party its true and lawful attorney, with full power of substitution, without limitation, to, from and after the Activation Date, demand, collect, receive and sue for all amounts which may become due or payable in respect of any Blocked Account and execute all withdrawal receipts or other orders for the Company, in its own name or in the Company’s name or otherwise, which the Secured Party deems necessary or appropriate to protect and preserve its right, title and interest in any Blocked Account and, otherwise, to carry out the provisions and purposes of this Agreement.

Section 6.3 Limitation of the Bank’s Liability

The Bank undertakes to perform only such duties as are expressly set forth in this Agreement and to deal with the Blocked Accounts with the degree of skill and care that the Bank accords to all accounts and funds maintained and held by it on behalf of its customers. Notwithstanding any other provision of this Agreement, it is agreed by the parties hereto that the Bank shall not be liable for any action taken by it or any of its directors, officers or employees in accordance with this Agreement except for its or their own violation of law, gross negligence or wilful

misconduct. In no event shall the Bank be liable for losses or delays resulting from computer malfunctions or interruption of communication facilities which are beyond the Bank's control or from other causes which are beyond the Bank's control or from force majeure or for indirect, special or consequential damages. With respect to any instructions given or requests made by either of the Company or the Secured Party in connection with this Agreement, in no event shall the Bank be liable for any failure to comply with or satisfy the same if compliance with or satisfaction of the same would have resulted in or may potentially result in the Bank contravening or failing to comply with any standard or customary banking practice in the industry or any of the Bank's usual banking practices, or any law, regulation, order, rule (including, without limitation, any of the CPA Rules), or other matter or thing whatsoever having the force of law. The Bank may be unable to reverse, unwind, retract, abandon or otherwise cancel any instructions or actions or processes undertaken in respect of instructions given to the Bank in accordance with this Agreement once such instructions have been given to the Bank. In such circumstances, the Company and the Secured Party both acknowledge and agree that the Bank shall have no liability to either of them for any inability or failure, or for any resulting damages suffered thereto, to comply with a request to cancel or revoke an instruction previously given to the Bank by either the Company or the Secured Party.

Section 6.4 Collection of Accounts

Notwithstanding anything in this Agreement to the contrary, the Company shall remain liable under each Receivable to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise to each such Receivable. None of the Secured Party or the Bank shall have any obligation or liability under any Receivable (or any agreement giving rise thereto) by reason of or arising out of any of this Agreement or any other agreement or the receipt by the Secured Party or the Bank of any payment relating to such Receivable nor shall the Secured Party or the Bank be obligated in any manner to perform any of the obligations of the Company under or pursuant to any Receivable (or any agreement giving rise thereto), to make any payment (except as set out in the Credit Agreement), to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party under any Receivable (or any agreement giving rise thereto) to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been hypothecated to it, or in which a security interest may have been created in its favour, or to which it may be entitled at any time or times.

Section 6.5 Termination

- (a) Unless terminated in accordance with the terms of this Section 6.5, this Agreement shall remain in full force and effect and be binding in accordance with and to the extent of its terms until the obligations of the Company to the Secured Party under the Credit Agreement have been paid and performed in full and the Secured Party has no further obligation to make any further advances to the Company under the Credit Agreement.
- (b) The Secured Party may terminate this Agreement at any time upon thirty (30) days' prior written notice to the Bank and the Company.

- (c) The Bank may terminate this Agreement upon providing fifteen (15) days' prior written notice to the Secured Party and the Company, provided that such termination shall not be effective until the earlier of (a) such time as the Secured Party provides written confirmation to the Bank that the Company and the Secured Party have entered into a blocked account agreement in substantially the form of this Agreement, or in such form as may be acceptable to the Secured Party and the Company, with a replacement bank satisfactory to the Company and the Secured Party, or (b) the end of such fifteen (15) day period. In the event of termination of this Agreement pursuant to this Section 6.5(c), the Bank shall close the Blocked Accounts concurrently with the termination of this Agreement, and the Company hereby irrevocably instructs the Bank to transfer all amounts in the Blocked Accounts to such persons and in such amounts as the Secured Party may direct, and this shall be the Bank's sole and sufficient authority for so doing.
- (d) The obligations set forth in Section 5.3, Section 5.4 and Section 6.5 shall survive termination of this Agreement.

Section 6.6 Notices

Except as otherwise provided herein, any notice to the Company, the Bank or the Secured Party under the provisions hereof shall be given by courier delivery or email transmission and if so given shall be deemed to have been received on the date given if given between 9:00 a.m. and 5:00 p.m. (local time at the Branch of Account) on a Business Day and otherwise on the first (1st) Business Day after giving such notice. Each party may from time to time notify each other party of a change of address or email address.

- (a) Notices to the Company shall be addressed as follows:

2400918 Ontario Inc.

Attention: Mark Wilson, President
Telephone: (519) 701-1388
Email address: mwilson@advantagewon.com

- (b) Notices to the Bank shall be addressed as follows:

The Toronto-Dominion Bank

275 Dundas Street , London ON N6B3L1

Attention: Dave Marr
Telephone: 519-667-4952
Email address: dave.marr@td.com

- (c) Notices to the Secured Party shall be addressed as follows:

FMMC Private Yield Fund Limited Partnership I

Attention: Don Bent, Managing Partner
Telephone: (416) 682-4213
Email address: dbent@fmmc.ca

Section 6.7 Governing Law

This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the Province of Ontario and the laws of Canada applicable therein and the parties hereto irrevocably attorn to the non-exclusive jurisdiction of the courts of the Province of Ontario in respect of all matters pertaining to this Agreement.

Section 6.8 Amendments

This Agreement may only be amended or modified by written instrument signed by the parties hereto.

Section 6.9 Severability

Any provision of this Agreement that is or becomes unenforceable shall be unenforceable to the extent of such unenforceability without invalidating the remaining provisions hereof. To the extent permitted by applicable law, each of the parties hereby waives any provision of law that renders any provision hereof unenforceable in any respect.

Section 6.10 Authorization

For the purposes of this Agreement, any attorney, officer, employee or agent of the Secured Party shall be authorized to act and to give instructions and notice on behalf of the Secured Party hereunder and any attorney, officer, manager or agent of the Bank shall be authorized to act and give instructions and notice on behalf of the Bank hereunder.

Section 6.11 Remedies Cumulative

The rights enumerated in this Agreement are in addition to and not in substitution for any other rights of the Secured Party pursuant to any security held by the Secured Party and except as otherwise contemplated in this Agreement, nothing in this Agreement is to be interpreted as restricting the rights of the Secured Party pursuant to any security held by the Secured Party.

Section 6.12 Further Assurances

The parties shall at all times do, execute, acknowledge and deliver such acts, deeds and agreements as may be reasonably necessary or desirable to give effect to the terms of this Agreement.

Section 6.13 No Fiduciary Obligations

Nothing in this Agreement shall constitute any party to this Agreement a fiduciary in relation to any other party to this Agreement.

Section 6.14 Successors and Assigns

This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns; provided that this Agreement may not be assigned by any of the parties hereto without the prior written consent of the Bank.

Section 6.15 Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 6.16 Electronic Execution

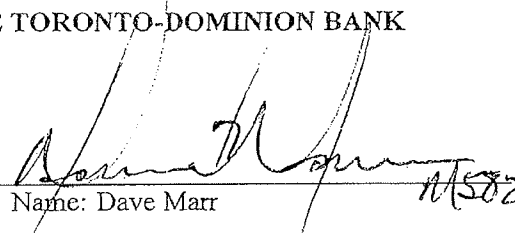
Any party may deliver an executed signature page to this Agreement by electronic transmission and such delivery will be as effective as delivery of a manually executed copy of the Agreement by such party.

[SIGNATURE PAGE FOLLOWS]

The parties have executed this Agreement as of the date first written above.

THE TORONTO-DOMINION BANK

By:


Name: Dave Marr

Title: Relationship Manager

**FMMC PRIVATE YIELD FUND LIMITED
PARTNERSHIP I, by its general partner,
FMMC GP INC.**

By:

Name:

Title:

2400918 ONTARIO INC.

By:

Name:

Title:

The parties have executed this Agreement as of the date first written above.

THE TORONTO-DOMINION BANK

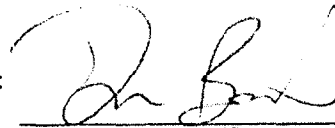
By:

Name:

Title:

**FMMC PRIVATE YIELD FUND LIMITED
PARTNERSHIP I, by its general partner,
FMMC GP INC.**

By:



Name: DON BENT

Title: MANAGING PARTNER

2400918 ONTARIO INC.

By:

Name: Mark Wilson

Title: President

By:

Name: Jason Ewart

Title: Director

The parties have executed this Agreement as of the date first written above.

THE TORONTO-DOMINION BANK

By:

Name:

Title:

**FMMC PRIVATE YIELD FUND LIMITED
PARTNERSHIP I, by its general partner,
FMMC GP INC.**


By:

Name:

Title:

2400918 ONTARIO INC.

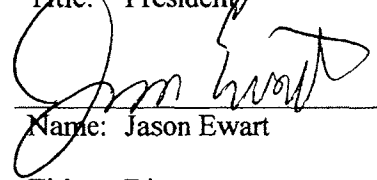
By:



Name: Mark Wilson

Title: President

By:



Name: Jason Ewart

Title: Director

**SCHEDULE A
ACTIVATION NOTICE**

To: The Toronto-Dominion Bank (the “**Bank**”)

Re: Blocked Accounts Agreement dated June 30, 2017 among 2400918 Ontario Inc. (the “**Company**”), FMMC Private Yield Fund Limited Partnership I (the “**Secured Party**”) and the Bank (as amended, restated, supplemented or otherwise modified from time to time, the “**Blocked Accounts Agreement**”).

Terms with initial capital letters in this notice and not otherwise defined herein shall have the meanings given to them in the Blocked Accounts Agreement.

The Secured Party hereby notifies the Bank that, pursuant to Article 3 of the Blocked Accounts Agreement, commencing on the Activation Date, the Secured Party shall have access to the Company’s Web Business Banking Wire Payments Service with the Bank and shall be entitled to initiate wire payments from the Blocked Accounts and to any other rights of access to the Blocked Accounts as provided in Article 3 of the Blocked Accounts Agreement.

Dated ●, 2017.

**FMMC PRIVATE YIELD FUND LIMITED
PARTNERSHIP I, by its general partner
FMMC GP INC.**

By:

Name:

Title:

This is Exhibit "O" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

LANDLORD'S WAIVER

From: Each of Szemenyei Mackenzie Group LLP (the "**Sublandlord**") and Genesis Property Holdings Inc. (the "**Head Landlord**")

To: FMMC Private Yield Fund Limited Partnership I (the "**Lender**")

And To: 2400918 Ontario Inc. (the "**Tenant**")

WHEREAS the Head Landlord has leased the premises municipally known as **376 Richmond Street, 3rd Floor, London, Ontario** (the "**Premises**") to the Sublandlord pursuant to a master lease dated April 1, 2007 (the "**Head Lease**"), a copy of which is attached hereto as Schedule "A";

AND WHEREAS the Sublandlord has leased a portion of the Premises to the Tenant pursuant to a sublease dated May 1, 2017 (the "**Sublease**"), a copy of which is attached hereto as Schedule "B";

AND WHEREAS each of the Head Landlord and Sublandlord acknowledges that the Lender has extended and/or is proposing to extend credit to the Tenant and/or to obtain rights, interests, liens, charges, hypothecs, security interests or encumbrances (collectively or individually a "**Claim**") in the Sublease and the personal property of the Tenant, whether or not same are or become affixed to the Premises (the "**Collateral**"), which may be located at the Premises pursuant to security granted and/or to be granted by the Tenant to the Lender (the "**Security**").

For good and valuable consideration and so long as the Lender may hold a Claim in the Collateral, each of the Head Landlord and Sublandlord acknowledges and agrees that the term "**Landlord**" where used below means the Head Landlord and Sublandlord and each one of them, and the term "**Lease**" where used below means the Head Lease and Sublease and each one of them, and further acknowledges and agrees as follows:

1. the Lease is in full force and effect and has not been amended, supplemented or restated except as attached hereto as Schedule "A" and Schedule "B"; Landlord is not aware of any existing default under the Lease; Head Landlord consents to the Sublease; and Landlord consents to the granting of the Claim by Tenant in favour of Lender and to the registration of this Waiver on title to the Premises if requested by Lender;
2. that the Collateral, to the extent the Collateral constitutes trade fixtures, may be installed on or otherwise affixed to the Premises and shall not be deemed an accession or addition to or a fixture or part of the Premises but shall at all times be considered personal property; and the Landlord hereby waives and relinquishes all rights, liens, security interests, claims and privileges (including, without limitation, all rights of distress, distraint and levy) which the Landlord now has, or hereafter may have, with respect to any and all Collateral;
3. to allow the Lender, or its agents, or any receiver appointed by the Lender pursuant to its Security, to enter upon the Premises during business hours for the purpose of examining, removing, taking possession, selling (by way of private or public sale) or of otherwise dealing with any of the Collateral or any books and records related thereto or to any of the accounts receivable of the Tenant; provided that the Lender will either forthwith repair any damage caused to the Premises by such removal or forthwith reimburse the Landlord for all costs incurred by the Landlord with respect to repairing such damage;

4. to give a copy of any and all notices of default or demands given by Head Landlord to Sublandlord pursuant to the Head Lease and by Sublandlord to the Tenant pursuant to the Sublease to the Lender at the same time that they are given to the Sublandlord or Tenant, as the case may be, together, in the case of any notice of default, with reasonable particulars of the default giving rise to such notice. Upon receipt of such notice, the Lender shall thereupon have the right, but not the obligation, to cure such default within 30 days;
5. that in the event of the occurrence of a default by the Sublandlord or the Tenant, as the case may be, the Landlord shall not terminate the Lease or exercise any of the rights or remedies available to it under the Lease or otherwise in respect of any such default if within 30 days of receipt by the Lender of a notice of such default or notice of intention to exercise its rights or remedies, as the case may be, the Lender gives notice to the Landlord advising that the Lender is proceeding to enforce its rights under the Security and the Lender pays an amount equal to the rent that would be payable by the Sublandlord or the Tenant, as the case may be, when due (disregarding default and unless the Landlord has otherwise been paid rent in respect of any such period) for the period during which the Lender requires access to the Premises to enforce the Security, such amount to be calculated on a *per diem* basis, based on a 30 day month;
6. if the Lender has at any time taken steps to enforce its rights and remedies under the Security whether directly or through its agent or a receiver, the Lender shall be entitled to enforce its rights and remedies under the Security (including taking possession of and/or occupying the Premises) for such period as the Lender may consider necessary or desirable, and the Landlord will not in such event for such period exercise any of its rights or remedies against the Sublandlord or the Tenant, as the case may be, or interfere with the enforcement by the Lender of its Security, its possession or occupation of the Premises provided that the Lender pays an amount equal to the rent that would be payable by the Sublandlord or the Tenant, as the case may be, when due (disregarding default and unless the Landlord has otherwise been paid rent in respect of any such period) for the period during which the Lender requires access to the Premises to enforce the Security, such amount to be calculated on a *per diem* basis, based on a 30 day month. Notwithstanding the foregoing, the Landlord may have a representative(s) present during the removal of any Collateral, and the Landlord shall, at all times, have the right to access the Premises, including the right to show the Premises to prospective tenants and to conduct work at the Premises, provided that such showing or conducting such work does not interfere with the enforcement actions of the Lender;
7. if the Lender has at any time taken steps to enforce its rights and remedies under the Security whether directly or through its agent or a receiver, the Lender may assign the Sublease or sublet the Premises in whole or in part;
8. any payment made or act done by the Lender to cure any default or in connection with the Lease or the Premises shall not constitute an assumption by the Lender of the Lease or any obligation of the Sublandlord or the Tenant except as otherwise expressly agreed to in writing by the Lender;

And each of the undersigned hereby agrees that:

All notices or other communications to be given pursuant to this Waiver shall be in writing, and shall be delivered or shall be sent by email, addressed:

(a) in the case of the Head Landlord, to:

Genesis Property Holdings Inc.
c/o 376 Richmond Street, London, Ontario N6A 3C7
Attention: David MacKenzie
Telephone: **519-433-8155** / Email: dmackenzie@smglaw.ca

(b) in the case of the Sublandlord, to:

Szemenyei Mackenzie Group LLP
376 Richmond Street, London, Ontario N6A 3C7
Attention: David MacKenzie
Telephone: **519-433-8155** / Email: dmackenzie@smglaw.ca

(b) in the case of the Tenant, to:

376 Richmond Street, 3rd Floor, London, Ontario N6A 3C7
Attention: Mark Wilson
Telephone: (519) 701-1388 / Email: mwilson@advantagewon.com

(c) in the case of the Lender, to:

FMMC Private Yield Fund Limited Partnership I
34 King Street East Street, Suite 400, Toronto, Ontario M5C 2X8
Attention: Don Bent, Managing Partner
Telephone: (416) 682-4213 / Email: dbent@fmmc.ca

Any such notice or communication may be delivered or, providing that Canadian postal service is fully operative, mailed by ordinary prepaid mail, or sent by email, to the applicable addressee at its address above, and the addressee shall be deemed to have received the same on the day of delivery, if delivered on a business day, on the business day immediately following the day of delivery, if delivered on a day other than a business day, three (3) business days after mailing, if mailed, or if sent by email, on the business day next following the date of transmission. Any party may change its address for service or email address from time to time given in accordance with the foregoing and any subsequent notice shall be sent to the party at its changed address or email address.

This Waiver may be executed and delivered by email pdf transmission and the parties may rely on all email pdf signatures as though such email pdf signatures were original signatures. This Waiver may be executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument. This Waiver shall be binding upon and enure to the benefit of the parties, and their respective successors and assigns, and shall be governed by the laws of the Province of Ontario and applicable federal laws. Neither this Waiver nor any provision hereof shall be amended or waived except by written agreement signed by an authorized officer of the Lender, and as to amendments, as also signed by Landlord and Tenant.

[Remainder of page left blank intentionally.]

Dated as of the 30th day of June, 2017.

**FMMC PRIVATE YIELD FUND LIMITED
PARTNERSHIP I, by its general partner FMMC GP
INC.**

By: 
Name: Don Bent
Title: Managing Partner

**GENESIS PROPERTY HOLDINGS INC.
ONTARIO INC.**

By: _____
Name:
Title:

SZEMENYEI Mackenzie Group LLP

By: _____
Name: Mike Hutchinson
Title: President

2400918 ONTARIO INC.

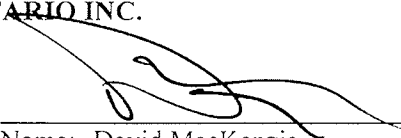
By: _____
Name: Mark Wilson
Title: President

Dated as of the 30th day of JUNE, 2017.

**FMMC PRIVATE YIELD FUND LIMITED
PARTNERSHIP I, by its general partner FMMC GP
INC.**

By: _____
Name: Don Bent
Title: Managing Partner

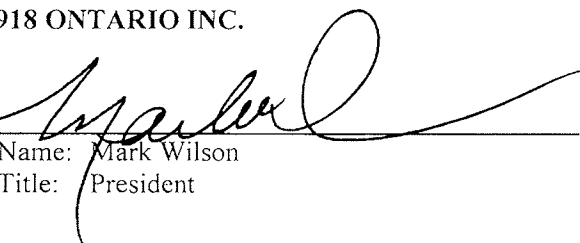
**GENESIS PROPERTY HOLDINGS INC.
ONTARIO INC.**

By:  _____
Name: David MacKenzie
Title: Secretary/Treasurer

~~SZENYEI~~ MACKENZIE GROUP LLP

By:  _____
Name: David MacKenzie
Title: Managing Partner

2400918 ONTARIO INC.

By:  _____
Name: Mark Wilson
Title: President

Schedule "A"

Head Lease

See attached.

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THIS LEASE made the ~~15~~ day of January, 2007.

IN PURSUANCE OF THE SHORT FORMS OF LEASE ACT

B E T W E E N:

GENESIS PROPERTY HOLDINGS INC.
a company incorporated under the
laws of the Province of Ontario

**("the Landlord")
OF THE FIRST PART**

- and -

SZEMENYEI KIRWIN MACKENZIE LLP
A limited partnership registered under the laws of the
Province of Ontario

**("the Tenant")
OF THE SECOND PART**

COMPLEX

WHEREAS the Landlord is the owner of the lands in the City of London, in the County of Middlesex, described in Schedule "A" attached hereto, known for municipal purposes as 376 Richmond Street, London, Ontario on which is constructed a building shown on Schedule "B" attached hereto (said lands and buildings, together with such improvements, alterations and additions thereto as the Landlord may make from time to time, being hereinafter called "the Complex").

AND WHEREAS the Parties hereto have agreed to enter into this lease of that part of the Complex as hereafter more particularly described.

NOW THEREFORE THIS LEASE WITNESSETH:

1. PREMISES

1.1 That in consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the Tenant to be paid, observed and performed, the Landlord leases unto the Tenant the following premises:

The entire first and second floor of the building as outlined in red on Schedule "C" attached hereto along with the area outlined in red on Schedule "C" which are part of the basement floor. The total leasable area of the first floor being 4886 square feet, the second floor being 4407 square feet and the basement floor being 2256 square feet.

2. TERM

2.1 **TO HAVE AND TO HOLD** the said premises for and during the term of five (5) years and to be computed from the 1st day of January, 2007 and to be completed and ended on the 31st day of December, 2011.

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2.2 If the Tenant is not and has not during the Term been in breach of any provision of this Lease and if the Tenant has not assigned this lease or sublet the whole or any part of the Demised Premises, without the Landlord's consent, then the Tenant shall have the option of renewing this Lease for ONE additional term of FIVE years each upon the expiration of the Term provided that the Tenant shall give to the Landlord notice in writing of the exercise of such option at least six months prior to the expiration of the Term or the current renewal period. In the event that the Tenant shall exercise the option as aforesaid, then this Lease shall be upon the same terms and conditions as contained in this Lease except that:

- a) the terms and conditions of any right to further renew this Lease beyond what is hereinbefore given;
- b) the amount of minimum rent, which shall be negotiated between the parties.

3. BASE RENT

3.1 **YIELDING AND PAYING THEREFORE** unto the Landlord, its successors and assigns without any deductions, abatement or set-off whatsoever in lawful money of Canada at such place or places as the Landlord shall designate in writing from time to time, a base rental, payable in equal monthly instalments each in advance on the first day of each and every month, together with additional rent as hereinafter reserved, in the amounts and at the times as outlined below:

- a) for the period from the 1st day of January, 2007 to the 31st day of December, 2011, inclusive, the sum of \$118,015.00 per annum; or \$9,834.59.00 per month being \$11.00 per square foot for the 9293 square feet of first and second floor space and \$7.00 a square foot for the 2256 square feet of basement space.
- b) \$7,699.34 per month as an estimate of additional rent for the first year as defined in section 12 below. The annual additional rent is calculated as \$8.00 per square foot per annum for 11549 square feet of space occupied by the Tenant.
- b) if the Term commences on any day other than the first day of a calendar month or ends on any day other than the last day of a calendar month, all base rent and additional rent as hereinafter reserved for the fractions of a month at the commencement or expiration of the Term shall be pro-rated on a per diem basis based on a period of three hundred and sixty-five (365) days.

4. LEASE YEAR

4.1 The expression "lease year" whenever used in this lease shall mean a fiscal year consisting of twelve months commencing January 1st in any given year in which this lease commences then the first "lease year" shall be deemed to be that period from the commencement date of this lease to December 31st next following; and provided further that if the last day of the term hereby granted is a date other than December 31st in the last year of this lease then the final "lease year" shall be deemed to be that period from January 1st in the last year of this lease to the last day of the term hereby granted; provided, however, that the calculation of minimum rent shall be governed by the calculation of month's set out herein.

5. THE TENANT COVENANTS WITH THE LANDLORD:

RENT

5.1 To pay all rent reserved herein (including additional rent as described herein).

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UTILITIES

5.2 To pay all rates for water, gas, electricity, fuel and any other utility supplied to or used on the demised premises.

COMMON EXPENSES

5.3 To pay the Landlord as additional rent all the payments to be made by the Tenant pursuant to the provisions of Clause 12 hereof.

BUSINESS TAXES

5.4 To pay all business taxes from time levied against or payable by the Tenant in respect of the Tenant's occupancy of the demised premises and/or in respect of the common areas and facilities, as defined in Clause 12.1 hereof, and taxes upon the personal property or income of the Tenant and licence fees and any other taxes or rates imposed upon the property, business or income of the Tenant.

BUSINESS TAXES COMMON AREAS

5.5 To pay as additional rent its proportionate share of all business taxes, if any, from time to time payable by the Landlord (or by any person or corporation that may provide the common areas and facilities) in respect of the common areas and facilities or any part or parts thereof.

SEPARATE SCHOOL TAXES

5.6 If the tenant, or any person occupying the demised premises or any part thereof through or with the consent of the Tenant, shall elect to have the demised premises or any part thereof assessed for separate school taxes, the Tenant shall pay to the Landlord, as soon as the amount of the separate school tax is ascertainable, as additional rent, any amount by which the separate school taxes exceed the amount which would be payable by the Landlord for school taxes had such election not been made.

REALTY TAXES, TENANT'S IMPROVEMENTS

5.7 If the taxes, including local improvement rates, upon or in respect of the Complex in which the demised premises are situate shall at any time during the term hereof include any amount or amounts attributable in any way to any installations or improvements made or placed in or upon the demised premises (including fixtures commonly known as "tenant's or trade fixtures"), or to any alteration made in or to the demised premises by the tenant, then the tenant shall pay such amount or amounts to the Landlord forthwith on demand, as additional rent.

5.8 The Tenant shall pay, as additional rent, its proportionate share of the taxes, including local improvement rates, upon or in respect of the Complex.

5.9 In the event that this lease shall commence on any day other than January 1st, or expire or be determined on any day other than December 31st, then any amounts payable under the preceding paragraphs 5.8 and/or 5.9 of this clause shall be apportioned.

5.10 If any tax bill or bills in respect of the Complex in which the demised premises are situate and/or the lands covered by the Complex or any part or parts thereof and/or in respect of the common areas and facilities or any part or parts thereof shall cover any other property or properties respectively, then the Landlord shall apportion the share or shares thereof applicable to the Complex and the common areas and facilities, as the case may be, and any such apportionment shall be binding upon the Tenant.

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5.11 Within ninety (90) days after the end of each lease year as herein defined, the Landlord will furnish to the tenant a statement indicating the total taxes, including local improvement rates paid for the preceding year. Such statement will be included as part of the statement provided by the Landlord pursuant to Clause 13.3 herein. The Landlord shall also, during the 30 day period prior to the end of each lease year, or at such time as the Landlord may determine, furnish to the Tenant an estimate of such taxes for the upcoming lease year. Such estimate will be included as part of the estimate provided by the Landlord pursuant to Clause 13.4 herein. The tenant shall have the right to contest the amount of taxes and rates levied on the demised premises and the common area and facilities with the City of London, County of Middlesex or any other Government.

REPAIRS

5.12 To repair, damage by fire, lightning, tempest, impact of aircraft, acts of God or the Queen's enemies, riots, insurrections, structural defects and explosion (unless such explosion is caused by the tenant, its customers, servants, employees, agents, sub-lessees, invitees or licensees) only excepted; and to operate, maintain and keep the demised premises and every part thereof in a clean, wholesome and good condition. "Structural defect" means only defects to the foundation, wall and roof support columns, roof joists and wood or metal roof defects of the demised premises or complex and "structural repairs" or "structural weakness" shall have a corresponding meaning.

VIEW REPAIR, ETC.

5.13 And that the Landlord may enter and view the state of repair.

5.14 And that the Tenant will repair according to notice in writing, subject to the exceptions aforesaid, and will keep well painted at all times the interior of the demised premises. The Landlord shall keep painted those parts of the exterior of the demised premises requiring painting. Provided that the Tenant's covenants to repair shall not in any case include repairs to the roof or outside walls of the demised premises, nor to any common areas and facilities or any part or parts thereof, unless such repairs are made necessary by reason of the Tenant, its customers, servants, employees, agents, sub-lessees, invitees or licensees or by reason of change, alteration and addition as made to the demised premises carried out by the tenant as hereinafter provided; but the Tenant's covenants shall include the obligation for the replacement of all broken or damaged plate glass, vitrolite and/or other similar material in the store front and doors of the demised premises howsoever caused and plumbing leakage or stoppage; and the Tenant shall give to the Landlord prompt written notice of any such damage or defect which it is aware.

LEAVE IN GOOD REPAIR, CLEAN, TIDY

5.15 And that the Tenant will leave the demised premises in good repair, subject to the exceptions aforesaid, and in a clean and orderly condition, and, if the Tenant fails to leave the demised premises in such good state of repair and clean and tidy condition, the Landlord may have the demised premises repaired, cleaned and tidied at the expense of the Tenant and the Tenant will pay or reimburse to the Landlord the cost of such repairing, cleaning and tidying and will also pay the rent at the rate per day based on the current rate as at the date the premises are left for a reasonable period to enable such repair work, cleaning and tidying to be done.

ASSIGNMENT, SUBLETTING, CHANGE OF CONTROL

5.16 The tenant will be entitled to assign, sublet, or part with possession of the demised premises or any part or parts thereof or part with or share the possession of occupation of the demised premises or part or parts thereof with the consent in writing of the Landlord first had and obtained which consent shall not be unreasonably withheld.

5.17 If the Tenant requests the Landlord's consent to an assignment of this Lease or to a subletting

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of the whole or any part of the demised premises or to the change of control of the corporate Tenant, the Tenant shall submit to the Landlord the name of the proposed assignee, subtenant, or new shareholders, the date upon which assignment, sub-letting or change of control is to take effect, and such information as to the nature of the assignee's or subtenant's or new shareholder's business and their financial responsibility and standing as the Landlord may reasonably require, at which time the Landlord shall provide its consent, which consent shall not be unreasonably withheld. Provided further that the death of any corporate shareholder shall not be deemed to effect an assignment of the lease.

RIGHT TO INSPECT AND REPAIR

5.18 That any person or persons shall have the right to inspect the demised premises and all parts thereof at any time on producing a written order to that effect signed by the Landlord and shall have the right to make repairs to the demised premises, provided, however, that insofar as it shall be reasonable to do so, such repairs shall be effected at such times and in such a manner as will not unreasonably interfere with the use by the Tenant of the demised premises or the conduct of the Tenant's business thereon.

USE OF PREMISES

5.19 That the demised premises shall not be used at any time during the term hereof for any purpose other than the business of a law firm.

NUISANCE

5.20 That the Tenant shall not do or permit anything to be done on the demised premises or permit to keep anything therein which may be annoying to the Landlord or which is a nuisance and if any machinery or operation or process is a nuisance or causes any undue vibration or noise in the complex, upon receiving notice thereof from the Landlord, the said Tenant will immediately abate such nuisance.

5.21 If the Tenant shall fail to remedy or rectify such use or occupation or act or omission within twenty-four (24) hours of being requested to do so in writing, by the Landlord, then the Landlord shall have the right to enter the demised premises, and correct the situation, it is capable of being corrected and/or the right to hold the Tenant liable for all damages as a result of such failure to remedy or rectify, and/or the right, at the Landlord's option, to terminate this lease forthwith by notice in writing to the Tenant of its intention to do so, and in the latter event, rent and any other payments of which the Tenant is liable under this lease shall be apportioned and paid in full to the date of such termination and the Tenant shall immediately deliver up possession of the demised premises to the Landlord.

INDEMNIFICATION FOR DAMAGE AND INJURY

5.22 To indemnify and save harmless the Landlord from and against all liabilities, fines, suits, claims, demands, actions, damages or expenses due to or arising out of any act of neglect of the Tenant or its customers, servants, employees, agents, sub-lessees, invitees or licensees in and about the demised premises, or due to or arising out of any breach by the Tenant of any provision of this lease wherever such breach occurs, and including liability for injury or damages to the person or property of the Tenant's customers, servants, employees, agents, sub-lessees, invitees or licensees. Such indemnification in respect of breach, violation or non-performance, damage or destruction to property, injury or death occurring during the term of the lease shall expressly survive any termination of this lease anything in his lease to the contrary notwithstanding.

5.23 The Tenant shall also reimburse the Landlord, as additional rent, for all reasonable expenses, damages or fines incurred or suffered by the Landlord by reason of moving the Tenant's property in or out of the demised premise or by the installation or removal of furniture or other property for the

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Tenant.

5.24 The Landlord shall not in any event be liable in any way for any personal injury or death to any person or for any loss or damage to any property belonging to the Tenant of its customers, servants, employees, agents, sub-lessees, invitees or licensees while such persons or property are in or about the demised premises or the Complex of which the demised premises form a part or in or about any truckways, platforms, or corridors in connection therewith, or in or about the common area and facilities, including (without limiting the foregoing) any loss of or damage to any such property caused by theft or breakage, or by steam, water, rain or snow which may leak into, issue or flow from any part of the Complex in which the demised premises are situate or any adjacent or neighbouring lands or premises or from the water, steam or drainage pipes or plumbing works of the same or from any other place or quarter or for any loss or damage caused by or attributable to the condition or arrangement of any electric or other loss whatsoever of the Tenant with respect to the demised premises and/or the business of the Tenant of the Complex on therein, and the Tenant shall indemnify the Landlord from and against all liabilities, claims, demands and causes of action of any nature and any expense for such injury, death, loss or damage as aforesaid, including the expenses of any lawyer, accountant and/or any other person engaged by the Landlord in respect thereof.

COMPLY WITH LAWS

5.25 The tenant shall comply promptly with and confirm to the requirements of all applicable statutes, laws, by-laws, regulations, ordinances, and orders from time to time or at any time enforced during the term hereof and affecting the condition, equipment, maintenance, use or occupation of the demised premises and common areas.

INFRINGEMENT OF LAWS

5.26 That in the event of any federal, provincial, municipal or other competent authority making any charge against the Tenant or against the demised premises by reason of the Tenant failing to observe the requirements of any such statutes, by-laws, rules, ordinances and regulations with respect to the demised premises, or any part or parts thereof, or the business carried on by the Tenant, then the Tenant will pay any fine or other payment required and observe any penalty, and if the Tenant fails to pay any fine or other payment upon then the Landlord may pay the amount of such fine or other payment and recover the amount so paid as additional rent.

SIGNS, ETC.

5.27 That the Tenant shall be entitled to erect or install any exterior or interior signs or advertising media or window or door lettering or placards without the written consent of the Landlord provided the same are normally used in the Tenant's business. If the Landlord should provide an exterior facia sign, the Tenant shall pay for the use of the face panel as additional rent. The Tenant shall be entitled to erect an exterior facia sign.

HEATING, AIR CONDITIONING, PLUMBING, FIXTURES, DEFACING WALLS

5.28 The Tenant, its customers, servants, employees, agents, sub-lessees, invitees or licensees shall not mark, paint, drill or in anyway deface any walls, ceilings, partitions, floors, wood, stone or iron work of the demised premises or the Complex without the prior written consent of the Landlord.

ALTERATIONS

5.29 The Tenant will not erect any partitions, nor carry out any changes, alterations, additions or improvements whatsoever to the demised premises without the prior written consent of the Landlord, provided that if such changes, alterations or additions will not result in a diminution of the market value of the demised premises such approval shall not be unreasonably withheld; provided that the Landlord may at its own option require the Tenant on the termination of this lease to restore the

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demised premises to the condition in which it was at the original occupation of the same by the Tenant, notwithstanding that the Landlord may have consented to such changes, alterations and additions.

REMOVAL OF FIXTURES

5.30 The Tenant will not erect any partitions, nor carry out any changes, alterations, additions or improvements whatsoever to the demised premises without the prior written consent of the Landlord, provided that if such changes, alterations or additions will not result in a diminution of the market value of the demised premises such approval shall not be unreasonably withheld; provided that the Landlord may at its own option require the Tenant on the termination of this lease to restore the demised premises to the condition in which it was at the original occupation of the same by the Tenant, notwithstanding that the Landlord may have consented to such changes, alterations and additions.

6. IMMEDIATE RE-ENTRY ON DEFAULT

6.1 Provided that notwithstanding anything hereinbefore contained or any statutory provisions to the contrary, the Landlord's right of re-entry hereunder for non-payment of rent or non-performance of covenants shall become exercisable immediately upon such default being made.

7. THE LANDLORD COVENANTS WITH THE TENANT:

QUIET ENJOYMENT

7.1 For quiet enjoyment, subject always to the terms and conditions of this lease.

STRUCTURAL REPAIRS, ETC.

7.2 To attend to any structural repairs to that part of the Complex in which the demised premise are situate and to the common areas and facilities, and to damage to the plumbing and electrical systems leading to the demised premises and the drainage system leading from the demised premises, upon receiving notice of same from the Tenant; provided such repairs have not been caused by the Tenant, its customers, servants, employees, agents, sub-lessees, invitees or licensees.

7.3 The Landlord or any successor shall not permit any other premises on the complex or on any property owned by the Landlord within a one mile radius to be used for the purposes of operating a law firm business.

8. IT IS FURTHER EXPRESSLY AGREED BETWEEN THE LANDLORD AND THE TENANT AS FOLLOWS:

FIRE AND OTHER DAMAGE

8.1 If during the term hereby granted the demised premises or that part of the Complex in which the demised premise are situate shall be destroyed or damaged by fire, lightning, tempest, structural defect or weakness, impact of aircraft, acts of God or the Queen's enemies, riots, insurrections or explosions, then:

- (a) If by reason of such destruction or damage the demised premises cannot be repaired in the opinion of the Landlord, with reasonable diligence within one hundred and eighty (180) days of such damage or destruction, then the Landlord may terminate this lease by notice in writing to the Tenant within thirty (30) days of the date such damage and destruction, and this lease shall cease and become null and void from the giving of such notice and the Tenant shall immediately surrender the demised premises and all interest

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therein to the Landlord and the Landlord may re-enter and re-possess the demised premises discharged of this lease as of and from the time of such damage or destruction;

(b) But if within the said period of thirty (30) days no notice is given, then the Landlord shall with reasonable promptitude proceed to rebuild and/or repair or restore fit for occupancy by the Tenant, then the rent, additional rent and all other charges hereby reserved shall abate in part only, in the proportion that the part of the demised premises rendered unfit for occupancy by the Tenant bears to the whole of the demised premises or if in the opinion of the Landlord the demised premises are reserved shall be suspended in such case until the demised premises have been rebuilt and/or repaired or restored fit for occupancy. Provided that the Tenant shall pay to the Landlord the proportionate part of the then current month's rent and additional rents accruing on a daily basis up to the time of such partial or total destruction as aforesaid. The Tenant shall at all times comply with all applicable regulations, orders and requirements of the Canadian Fire Underwriters Association or body having similar functions or any liability or fire insurance company by which the Landlord and/or the Tenant may, in respect of the Complex or any part thereof, be insured.

EXPROPRIATION

8.2 That if during the term hereby granted the demised premises or that part of the complex in which the demised premises are situate, or any part or parts of the Complex, shall be expropriated, then the following provisions shall have effect:

(a) If the demised premises are completely expropriated or expropriated to such an extent that in the opinion of the Landlord the Tenant cannot properly carry on his business therein, then this lease shall cease and become null and void as of the date upon which the expropriating authority takes possession of the demised premises or part or parts thereof expropriated;

(b) If no part of the demised premises are expropriated, but part or parts of the Complex in which the demised premises or any part or parts thereof are situate are expropriated, and such part or parts so expropriated comprise more than one-third of the total ground floor area of all rented and rentable premises (including the demised premises) in the Complex, then this lease may be terminated by the Landlord at its option, by notice in writing to the Tenant, within sixty (60) days of the date of such expropriation, and in the event of such notice being so given this lease shall cease and become null and void as of the date upon which the expropriating authority takes possession of the part or parts so expropriated, at which time the Tenant shall then surrender the demised premises and all interest therein to the Landlord and the Tenant shall pay rent apportioned only to the date of such surrender, and the Landlord shall not give notice terminating this lease as aforesaid, or if within the said period the Landlord shall agree not to give notice; then this lease shall not cease and become null and void as hereinbefore provided;

8.3 If any such expropriation takes only part of the demised premises then at the option of the Landlord this lease will not cease and become null and void but rather there shall be a proportionate abatement in rent and additional rent based upon the area of the demised premises which has been so expropriated.

8.4 The Landlord agrees to carry out an necessary rebuilding and/or repairs and restoring of the demised premises and/or the common areas (including parking areas), as far as is practicable to the condition and state existing prior to such expropriation.

SURRENDER

8.5 No surrender of this lease (except as provided in Clauses 8.1 and 11.2) shall be valid unless accepted by the Landlord in writing.

INSURANCE

8.6 The Tenant shall, during the demised term hereof, including any rent free period, at its sole cost and expense, and with an insurance company or companies satisfactory to the Landlord, take out and maintain with respect to the demised premises and the Tenant's use and occupation thereof and furnish to the Landlord policies of:

- (a) Public Liability, Tenant's Legal Liability and Property Damage Insurance, including personal injury, in respect of the demised premises and its operation therein, up to such limits as the Landlord may from time to time reasonably request, but to the extent of not less than ONE MILLION DOLLARS (\$1,000,000.00) inclusive of all injuries or death to persons or damage to property of others arising from any one occurrence;
- (b) Insurance against loss by such insurable hazards on a replacement cost basis in an amount sufficient to cover the cost of replacement of all alterations, decorations, fixtures, additions, improvements and trade inventory made, installed, brought, maintained or stored by the Tenant on the demised premises;
- (c) Business Interruption Insurance;
- (d) Any additional increase in the above insurance policies and any other form or forms of insurance as the Landlord's Mortgagees may reasonably require from time to time in amounts and for periods against which a prudent Tenant would protect itself in similar circumstances.

8.7 The Tenant covenants with the Landlord to pay as additional rent, the Tenant's proportionate share of all insurance premiums with respect to the following insurance policies which the Landlord may take out and maintain, or cause to be taken out and maintained, including but not limited to the following:

- (a) Insurance against destruction or damage by fire and those additional perils contained in the extended perils endorsement of such insurance company or companies usual from time to time for similar risks to the extent of the full replacement value thereof, excluding the replacement value of footings, foundations and pavements, excluding insurance covered by any insurance placed by the Tenant.

8.8 The Tenant also covenants that nothing will be done or omitted to be done whereby any policy shall be cancelled or the rate increased or the demised premises rendered uninsurable. If such insurance premiums or rates shall be increased as a result of the use of the demised premises by the Tenant, then the Tenant shall pay to the Landlord the amount by which said insurance premiums or rates shall be increased. In the event that any insurance policy or policies upon the demised premises or the complex or any parts thereof shall be cancelled or not renewed by an insurer by reason of the use or occupation of the demised premises or any part thereof or the acts or omissions of the Tenant, then, in any such case, the Tenant shall forthwith remedy or rectify such use or occupation in writing by the Landlord and if the Tenant shall fail to do so, then the Landlord shall have the right to enter the demised premises and correct the situation, if it is capable of being corrected and/or the right to hold the Tenant liable for all damages as a result of such failure to remedy to rectify and/or the right, at the Landlord's option, to terminate this lease forthwith by notice in writing to the Tenant of its intention to do so and, in the latter event, rent, additional rent and any other payments for which the Tenant is liable under this lease shall be apportioned and paid in full to the date of such termination and the Tenant shall immediately deliver up possession of the demised premises to the Landlord.

8.9 The proceeds of all insurance on the demised premises against property damage shall be paid to the Landlord and/or any Mortgagee(s) as aforesaid upon the occurrence of any loss. In the case of damage to, or total or partial destruction of the demised premises or any part thereof by force or otherwise, the Tenant shall give the Landlord prompt notice thereof, and the Landlord, subject to Clause 11.1 herein, shall proceed to restore the property so damaged to the same condition as prevailed immediately prior to the occurrence of such damage.

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8.10 The Tenant shall comply with all regulations of any liability or fire insurance company by which the Landlord or Tenant may be insured, which are necessary to maintain such insurance. Such insurance, shall as from the respective dates upon which the several existing policies of insurance respectively expire, be effected with such insurance company or companies as the Landlord may approve; provided such approval shall not be unreasonably withheld and the policies of insurance, if requested, shall be produced to the Landlord. In the event that the Tenant shall fail to insure and keep insured as herein provided, the Landlord shall be at liberty to effect insurance as aforesaid and the cost of such insurance shall be added to the rent hereby reserved and the amount thereof shall be payable with the next ensuring instalment of rent, and the Landlord, in the event of non-payment shall be entitled to all remedies for the recovery of same as for rent in arrears; and the Tenant shall have the public liability insurance in the names of the Landlord and the Tenant and the Mortgagee, if any, as and to the extent of their respective interests, as the persons assured.

8.11 Receipt of satisfactory evidence establishing the payment of premiums in respect of each of the said policies shall be delivered to the Landlord at least ten (10) days before the same becomes due.

8.12 Subject to the provisions of Clause 11.1 herein, in the event of destruction of the demised premises or any part thereof by any reason whatsoever insured against by the Landlord as hereinbefore referred to, the Landlord shall cause the demised premises or any part thereof to be re-insured as hereinbefore provided immediately upon reconstruction or restoration.

FAILURE OF TENANT TO PERFORM COVENANTS

8.13 If the Tenant shall fail to perform any of the covenants, agreements, or obligations of the Tenant under or in respect of this lease the Landlord may from time to time, in its discretion and at its option, perform or cause to be performed any of such covenants, agreements or obligations, or any part thereof, and for such purpose may do such things as may be requisite, including without limiting the foregoing, entering upon the demised premises and doing such things upon or in respect of the demised premises or any part or parts thereof as the Landlord may consider requisite or necessary. All expenses incurred and expenditures made by or on behalf of the Landlord shall be recoverable by the Landlord from the Tenant in the same manner as rent in arrears. All rent and additional rent reserved by this lease and not paid on the due dates, shall bear interest at the rate of two (2) per cent per month (24% per annum) from the due date.

RELIEF OF LANDLORD FROM OBLIGATION

8.14 Whenever and to the extent that the Landlord shall be unable to fulfil or shall be delayed or restricted in the fulfilment of any obligation hereunder in respect of the supply or provision of any service or utility or the doing of any work or the making of any repairs by reason of being unable to obtain the material, goods, equipment, service, utility or labour required to enable it to fulfil such obligation by reason of any statute, law or order-in-council, or any regulation or order passed or made pursuant thereto or by reason of the order or direction of any administration, controller or board, or any governmental department or officer or other authority or by reason or not being able to obtain any permission or authority required thereby, or by reason of any other cause beyond its control whether the foregoing character or not, the Landlord shall be relieved from the fulfilment of such obligation and the Tenant shall not be entitled to compensation for any inconvenience, nuisance or discomfort thereby occasioned. If the Landlord is unable to obtain the material as hereinbefore provided by the Tenant can provide the required material, without infringing on any governmental regulations in force, then the Landlord may avail itself of such material in order to do any work or make any repairs as hereinbefore provided.

RELEASE OF LANDLORD FROM OBLIGATION ON SALE, LEASE OR ASSIGNMENT

8.15 In the event of the sale or lease by the Landlord of the Complex or the part or parts thereof containing the demised premises or the assignment by the Landlord of this lease or the interest of the

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Landlord hereunder, and the extent that such purchaser, or tenant under such lease or assignee of this lease has assumed the covenants and obligations of the Landlord hereunder, the Landlord shall, without written agreement, be freed and relieved of liability upon such covenants and obligations.

8.16 The Tenant shall, from time to time at the request of the Landlord, certify or acknowledge to any mortgagee, purchaser, tenant or assignee as to the status and validity of this lease and the estate of the Landlord's and Tenant's account hereunder.

NO WAIVER

8.16 No failure of the Landlord to insist upon the strict compliance with and performance of all terms, conditions, obligations, covenants and agreement contained hereunder shall be constructed as a waiver or relinquishment in respect thereof. The prompt and punctual performance of all such terms, conditions, obligations, covenants and agreements are of the essence of this lease.

COLLECTION COSTS

8.17 In the event that it shall be necessary for the Landlord to commence an action for the collection of the rent herein reserved or any portion thereof, or if the same must be collected upon the demand of a solicitor, or in the event that it becomes necessary for the Landlord to commence an action to compel the performance of any of the terms, conditions, obligations, covenants and agreements contained herein, then, unless the Landlord shall lose such action, it shall be entitled to collect from the Tenant all reasonable solicitor's fees in respect thereof on a solicitor and client basis as if the same were rent reserved and in arrears hereunder.

RIGHT TO INSTALL SERVICES

8.18 The Landlord, and an person or persons authorized by the landlord, shall have the right at any time from time to time to install, maintain and/or repair pipes, wires, ducts or other installations in, under or through the demised premises for or in connection with the supply of any services to the demised premises or to the Complex or to any part or parts thereof, and such services shall include, without limiting the generality of the foregoing, gas, electricity, water, sanitation, heat and air-conditioning provided that such work shall not unreasonably interfere with the Tenant's business.

INTERRUPTION OF UTILITIES

8.19 In the event that there is an interruption or failure in the public utility services supplied to the Tenant, either directly or through the Landlord, the Landlord shall not be liable in any way whatsoever for any damages or injuries, whether direct or indirect or consequential, or for personal discomfort or other illness, alleged to be due to or arise from any such interruption or failure in the supply of said public utility service.

SERVICES TO BE PAID

8.20 In the event that the Landlord shall supply to the Tenant any and all water, gas, electricity, fuel, heat, air-conditioning or other services which are at the sole expense of the Tenant, then payment for such services shall be made monthly ad within ten (10) days of the leaving of bills therefor upon the demised premises. It is hereby agreed by the Tenant that the Landlord shall have the right to cut off or discontinue, without notice, any such service whenever and during any time for which the bills for the same are not paid by the Tenant when due.

OVERHOLDING

8.21 Should the Tenant remain in occupation of the demised premises after the determination of the term with the consent of the Landlord and without other special agreement it shall be as a monthly Tenant only at a monthly rental in an amount equal to the monthly rental previously paid by the Tenant under the term hereof during the months immediately preceding the expiration or termination of the lease, and subject in other aspects to the terms of this lease. Provided that the Landlord shall be entitled to give the Tenant thirty (30) days notice at any time and the Tenant shall

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vacate the demised premises within thirty (30) days after such receipt of such notice from the Landlord.

MORTGAGES

8.22 This lease and everything herein contained shall be subordinate to any charge or charges from time to time created by the Landlord in respect of the demised premises, or the Complex or any part or parts thereof, by way of mortgage, and the Tenant hereby covenants and agrees that it will at any time and from time to time, as required by the Landlord during the term hereof and any extension or renewal, attorn to any mortgagee upon the request of the Landlord, and make, do and execute all such further deeds, documents, and assurance as may be reasonably required to evidence and effectuate such postponement of the Tenant's rights and privileges hereunder to the holder or holders of charge or charges; provided that the Tenant shall nevertheless be entitled to continue in occupation of the demised premises under the terms of this lease so long as the Tenant performs all of the terms, covenants, conditions and agreements on its part to be performed.

NO PARTNERSHIP

8.23 Nothing contained herein shall be deemed or constructed by the parties hereto, nor by a third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties herein, it being understood and agreed that neither the method of computation of rent nor any other provisions contained herein, nor any acts of the parties herein, shall be deemed to create any relationship between the parties other than the relationship of the Landlord and Tenant.

REGISTRATION

8.24 The parties hereto agree that this lease shall to be registered in any Land Registry or Land Titles Office, but the Landlord agrees that it will, at the request of the Tenant, execute a Notice of Lease (which shall not contain any reference to the amount of rent reserved hereby), which Notice of Lease may be registered by the Tenant at its expense.

NO REPRESENTATION

8.25 This lease contains and constitutes the whole agreement between the parties herein, and supersedes all previous lease, agreement, undertaking and arrangements between the parties hereto respecting the demised premises an/or the complex; and the Tenant acknowledges that there is no representation, warranty, collateral agreement or condition affecting this lease or the demised premises or supported hereby other than as expressed herein in writing.

MARGINAL NOTES

8.26 The parties hereto agree that the marginal notes in this lease form no part of this lease and shall be deemed to have been inserted for convenience of reference only.

NOTICES

8.27 Any notice required or permitted to be given hereunder (including any request, statement or other writing into his lease proceeded or permitted to be given by one party to the other) shall be sufficiently given if, in the case of the Landlord, it is served personally upon any officer of the Landlord, and in the case of the Tenant, it is served personally upon the Tenant, or if the Tenant be a partnership, upon any partner therein, or if the Tenant be a Corporation, upon any officer thereof, or may be given by registered mail, postage prepaid, addressed as follows:

TO THE LANDLORD: 376 Richmond Street
London, Ontario

TO THE TENANT: at the leased premises.

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8.28 Any such notice as aforesaid shall be conclusively deemed to have been given on the day on which such notice is delivered or on the next business day following the day on which such notice is mailed, as the case may be.

8.29 Either party may at any time from time to time give notice in writing to the other of any change of address of the party giving such notice and from and after the giving of such notice the address therein specified shall be deemed to be the address of such party for the giving of notice hereunder.

PLANNING ACT CONSENT

8.30 This lease is entered into subject to the express condition that it is to be effective only if the provisions of the Planning Act of Ontario are complied with.

9. COMMON AREAS AND FACILITIES

9.1 As part of the consideration for this lease the Landlord agrees that during the term hereof the Tenant and the Tenant's employees, agents, and all persons having or seeking business relations with the Tenant, in common with all others entitled thereto and subject always to the provisions of this lease applicable thereto, shall have the non-transferrable right to use, for their proper and intended purposes, during such hours as the complex may be open for business, the parking areas, roads, driveways, entrances and exits, sidewalks, walkways, flowerbeds, lawns, ramps, stairways and all other common areas and common facilities in and about the complex, which may from time to time be designated by the Landlord for the general use and employment of or benefit to the Tenants of the Complex, their customers and employees while they are within the Complex for the purposes of ingress to and egress from the demised premises (all of which are hereinafter referred to as the "common areas and facilities").

9.2 Provided that no customer parking areas or other designated areas in the Complex shall be used for the parking of vehicles owned or used by the Tenant or employees, officers or agents of the Tenant; provide further that the Landlord may, in its discretion, from time to time permit the parking of such last mentioned vehicles in such part or parts of the Complex as may be specified from time to time by the Landlord.

10. ALTERATION OF COMPLEX, CHANGES IN COMMON AREAS AND FACILITIES

10.1 Notwithstanding anything contained in this lease, it is expressly understood and agreed that the Landlord shall have the right, at any time and from time to time, if it so desires, to make such changes, additions, alterations and/or other improvements to the Complex and the common areas and facilities (except the demised premises), including the right to enlarge, extend or expand the size and shape thereof and to erect any other building or buildings thereon, or to sell or lease part or parts thereof, and any such changes, additions, alterations and/or other improvements may be either in conjunction with or separate from changes, additions and/or alterations to the common areas and facilities or any part or parts thereof, and the Tenant shall not be entitled to any reduction in rent if the common areas and facilities are thereby diminished; provided, however, that the Landlord agrees with the Tenant that if the Landlord does make changes, additions, alterations and/or other improvements to the Complex as aforesaid, then the Landlord will continue to provide sufficient parking areas and other parking facilities in compliance with the by-laws of the City of London, and that the site lines or access or exits to the premises will not be altered without the Tenant's consent.

11. CONTROL OF COMMON AREAS AND FACILITIES

11.1 The Tenant acknowledges and agrees that the common areas and facilities are subject to the exclusive control and management of the Landlord, and the manner in which said common areas and facilities are maintained, repaired and operated, and the expenditures therefor, are at the sole discretion of the Landlord.

11.2 The Tenant agrees that the Landlord has the right to close off a portion of the common areas and facilities to such extent as may be legally sufficient to prevent the accrual of any prescriptive

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rights to any person or to the public, provided that the exercise of such right shall interfere with the business of the Tenant as little as possible.

12. COMMON EXPENSES

12.1 The Tenant shall pay to the Landlord, as additional rent, and in the manner hereinafter specified, for each lease year, its proportionate share of the Landlord's gross cost of maintaining and operating or causing to be maintained and operated the exterior common areas and facilities.

12.2 The Landlord's gross costs of maintaining and operating the exterior common areas and facilities shall mean, for the purposes of this Clause 12, all costs properly attributable, in accordance with generally acceptable accounting practices determined by the Landlord's auditors, to the repairing, maintenance and operation of such common areas and facilities including, without limitation, but not limited to amounts paid or incurred directly or indirectly by the Landlord with respect to both labour and/or material for:

- (a) public liability and property damage insurance, fire and extended risk and boiler insurance, and insurance against such casualties, injuries and damages against which the Landlord may reasonably insure;
- (b) property taxes or other similar taxes that may be assessed from time to time as against the building;
- (c) cleaning (including snow removal);
- (d) the operation of all lighting systems; hydro electricity and natural gas if same are not separately metered on each floor;
- (d) repairs, maintenance and operation of the common areas and facilities, including such repairs to and replacements of paving, curbs, walkways, landscaping, drainage and lighting facilities as may be from time to time necessary and other costs which may be incurred with respect to the common areas and facilities or any part or parts thereof;
- (e) all other similar costs, exclusive of costs of a capital nature;
- (f) No administrative costs calculated in any manner whatsoever.

12.3 These costs, shall be allocated to each lease year, without any duplication, and it is understood and agreed that these costs shall include all direct and/or indirect labour costs involved therein in accordance with generally accepted accounting practice as determined by the Landlord's auditors; and insurance premiums of any policy having a term other than a lease year shall be allocated to the lease year in which the premium therefore is paid.

12.4 Proportionate share shall be defined as a percentage of the leasable space on the premises whether the premises are leased or not.

13. STATEMENT OF COSTS FOR COMMON AREAS AND FACILITIES

13.1 Within ninety (90) days after the end of each lease year or where this lease has terminated, within ninety (90) days after the 31st day of December following such termination, the Landlord shall furnish to the Tenant a statement of the Landlord's actual gross costs of maintaining and operating the common areas and facilities during each lease year and the amount thereof payable by the Tenant pursuant to Clause 13.1 and showing in reasonable detail the information relevant and necessary to the exact calculation and determination of said costs and the Tenant's proportionate share thereof.

ESTIMATE OF COSTS FOR COMMON AREAS AND FACILITIES

13.2 The Landlord shall, during the thirty (30) day period prior to the end of each lease year or at such time as the Landlord may determine, furnish to the Tenant and estimate of its gross costs for maintaining and operating the common areas and facilities for the upcoming lease year and the amount thereof payable by the Tenant pursuant to clause 13.1. The Tenant shall pay to the Landlord, as additional rent, the amount so estimated in equal monthly instalments on the first day of each and every month throughout such lease year, on account of its obligation in Clause 13.1.

14. TENANT'S PROPORTIONATE SHARE

14. In this lease, the term "proportionate share" shall mean the ratio that the total floor area of the demised premises bears to the total floor area of all rentable premises (including the demised premises) in all buildings from time to time forming a part of the Complex, unless specified otherwise.

15. FLOOR AREA

15.1 In determining the total floor area of the demised premises, or the building or buildings in which the demised premises are situate, or the "Complex" or any part or parts of the foregoing for the purpose of this lease, the limits of the floor area in each such case to be determined shall be deemed to be:

- (a) The outside line of the exterior wall of the premises in question for which the total floor area is to be determined (including the demised premises), the building or buildings in which the demised premises are situate, the "Complex" and/or any part or parts of the foregoing provided that if the exterior wall or walls of such premises (including the demised premises), are recessed from the outside line of the main exterior wall or walls of the building or buildings in which such premises are situate, then the last-mentioned line shall be deemed to be the line of the exterior walls of such premises.

15.2 In determining the total floor area; there shall be no reduction of exclusion for any space occupied or used for entrances, columns, shafts, stairs, or other interior construction or equipment.

MISCELLANEOUS PROVISIONS

16. Time shall be of the essence of this lease.

17. This indenture shall enure to the benefit of and be binding upon the parties hereto, their heirs, executors, administrators, successors and assigns, as the case may be.

18. Unless the contrary intention appears, the words "Landlord" and "Tenant" shall mean respectively, "Landlord, its successors and/or assigns", and "Tenant, his or her heirs, executors, administrators and assigns, and its successors and/or assigns". And if there is more than one Tenant or the Tenant is a male or female person or a corporation then this lease shall be read with all grammatical changes appropriate by reason thereof, and all covenants and liabilities and obligations shall be joint and several.

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19.

LEASE EXTENSION OPTION

19. It is hereby agreed that provided that no monies are owing to the Landlord by the Tenant at the end of the demised term and provided that the Tenant has not breached any of the terms and conditions of this Lease, the Tenant shall have the right to enter into a new lease, at a rental rate for three further terms of five (5) year, each provided that the Tenant gives the Landlord notice in writing of its intention to enter into this new lease at least six (6) months prior to the end of the demised term.

IN WITNESS WHEREOF the parties hereto have executed this lease as of the day, month and year first written above.

GENESIS PROPERTY HOLDINGS INC.per: **SZEMENYEI KIRWIN MACKENZIE LLP**per: 

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SCHEDULE "A"

Part lot 10 N/W King Street as in 721390 s/t and t/w 721390, City of London, County of Middlesex

Schedule "B"

Sublease

See attached.

THIS SUBLEASE made the 1st day of May, 2017.

IN PURSUANCE OF THE SHORT FORMS OF LEASE ACT

B E T W E E N:

SZEMENYEI MACKENZIE GROUP LLP

a limited partnership registered under the laws of the Province of Ontario

("the Sublessor")

OF THE FIRST PART

- and -

2400918 ONTARIO INC.

a corporation incorporated pursuant to the laws of the Province of Ontario

("the Sublessee")

OF THE SECOND PART

WHEREAS the Sublessor is the Lessee of lands in the City of London, Province of Ontario known for municipal purposes as 376 Richmond Street, London, Ontario from Genesis Property Holdings Inc. (the "Owner") on which is constructed a building (said lands and buildings, together with improvements, alterations and additions thereto as the Owner may make from time to time, being hereinafter called the "Complex") subject to a Master Lease dated the 1st day of April, 2007 (the "Master Lease");

AND WHEREAS the Sublessee hereby offers to lease from the Sublessor that part of the Complex described herein and known as the "Premises" on the terms and subject to the conditions as set out in this Agreement as well as certain obligations of the Master Lease;

NOW THEREFORE in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt, adequacy and sufficiency of which is hereby acknowledged by the Sublessor and Sublessee, the Sublessor and Sublessee hereby agree and covenant as follows:

1. PREMISES

The "Premises" consisting of approximately Four Thousand Three Hundred Fifty (4,350) square feet, more or less, on the third (3rd) floor of the Complex known municipally as 376 Richmond

Street, in the City of London, Province of Ontario, as shown outlined on the plan attached as Schedule "A".

2. USE

The Premises shall be used only for Office Space and other uses related thereto. Further, the Sublessee agrees to comply with all other applicable provisions of the Master Lease, and will not do anything that would constitute a violation of any part or condition of the Master Lease.

3. TERM OF LEASE

The Lease shall be for a term of Eight (8) years commencing on the 1st day of May, 2017 (the "Commencement Date"), and terminating on the 30th day of April, 2025.

5. RENT

The Sublessee agrees to pay rent in the amount of Forty-Two Thousand Dollars (\$42,000.00) per annum plus H.S.T., payable in equal monthly installments of Three Thousand Five Hundred Dollars (\$3,500.00), payable in advance, on the 1st day of each month during the said term, plus H. S. T, commencing May 1, 2017. The parties agree that this amount shall be inclusive of any heat, hydro, taxes, and insurance.

6. EARLY TERMINATION

The parties agree that, the Sublessor may terminate the Sublease at any time during the Term by providing one hundred twenty (120) days written notice of its intention to terminate this Sublease early.

7. PENALTY

The parties agree that there will be no Penalty payable by the Sublessor for early termination of the Lease.

8. MAINTENANCE AND REPAIRS

The Sublessee agrees to surrender and deliver to the Sublessor the Premises and all furnishings and fixtures within the Premises in as good a condition as they were at the beginning of the Term, reasonable wear and tear excepted. The Sublessee will be liable to the Sublessor and the Owner for any damages occurring to the Premises or the contents of the Premises or to the Complex which are done by the Sublessee or the Sublessee's guests. The Sublessee will immediately report all general maintenance issues and needed repairs to the Sublessor and the Owner.

9. ALTERATIONS AND IMPROVEMENTS

Any alterations and improvements required by the Sublessee shall require the prior written consent of both the Sublessor and the Owner. Any alterations and improvements must comply with all applicable construction laws and regulations regarding property improvements. The Sublessee will ensure that the Premises remain free and clear of any and all liens arising out of the work performed or materials used in making such improvements to the Premises.

10. EVENTS OF DEFAULT

The Sublessee will default under this Sublease if any one or more of the following events (the "Event of Default") occurs:

- a. The Sublessee fails to pay the Rent to the Sublessor or any amount of it when due or within any grace period, if any;
- b. The Sublessee fails to perform any of its obligations under this Sublease or any applicable obligation under the Master Lease;
- c. The Sublessee becomes insolvent, commits an act of bankruptcy, becomes bankrupt, takes the benefit of any legislation that may be in force for bankrupt or insolvent debtors, becomes involved in a voluntary or involuntary winding up, dissolution or liquidation proceeding, or if a receiver will be appointed for the affairs of the Sublessee;
- d. The Sublessee abandons the Premises or any part of the Premises;
- e. The Sublessee uses the Premises for any unpermitted or illegal purposes;
- f. The Premises, or any part of the Premises is completely or partially damaged by fire or other casualty that is due to the Sublessee's negligence, willful act, or that of the Sublessee's employee, family, agent, or guest;
- g. Any other event of default provided in the Master Lease or the Act.

11. REMEDIES

Upon the occurrence of any Event of Default, the Sublessor has any or all of the following remedies:

- a. Terminate the Sublease upon the greater of any notice required in the Master Lease or the Act and the Term will then immediately become forfeited and void;

- b. The Sublessor may, but is not obligated to, perform on behalf of the Sublessee, any obligation of this Sublease or the Master Lease which the Sublessee has failed to perform. The Sublessor may seek redress from the Sublessee for such performance;
- c. The Sublessor may reenter the Premises or any part of the Premises and in the name of the whole repossess and enjoy the same as of its former state anything contained within the Premises;
- d. Any other remedy provided in the Master Lease or the Act.

No reference to or exercise of any specific right or remedy by the Sublessor will prejudice or preclude the Sublessor from any other remedy whether allowed at law or in equity or expressly provided for in this Sublease or the Master Lease. No such remedy will be exclusive or dependent upon any other such remedy, but the Sublessor may from time to time exercise any one or more of such remedies independently or in combination.

Upon the expiration, termination or cancellation of the Master Lease or this Sublease, all obligations of the parties under this Sublease will be extinguished.

Any improvements remaining on the Premises upon termination will revert to the Sublessor and will be free of any encumbrance at the time of such reversion.

12. SURRENDER OF PREMISES

At the expiration of the Term of this Sublease, the Sublessee will quit and surrender the Premises in as good a state and condition as they were at the commencement of this Lease, reasonable use and wear and damages by the elements excepted.

13. GOVERNING LAW

It is the intention of the parties to this Sublease that the tenancy created by this Sublease and the performance under this Sublease, and all suits and special proceedings under this Sublease, be construed in accordance with and governed, to the exclusion of the law of any other forum, by the laws of Ontario, without regard to the jurisdiction in which any action or special proceeding may be instituted.

14. SEVERABILITY

If there is a conflict between any provision of this Sublease and the applicable legislation of Ontario (the "Act"), the Act will prevail and such provisions of the Sublease will be amended or deleted as necessary in order to comply with the Act. Further, any provisions that are required by the Act are incorporated into this Sublease.

In the event that any of the provisions of this Sublease will be held to be invalid or unenforceable in whole or in part, those provisions to the extent enforceable and all other provisions will nevertheless continue to be valid and enforceable as though the invalid or unenforceable parts

had not been included in this Sublease and the remaining provisions had been executed by both parties subsequent to the expungement of the invalid provision.

15. ASSIGNMENT AND SUBLETTING

The Sublessee will not assign, transfer or further sublet the Premises or any part of the Premises without the prior written consent of the Sublessor and the Owner.

16. SCHEDULES

The Schedules attached hereto shall form an integral part of this Agreement to Lease and consist of: Schedule "A".

17. NOTICES

Any notice required or permitted to be given hereunder shall be sufficiently given if, in the case of the Sublessor, it is served personally upon any officer of the Sublessor, and in the case of the Sublessee, it is served personally upon any officer thereof, or may be given by registered mail, postage prepaid, addressed as follows:

To the Sublessor: Szemenyei MacKenzie Group LLP
376 Richmond Street
London, Ontario
N6A 3C7

Attention: David MacKenzie

To the Sublessee: 2400918 Ontario Inc.
376 Richmond Street
London, Ontario
N6A 3C7

Attention: Mark Wilson

18. AGREEMENT IN WRITING

This Agreement, including any Schedule attached hereto, shall constitute the entire Agreement between Sublessor and Sublessee. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. This Agreement shall be read with all changes of gender or number required by the context.

19. BINDING AGREEMENT

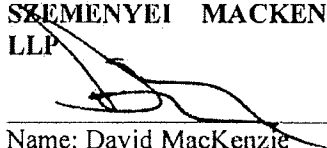
This Agreement and the acceptance thereof shall constitute a binding agreement by the parties to enter into the Lease of the Premises and to abide by the terms and conditions herein contained.

20. SUCCESSORS AND ASSIGNS

The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms of this Agreement.

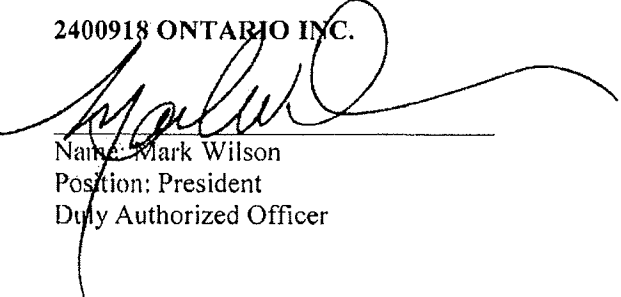
IN WITNESS WHEREOF the Sublessor and Sublessee have duly executed this Sublease.

**SZEMENYEI MACKENZIE GROUP
LLP**



Name: David MacKenzie
Position: Managing Partner
Duly Authorized Officer

2400918 ONTARIO INC.



Name: Mark Wilson
Position: President
Duly Authorized Officer

SCHEDULE "A"

Part lot 10 N/W King Street as in 721390 s/t and t/w 721390, City of London, County of Middlesex

This is Exhibit "P" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

Execution VersionAGREEMENT BETWEEN SECURED PARTIES

THIS AGREEMENT is entered into as of the 30th day of June, 2017 by and among **FMMC Private Yield Fund Limited Partnership I** ("FMMC") and **Beacon Holdings Limited** ("Beacon", and together with FMMC, the "Secured Parties" and each individually a "Secured Party") and **2400918 Ontario Inc.** (the "Corporation").

WHEREAS the Corporation has entered into the Beacon Purchase Agreement (as defined below), between the Corporation, as seller, and Beacon, as purchaser, pursuant to which the Corporation has sold the Transferred Receivables and Related Property to Beacon and the Corporation will sell the Beacon Receivables and Related Property from time to time to Beacon;

NOW THEREFORE in consideration of the premises, the mutual promises herein contained, and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the parties hereto), the parties hereto agree as follows:

1. Defined Terms and Interpretation. For the purposes of this Agreement, unless there is something in the subject matter or context inconsistent therewith:

- (a) "Beacon Purchase Agreement" means that certain series LWI receivables purchase agreement, made as of May 18, 2017, between the Corporation and Beacon, as such agreement may be amended, restated, supplemented or otherwise modified from time to time;
- (b) "Beacon Receivables and Related Property" means the Purchased Assets (including Receivables and other Offered Assets), which are hereafter, sold, transferred and assigned by the Corporation to Beacon pursuant to and in compliance with the provisions of the Beacon Purchase Agreement; save and except for any which are re-conveyed to the Corporation pursuant to and in compliance with the provisions of the Beacon Purchase Agreement;
- (c) "Beacon PPSA Registration" means the PPSA registration made against the Corporation in favour of Beacon (reference file no. 727503012 and registration no. 20170510 1359 1862 4278), as may be amended or renewed from time to time;
- (d) "Beacon Security" means all security interests now or in the future held by Beacon in the Beacon Receivables and Related Property and the Transferred Receivables and Related Property;
- (e) "FMMC PPSA Registration" means the PPSA registration made against the Corporation in favour of FMMC (reference file no. 729144513 and registration no. 20170627 1023 1590 6918), as may be amended or renewed from time to time;
- (f) "FMMC Security" means all security interests now or in future held by FMMC in any property of the Corporation;
- (g) "Offered Assets", "Purchased Assets", "Receivable" and "Receivables Files" each have the meaning set out in the Beacon Purchase Agreement;
- (h) "PPSA" means the *Personal Property Security Act* (Ontario);
- (i) "Security Interests" mean, collectively, the FMMC Security and the Beacon Security and "Security Interest" means either Security Interest; and

- (j) **“Transferred Receivables and Related Property”** means the Purchased Assets (including Receivables and other Offered Assets), which have been or are transferred and assigned by the Corporation to Beacon pursuant to and in compliance with the provisions of the Beacon Purchase Agreement; save and except for any which are re-conveyed to the Corporation pursuant to and in compliance with the provisions of the Beacon Purchase Agreement
2. Mutual Consents and Acknowledgements. Beacon hereby consents to the creation, issuance, execution, delivery and registration of the FMMC Security; FMMC hereby acknowledges the prior creation, issue, execution, delivery and registration of the Beacon Security; and the Corporation agrees to the terms and provisions of this Agreement and shall maintain and deal with all its assets and undertaking in accordance with this Agreement.
3. Acknowledgement by Beacon. Beacon hereby acknowledges and agrees that its security interests against the Corporation as evidenced by the Beacon PPSA Registration are restricted to the Beacon Receivables and Related Property and the Transferred Receivables and Related Property, and that such security interests and Beacon PPSA Registration do not now, and will not at any time in the future, include, attach to, encumber or perfect a security interest in any assets of the Corporation other than the Beacon Receivables and Related Property and the Transferred Receivables and Related Property; and the Beacon PPSA Registration will not be used to perfect future security interests in any assets of the Corporation other than the Beacon Receivables and Related Property and the Transferred Receivables and Related Property.
4. Acknowledgement by FMMC. With respect to any Transferred Receivables and Related Property acquired by Beacon on or prior to June 26, 2017,
- (a) FMMC hereby acknowledges and agrees that it does not have, and will not claim, a security interest, hypothec, ownership interest or other interest in any of the Transferred Receivables and Related Property, as a result of the FMMC Security, any security agreement, the FMMC PPSA Registration, any personal property security registration (or any amendment to or renewal of any of the foregoing), or any security interest, hypothec, ownership interest or other interest which the Corporation has granted to FMMC in the future in any of the Transferred Receivables and Related Property, and
- (b) FMMC hereby irrevocably releases any security interest, hypothec, ownership interest or other interest that FMMC has in all or any of the Transferred Receivables and Related Property and FMMC will not rely upon the FMMC PPSA Registration, or any other registrations made in any personal property security registry in Canada (including the Register of Personal and Movable Real Rights of Quebec), to perfect, protect, or take any action to enforce any security interest, hypothec, ownership interest or other interest in all or any of the Transferred Receivables and Related Property,
- provided that, upon confirmation by Beacon that it has no remaining interest in the Transferred Receivables and Related Property, FMMC reserves the right to rely on the FMMC PPSA Registration and the FMMC Security to create and perfect a security interest or hypothec, as applicable, in the Transferred Receivables and Related Property.
5. Acknowledgement by FMMC. With respect to any Beacon Receivables and Related Property sold by the Corporation to Beacon after June 26, 2017, regarding which FMMC determines, pursuant to the terms of its credit agreement with the Corporation, that it shall deliver a no-interest letter, then it shall do so substantially in the form of Schedule A (which shall list the relevant Receivables), and upon delivery of and pursuant to such no-interest letter,

- (a) FMMC will acknowledge and agree that it does not have, and will not claim, a security interest, hypothec, ownership interest or other interest in any of the Beacon Receivables and Related Property, as a result of the FMMC Security, any security agreement, the FMMC PPSA Registration, any personal property security registration (or any amendment to or renewal of any of the foregoing), or any security interest, hypothec, ownership interest or other interest which the Corporation has granted to FMMC in the future in any of the Beacon Receivables and Related Property, and
- (b) FMMC will irrevocably release any security interest, hypothec, ownership interest or other interest that FMMC has in all or any of the Beacon Receivables and Related Property and FMMC will not rely upon the FMMC PPSA Registration, or any other registrations made in any personal property security registry in Canada (including the Register of Personal and Movable Real Rights of Quebec), to perfect, protect, or take any action to enforce any security interest, hypothec, ownership interest or other interest in all or any of the Beacon Receivables and Related Property,

provided that, upon confirmation by Beacon that it has no remaining interest in the Beacon Receivables and Related Property, FMMC reserves the right to rely on the FMMC PPSA Registration and the FMMC Security to create and perfect a security interest or hypothec, as applicable, in the Beacon Receivables and Related Property.

6. Co-operation. If a Secured Party intends to enforce its Security Interest, it shall promptly give the other Secured Party notice thereof and from time to time promptly provide the other Secured Party at its request full information concerning the status of any action taken by such Secured Party against the Corporation or any of its assets. The Secured Parties agree to co-operate with each other in the exercise of their respective rights and remedies under the Security Interests and in respect of Receivables, Receivables Files, customer files of the Corporation and related accounting records, ledgers, documents and other writings (electronic or otherwise) relating thereto. Each Secured Party agrees that it shall preserve any of the foregoing which is in its possession or control, and for purposes of inspection it shall provide the other Secured Party and its agents, employees and representatives access at all reasonable times to any of the foregoing in which the second-mentioned Secured Party has an interest and which is in the possession or control of the first-mentioned Secured Party, and that it shall permit the second-mentioned Secured Party, at Corporation's expense, to make copies thereof or extracts therefrom.
7. Notice; Governing Law; Successors and Assigns; Counterparts; Email.
 - (a) Any notice or written communication given under or in connection with this Agreement shall be in writing and shall be given by delivering the same personally or by prepaid courier, or by email transmission, addressed to the party to be notified at the address of such party specified beside its signature below, or at such other address of which such party has given notice to the other parties hereto. Any such notice shall be conclusively deemed to have been given and received on the day of actual receipt by the addressee or, if given by email transmission, on the day given if given between 9:00 a.m. and 5:00 p.m. (local time of the recipient) on any day except Saturday, Sunday or a statutory holiday (a "**Business Day**") and otherwise on the first Business Day after giving such notice.
 - (b) This Agreement shall be construed, interpreted and performed in accordance with the laws of Ontario and the laws of Canada applicable therein, and shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns; provided that a Secured Party ("**Assignor**") assigning or transferring any Security Interest

shall first deliver to the other Secured Party a written agreement by the proposed assignee or transferee in favour of the other Secured Party to be bound by the provisions hereof to the same extent as the Assignor.

- (c) This Agreement may be executed in counterparts and all counterparts so executed will constitute one agreement binding on the parties effective on execution and to the extent signed and delivered by email transmission shall be binding upon the parties hereto as if executed and delivered in the original.

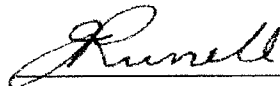
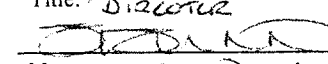
[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement as of the date first above written.

~~FIRST NAMES HOUSE~~
~~International House, Castle Hill~~
 Victoria Road
 Douglas, Isle of Man IM2 4RB

Attention: SARAH JONES
 Telephone: 01624 630630
 Email: Sarah.jones@firstnames.com

Beacon Holdings Limited

Per: 
 Name: JAMES RUSSELL
 Title: DIRECTOR
 Per: 
 Name: SHARON DUNN
 Title: ALTERNATE DIRECTOR

34 King Street East, Suite 400
 Toronto, Ontario M5C 2X8

Attention: Don Bent, Managing Partner
 Telephone: (416) 682-4213
 Email: dbent@fmmc.ca

**FMMC Private Yield Fund Limited
 Partnership I**

Per: _____
 Name: Don Bent
 Title: Managing Partner
 Per: _____
 Name: Michael Liik
 Title: Managing Partner

376 Richmond Street, 3rd Floor
 London, Ontario N6A 3C7

Attention: Mark Wilson, President
 Telephone: 1-866-964-7192
 Email: mwilson@chantynew.com

2400918 Ontario Inc.

Per: _____
 Name: _____
 Title: _____
 Per: _____
 Name: _____
 Title: _____

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement as of the date first above written.

International House, Castle Hill
Victoria Road
Douglas, Isle of Man IM2 4RB

Attention: _____

Telephone: _____

Email: _____

Beacon Holdings Limited

Per: _____

Name: _____

Title: _____

Per: _____

Name: _____

Title: _____

34 King Street East, Suite 400
Toronto, Ontario M5C 2X8

Attention: Don Bent, Managing Partner

Telephone: (416) 682-4213

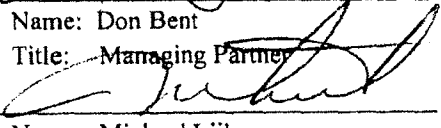
Email: dbent@fmmc.ca

**FMMC Private Yield Fund Limited
Partnership I**

Per:  _____

Name: Don Bent

Title: Managing Partner

Per:  _____

Name: Michael Liik

Title: Managing Partner

376 Richmond Street, 3rd Floor
London, Ontario N6A 3C7

Attention: Mark Wilson, President

Telephone: 1-866-964-7192

Email: mwilson@advantagewon.com

2400918 Ontario Inc.

Per: _____

Name: _____

Title: _____

Per: _____

Name: _____

Title: _____

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement as of the date first above written.

International House, Castle Hill
Victoria Road
Douglas, Isle of Man IM2 4RB

Attention: _____

Telephone: _____

Email: _____

Beacon Holdings Limited

Per: _____

Name: _____

Title: _____

Per: _____

Name: _____

Title: _____

34 King Street East, Suite 400
Toronto, Ontario M5C 2X8

Attention: Don Bent, Managing Partner

Telephone: (416) 682-4213

Email: dbent@fmmc.ca

**FMMC Private Yield Fund Limited
Partnership I**

Per: _____

Name: Don Bent

Title: Managing Partner

Per: _____

Name: Michael Liik

Title: Managing Partner

376 Richmond Street, 3rd Floor
London, Ontario N6A 3C7

Attention: Mark Wilson, President

Telephone: 1-866-964-7192

Email: mwilson@advantagecan.com

2400918 Ontario Inc.

Per: _____

Name: Susan Ernst

Title: Director

Per: _____

Name: Mark Wilson

Title: PRESIDENT

6

Schedule A

[Form of No-Interest Letter]

FORM OF NO INTEREST LETTERACKNOWLEDGEMENT AND NO INTEREST LETTER

TO: Beacon Holdings Limited (the "Purchaser")

AND TO: [•] (the "Debtor")

AND TO: Beacon Trust (the "Trust", and together with the Purchaser and the Debtor, the "Addressees")

FROM: [•] (the "Secured Party")

RE: The registrations described in Schedule A (as amended or renewed from time to time, the "Registrations") made against the Debtor under the *Personal Property Security Act* (Ontario) (the "PPSA") and the Civil Code of Quebec (the "CCQ")

DATE: •, 201• [NTD: INSERT CLOSING DATE.]

WHEREAS the Secured Party is as at the date hereof, the holder of certain security (collectively, the "Security") securing the indebtedness of the Debtor owing from time to time to the Secured Party, and the Security and the security interests and hypothecs created thereunder were perfected by the Registrations described in Schedule A hereto, pursuant to the PPSA and the CCQ;

AND WHEREAS the Debtor has entered into an amended and restated series LW1 receivables purchase agreement, dated as of April 21, 2014 (as such agreement may be further amended, restated, supplemented or otherwise modified from time to time, the "Receivables Purchase Agreement"), between the Debtor, as seller, and the Purchaser, as purchaser, pursuant to which the Debtor will sell from time to time to the Purchaser certain consumer receivables, all related security and all cash collections and all cash proceeds (including insurance payments) received or receivable in respect of such receivables (collectively, the "Receivables");

AND WHEREAS pursuant to the Receivables Purchase Agreement, the Purchaser intends to purchase from the Debtor on the date hereof the Receivables described in Schedule B hereto (collectively, the "Transferred Receivables");

AND WHEREAS pursuant to the Payment Direction, the Debtor has directed the Purchaser to pay or cause to be paid the Purchase Price (as defined in the Receivables Purchase Agreement) to the account of the Debtor specified in the Payment Direction;

NOW THEREFORE for the benefit of the Addressees, the Secured Party provides as follows:

1. The Secured Party acknowledges, agrees and confirms to the Addressees that:

- 2 -

- (a) the Debtor has granted the Security to the Secured Party pursuant to one or more security agreements or hypothecs between the Debtor and the Secured Party (the "Security Agreements");
- (b) it has not assigned any of its rights under the Security Agreements, or any of its rights in the related collateral or the Registrations; and
- (c) it does not have, and will not claim, a security interest, hypothec or other interest in any of the Transferred Receivables as a result of the Security, the Security Agreements, the Registrations (or any amendment to or renewal of any of the foregoing), or any other security, hypothecs or security interests which the Debtor has granted or may grant in favour of the Secured Party in the future.

2. The Secured Party agrees with the Addressees that:

- (a) to the extent that the Security Agreements create, or any of the Registrations may perfect, a security interest or hypothec in all or any of the Transferred Receivables, the Secured Party hereby irrevocably releases any such security interest or hypothec, as applicable, and acknowledges and confirms that it will not rely upon the Registrations, or any other registrations made in any personal property security registry in Canada, to perfect, protect, or take any action to enforce any security interest, hypothec or other interest in all or any of the Transferred Receivables. Notwithstanding the foregoing, upon confirmation by each of the Addressees that it has no remaining interest in the Transferred Receivables, the Secured Party reserves the right to rely on the Registrations and the Security Agreements to create and perfect a security interest or hypothec, as applicable, in the Transferred Receivables;
- (b) the hypothecs described in any of the Registrations that are registered at the Register of Personal and Movable Real Rights (the "RPMRR") in favour of the Secured Party are hereby reduced, partially discharged and released, but only with respect to the Transferred Receivables; and
- (c) the Secured Party hereby also further undertakes not to file a notice of preservation of hypothec at the RPMRR pursuant to Article 2700 of the CCQ with respect to the Transferred Receivables.

3. Terms used in this Acknowledgement and No Interest Letter that are defined in the PPSA and the CCQ and are not otherwise defined herein will have the same meaning herein as in the PPSA or the CCQ, as applicable.

4. This Acknowledgement and No Interest Letter is being executed and delivered by the Secured Party for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

5. This Acknowledgement and No Interest Letter will enure to the benefit of each of the Addressees and their respective successors and assigns and will be binding upon the Secured Party and its successors and assigns.

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- 3 -

6. This Acknowledgement and No Interest Letter is governed by and will be construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

7. Delivery of an executed signature page to this Acknowledgement and No Interest Letter by any party by electronic transmission will be as effective as delivery of a manually executed copy of the Acknowledgement and No Interest Letter by such party.

[INTENTIONALLY LEFT BLANK – SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the Secured Party has caused this Acknowledgement and No Interest Letter to be duly executed as of the date first written above.

[•]

Per:

Name:

Title:

Name:

Title:

[SIGNATURE PAGE TO ACKNOWLEDGEMENT AND NO INTEREST LETTER]

Schedule A

Registrations*Personal Property Security Act (Ontario)*

Reference File No.	Registration No.	Secured Party	Debtor	Collateral Classifications
[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]

Register of Personal and Movable Real Rights (Quebec)

Nature of Right	Date and Registration No.	Parties	Summary of Charge and Information
[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]

Schedule B

Transferred Receivables

- see attached -

[NTD: ATTACH LIST OF RECEIVABLES BEING SOLD ON THE CLOSING DATE.]

This is Exhibit "Q" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

[Fountain Asset Corp.]

SUBORDINATION AND POSTPONEMENT AGREEMENT

TO: FMMC Private Yield Fund Limited Partnership I (the "Lender")

RECITALS:

- A. **2400918 Ontario Inc.** (the "**Debtor**") is now or may hereafter become indebted or liable or further indebted or liable to the undersigned (the "**Subordinator**");
- B. The Debtor has granted and/or may hereafter grant security (collectively, as the same may be amended, modified, restated, supplemented, renewed or replaced from time to time, the "**Subordinator Security**") in favour of the Subordinator as security for the repayment and discharge of all indebtedness, obligations and liabilities of any kind, present or future, direct or indirect, absolute or contingent, matured or not, joint or several, of the Debtor to the Subordinator, whether as principal or surety, together with all expenses (including legal fees on a full indemnification basis) incurred by the Subordinator, or its respective receiver or agent in the preparation, perfection and enforcement of security or other agreements held by the Subordinator in respect of such indebtedness, obligations or liabilities, and interest thereon (collectively, the "**Subordinator Indebtedness**");
- C. The Debtor has granted and may hereafter grant security (collectively, as the same may be amended, modified, restated, supplemented, renewed or replaced from time to time, the "**Lender Security**") in favour of the Lender as security for the repayment and discharge of all indebtedness, obligations and liabilities of any kind, present or future, direct or indirect, absolute or contingent, matured or not, joint or several, of the Debtor to the Lender, whether as principal or surety, together with all expenses (including legal fees on a full indemnification basis) incurred by the Lender, its receiver or agent, in the preparation, perfection and enforcement of security and other agreements held by the Lender in respect of such indebtedness, obligations or liabilities and interest thereon (collectively, the "**Lender Indebtedness**");
- D. Certain financing has been provided or is hereafter to be provided by the Lender to the Debtor pursuant to a credit agreement between the Debtor and Lender dated as of the 30th day of June, 2017 (as amended, modified, restated, renewed, supplemented or replaced from time to time, the "**Lender Credit Agreement**"); and
- E. The Subordinator has agreed to enter into this Agreement in favour of the Lender.

NOW THEREFORE for value received and intending to be legally bound, the undersigned **Fountain Asset Corp.** covenants and agrees as follows:

- 1. All Subordinator Indebtedness is postponed, subordinated and subject to all Lender Indebtedness. The undersigned confirms and agrees that the aggregate principal amount of the Subordinator Indebtedness owed to the undersigned by the Debtor as at the date of this Agreement is \$3,685,000, it being agreed that the Subordinator has granted participations in the Subordinator Indebtedness such that the beneficial ownership by the Subordinator of the Subordinated Indebtedness is equal to approximately \$2,921,000 as at the date of this Agreement.

2. All Subordinator Security is postponed, subordinated and subject to all Lender Security, and the Lender Security shall have full and absolute priority over the Subordinator Security and the Subordinator Security shall in all respects and for all purposes be subordinated and postponed and rank junior to the Lender Security, notwithstanding that any of the Lender Security shall be defective, unperfected, void or unenforceable for any reason whatsoever.
3. In order to effectuate this Agreement the Subordinator agrees that all amounts collected by the Subordinator in respect of the Subordinated Indebtedness shall be applied in accordance with the terms of this Agreement.
4. Except as expressly permitted in this Section 4, no Subordinator Indebtedness shall be paid, withdrawn or distributed without the occurrence of one of the following events:
 - (a) the Lender having provided its prior written consent.
 - (b) the Lender having indefeasibly received all amounts due and owing in respect of the Lender Indebtedness.

Any payments which may be received by the Subordinator from the Debtor or from any third party on account of or otherwise for the benefit of the Debtor shall be received in trust and as mandatary for the Lender and shall be paid over to the Lender forthwith upon receipt but no such payment shall have the effect of reducing the Lender Indebtedness until the same has been applied in permanent reduction of the Lender Indebtedness.

Notwithstanding any other provision in this Agreement, the Debtor may make and the Subordinator may receive the following payments in respect of the Subordinator Indebtedness: (i) payments of principal on maturity, and payments of principal amounts due on demand pursuant to a warehousing facility provided to the Debtor by the Subordinator, save and except that no payments of principal are or will be permitted where the aggregate principal amount of the Subordinator Indebtedness now or hereafter is or would as a result of any such payment be less than the principal amount of the Lender Indebtedness, and (ii) regularly scheduled interest payments; provided no default exists and is continuing in respect of the Lender Indebtedness and no Event of Default or breach of covenant has occurred and is continuing under the Lender Credit Agreement, and no such default or Event of Default or breach of covenant would arise upon such payment or occur as a consequence of such payment (including with respect to financial covenants).

5. The Subordinator agrees that it shall not, during the Standstill Period, take any enforcement action (including, without limitation, demand for payment, acceleration of debt, realization on security, commencing an action for payment, commencing any bankruptcy proceedings, foreclosure, sale, power of sale, or appointing or making application to the court for an order appointing a receiver or receiver and manager) against the Debtor in respect of any Subordinator Indebtedness or the Subordinator Security. The “**Standstill Period**” means the period of ninety (90) days after the Subordinator has provided notice to Lender commencing the Standstill Period, which notice may only be provided if the Subordinator has accelerated the Subordinator Indebtedness, and provided that Subordinator agrees that in the event that the Lender agrees to a standstill period with another lender to the Debtor where the Lender is subject to a standstill that requires it to delay enforcement actions against the Debtor for a period longer than forty-five (45) days, the Subordinator agrees to increase the Standstill Period to the number of days that is double the length of such period upon request therefrom from the Lender. Notwithstanding the foregoing, in the event that the Lender has commenced an enforcement proceeding (including,

without limitation, demand for payment, acceleration of debt, realization on security, commencing an action for payment, commencing any bankruptcy proceedings, foreclosure, sale, power of sale, or appointing or making application to the court for an order appointing a receiver or receiver and manager) against the Debtor in respect of any Lender Indebtedness or the Lender Security which is ongoing at the expiry such one hundred eighty (180) day period, the Standstill Period shall not expire and shall continue until the completion of such proceeding.

6. Except with the prior written consent of the Lender, the Subordinator shall not sell, assign, transfer, pledge, or otherwise dispose of or encumber any Subordinator Indebtedness or Subordinator Security or any part thereof to any other party without the prior written consent of the Lender, which consent shall not be unreasonably withheld. The Lender may sell, assign, transfer, pledge and otherwise dispose of and encumber the Lender Indebtedness, the Lender Credit Agreement, and the Lender Security without the consent of the Subordinator. The Subordinator understands and agrees that this Agreement shall not suspend or otherwise affect the present or future rights and remedies of the Lender with respect to the Lender Indebtedness or with respect to the Lender Security. The Subordinator confirms and acknowledges that it shall not acquire any additional security for the repayment of the Subordinator Indebtedness from the Debtor or any other person from and after the date hereof without the prior written consent of the Lender.
7. The subordination and postponement provided for in this Agreement and all other rights established in, altered by or specified in this Agreement shall be effective, irrespective of: (i) the time or order of creation, execution, delivery, attachment or perfection of the Lender Security or the Subordinator Security; (ii) the method of perfection of the Lender Security or the Subordinator Security; (iii) the time or order of registration or filing of financing statements, land registration forms or other recording of the Lender Security or the Subordinator Security; (iv) the giving of or failure to give notice of the acquisition of any additional Lender Security; (v) the date or dates of any existing or future advance or advances made or other credit accommodation granted by the Lender to the Subordinator pursuant to the Lender Credit Agreement; (vi) the date or dates of any default in respect of the Lender Indebtedness or the Subordinator Indebtedness, or any default under the Lender Security or the Subordinator Security or any demand for repayment arising therefrom; (vii) the date of crystallization of any floating charge contained in the Lender Security or the Subordinator Security; (viii) the date of commencement of any enforcement action, including the date of any Notice of Intention to Enforce Security given under the *Bankruptcy and Insolvency Act* (Canada); (ix) the date or dates of execution, delivery, attachment, registration, perfection or reperfecton of all or any portion of any agreement, document or instrument creating the Lender Security or the Subordinator Security; (x) the place or jurisdiction of execution, delivery, attachment, registration, perfection or reperfecton of all or any portion of any of the Lender Indebtedness, the Subordinator Indebtedness, the Lender Security and/or the Subordinator Security, or any agreement, document or instrument creating same; (xi) any other matter which may affect the relative priorities of the Lender Indebtedness, the Subordinator Indebtedness, the Lender Security and/or the Subordinator Security; or (xii) the priorities otherwise accorded to the Lender Security and the Subordinator Security by any applicable laws.
8. The Subordinator (i) acknowledges and consents to the execution and delivery by the Debtor of the Lender Credit Agreement and to the performance of the respective obligations of Debtor and Lender thereunder, and to the enforcement by the Lender of all of its rights and remedies thereunder, and (ii) confirms that all such actions do not violate or conflict with any of the terms and provisions of any shareholders agreement.

9. This Agreement shall terminate and cease to have effect on the date on which all the Lender Indebtedness shall have been indefeasibly paid and performed in full; Debtor has otherwise performed its obligations under the Lender Credit Agreement, Lender Security and other documents relating to the Lender Indebtedness; all obligations of Lender to extend credit to Debtor have been cancelled; and the Lender Credit Agreement and loan facilities thereunder have been terminated and Lender Security discharged. Upon termination of this Agreement in accordance with the preceding paragraph, the Lender will promptly release its registered security in respect of the Debtor.
10. If the Debtor is a corporation, no change in the name, objects, capital stock or constitution of the Debtor shall in any way affect the obligations of the Subordinator, either with respect to transactions occurring before or after any such change, and this Agreement shall extend to all debts and liabilities to the Subordinator of the person or corporation who or which assumes the obligations of the Debtor in whole or in part in whatsoever manner including, without limitation, by amalgamation with the Debtor.
11. This Agreement shall be binding upon the Subordinator and its heirs, executors, administrators, successors and assigns including any successor by reason of amalgamation of or any other change in the Subordinator and shall enure to the benefit of the Lender and its successors and assigns. In the event that this Agreement is executed by more than one party, the obligations of each of the undersigned shall be joint and several, but the failure of any other party or parties to sign this or any other Agreement with the Lender shall in no way limit or otherwise affect the liability of the undersigned to the Lender. The Lender may assign, transfer and deliver to any transferee any of the Lender Indebtedness or any security, documents or instruments held by the Lender in respect thereof provided that no such assignment, transfer or delivery shall release the Subordinator from the covenants and agreements herein contained; and thereafter the Lender shall be fully discharged from all responsibility with respect to the Lender Indebtedness and security, documents and instruments so assigned, transferred or delivered. Such transferee shall be vested with all powers and rights of the Lender under such security, documents or instruments but the Lender shall retain all rights and powers with respect to any such security, documents or instruments not so assigned, transferred or delivered.
12. This Agreement is in addition to all, and not in substitution for or merged in any, other agreement, security, document and instrument now or hereafter held by the Lender.
13. This Agreement shall be construed in accordance with and be governed by the laws of the Province of Ontario and the federal laws applicable therein and for the purpose of legal proceedings this Agreement shall be deemed to have been made in the said jurisdiction and to be performed there and the courts of that jurisdiction shall have jurisdiction and to be performed there and the courts of that jurisdiction shall have jurisdiction over all disputed which may arise under this Agreement and the Subordinator irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts, provided always that nothing contained in this Agreement shall prevent the Lender from proceeding at its election against the Subordinator in the courts of any other province, state, country or jurisdiction.
14. If one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained in this Agreements shall not in any way be affected or impaired thereby.
15. Any notice or statement referred to in this Agreement may be delivered or, providing that postal service throughout Canada is fully operative, mailed by ordinary prepaid mail to the Subordinator

at the address of the Subordinator as shown on the books of the Lender and the Subordinator shall be deemed to have received such notice or statement on the day of delivery, if delivered on a business day, the business day immediately following the day of delivery, if delivered on a day other than a business day, or three (3) business days after mailing, if mailed.

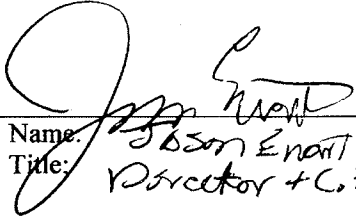
16. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery by any party or other signatory of an executed counterpart of this Agreement by electronic mail or in PDF format shall be equally effective as delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by electronic mail or in PDF format also shall promptly deliver an original executed counterpart of this Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement.
17. Words importing the singular include the plural and vice versa; and words importing gender shall include all genders.

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

Dated as of the 30th day of JUNE, 2017.

FOUNTAIN ASSET CORP.

Per: _____



c.s.

Name:

Title:

Jason Enant
Director + C.E.O.

Per: _____

Name:

Title:

I/We have authority to bind the Corporation.

Address: **25 Adelaide Street East, Suite 1300**
Toronto, Ontario M5C 3A1

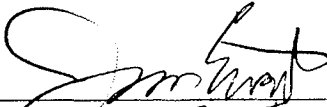
TO: FMMC Private Yield Fund Limited Partnership I (the "Lender")

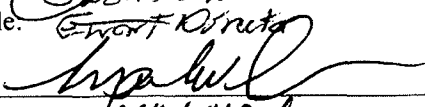
ACKNOWLEDGEMENT

The undersigned acknowledges receipt of notice in writing of the assignment contained in the foregoing Agreement; and agrees to the terms thereof and not to make any payment to the Subordinator except as therein provided.

Dated as of the 30th day of JUNE, 2017.

2400918 ONTARIO INC.

Per:  c.s.
 Name: Stephen Ewart
 Title: Ewart Ontario

Per: 
 Name: Michael Wilcand
 Title: PRESIDENT

This is Exhibit "R" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke extending to the right.

Commissioner for Taking Affidavits (or as may be)

[2312788 Ontario Inc.]

SUBORDINATION AND POSTPONEMENT AGREEMENT

TO: FMMC Private Yield Fund Limited Partnership I (the "Lender")

RECITALS:

- A. **2400918 Ontario Inc.** (the "**Debtor**") is now or may hereafter become indebted or liable or further indebted or liable to the undersigned (the "**Subordinator**");
- B. The Debtor has granted and/or may hereafter grant security (collectively, as the same may be amended, modified, restated, supplemented, renewed or replaced from time to time, the "**Subordinator Security**") in favour of the Subordinator as security for the repayment and discharge of all indebtedness, obligations and liabilities of any kind, present or future, direct or indirect, absolute or contingent, matured or not, joint or several, of the Debtor to the Subordinator, whether as principal or surety, together with all expenses (including legal fees on a full indemnification basis) incurred by the Subordinator, or its respective receiver or agent in the preparation, perfection and enforcement of security or other agreements held by the Subordinator in respect of such indebtedness, obligations or liabilities, and interest thereon (collectively, the "**Subordinator Indebtedness**");
- C. The Debtor has granted and may hereafter grant security (collectively, as the same may be amended, modified, restated, supplemented, renewed or replaced from time to time, the "**Lender Security**") in favour of the Lender as security for the repayment and discharge of all indebtedness, obligations and liabilities of any kind, present or future, direct or indirect, absolute or contingent, matured or not, joint or several, of the Debtor to the Lender, whether as principal or surety, together with all expenses (including legal fees on a full indemnification basis) incurred by the Lender, its receiver or agent, in the preparation, perfection and enforcement of security and other agreements held by the Lender in respect of such indebtedness, obligations or liabilities and interest thereon (collectively, the "**Lender Indebtedness**");
- D. Certain financing has been provided or is hereafter to be provided by the Lender to the Debtor pursuant to a credit agreement between the Debtor and Lender dated as of the 30th day of June, 2017 (as amended, modified, restated, renewed, supplemented or replaced from time to time, the "**Lender Credit Agreement**"); and
- E. The Subordinator has agreed to enter into this Agreement in favour of the Lender.

NOW THEREFORE for value received and intending to be legally bound, the undersigned **2312788 Ontario Inc.** covenants and agrees as follows:

- 1 All Subordinator Indebtedness is postponed, subordinated and subject to all Lender Indebtedness.

-2-

2. All Subordinator Security is postponed, subordinated and subject to all Lender Security, and the Lender Security shall have full and absolute priority over the Subordinator Security and the Subordinator Security shall in all respects and for all purposes be subordinated and postponed and rank junior to the Lender Security, notwithstanding that any of the Lender Security shall be defective, unperfected, void or unenforceable for any reason whatsoever.
3. In order to effectuate this Agreement the Subordinator agrees that all amounts collected by the Subordinator in respect of the Subordinated Indebtedness shall be applied in accordance with the terms of this Agreement.
4. Except as expressly permitted in this Section 4, no Subordinator Indebtedness shall be paid, withdrawn or distributed without the occurrence of one of the following events:
 - (a) the Lender having provided its prior written consent.
 - (b) the Lender having indefeasibly received all amounts due and owing in respect of the Lender Indebtedness.

Any payments which may be received by the Subordinator from the Debtor or from any third party on account of or otherwise for the benefit of the Debtor shall be received in trust and as mandatory for the Lender and shall be paid over to the Lender forthwith upon receipt but no such payment shall have the effect of reducing the Lender Indebtedness until the same has been applied in permanent reduction of the Lender Indebtedness.

Notwithstanding any other provision in this Agreement, the Debtor may make and the Subordinator may receive the following payments in respect of the Subordinator Indebtedness: regularly scheduled interest payments, provided no default exists and is continuing in respect of the Lender Indebtedness and no Event of Default or breach of covenant has occurred and is continuing under the Lender Credit Agreement, and no such default or Event of Default or breach of covenant would arise upon such payment or occur as a consequence of such payment (including with respect to financial covenants).

5. The Subordinator agrees that it shall not take any enforcement action (including, without limitation, demand for payment, acceleration of debt, realization on security, commencing an action for payment, commencing any bankruptcy proceedings, foreclosure, sale, power of sale, or appointing or making application to the court for an order appointing a receiver or receiver and manager) against the Debtor in respect of any Subordinator Indebtedness or the Subordinator Security.

-3-

6. Except with the prior written consent of the Lender, the Subordinator shall not sell, assign, transfer, pledge, or otherwise dispose of or encumber any Subordinator Indebtedness or Subordinator Security or any part thereof to any other party without the prior written consent of the Lender, which consent shall not be unreasonably withheld. The Lender may sell, assign, transfer, pledge and otherwise dispose of and encumber the Lender Indebtedness, the Lender Credit Agreement, and the Lender Security without the consent of the Subordinator. The Subordinator understands and agrees that this Agreement shall not suspend or otherwise affect the present or future rights and remedies of the Lender with respect to the Lender Indebtedness or with respect to the Lender Security. The Subordinator confirms and acknowledges that it shall not acquire any additional security for the repayment of the Subordinator Indebtedness from the Debtor or any other person from and after the date hereof without the prior written consent of the Lender.
7. The subordination and postponement provided for in this Agreement and all other rights established in, altered by or specified in this Agreement shall be effective, irrespective of. (i) the time or order of creation, execution, delivery, attachment or perfection of the Lender Security or the Subordinator Security; (ii) the method of perfection of the Lender Security or the Subordinator Security; (iii) the time or order of registration or filing of financing statements, land registration forms or other recording of the Lender Security or the Subordinator Security; (iv) the giving of or failure to give notice of the acquisition of any additional Lender Security; (v) the date or dates of any existing or future advance or advances made or other credit accommodation granted by the Lender to the Subordinator pursuant to the Lender Credit Agreement; (vi) the date or dates of any default in respect of the Lender Indebtedness or the Subordinator Indebtedness, or any default under the Lender Security or the Subordinator Security or any demand for repayment arising therefrom; (vii) the date of crystallization of any floating charge contained in the Lender Security or the Subordinator Security; (viii) the date of commencement of any enforcement action, including the date of any Notice of Intention to Enforce Security given under the Bankruptcy and Insolvency Act (Canada); (ix) the date or dates of execution, delivery, attachment, registration, perfection or reperfection of all or any portion of any agreement, document or instrument creating the Lender Security or the Subordinator Security; (x) the place or jurisdiction of execution, delivery, attachment, registration, perfection or reperfection of all or any portion of any of the Lender Indebtedness, the Subordinator Indebtedness, the Lender Security and/or the Subordinator Security, or any agreement, document or instrument creating same; (xi) any other matter which may affect the relative priorities of the Lender Indebtedness, the Subordinator Indebtedness, the Lender Security and/or the Subordinator Security; or (xii) the priorities otherwise accorded to the Lender Security and the Subordinator Security by any applicable laws.
8. The Subordinator (i) acknowledges and consents to the execution and delivery by the Debtor of the Lender Credit Agreement and to the performance of the respective obligations of Debtor and Lender thereunder, and to the enforcement by the Lender of all of its rights and remedies thereunder, and (ii) confirms that all such actions do not violate or conflict with any of the terms and provisions of any shareholders agreement.

-4-

9. This Agreement shall terminate and cease to have effect on the date on which all the Lender Indebtedness shall have been indefeasibly paid and performed in full; Debtor has otherwise performed its obligations under the Lender Credit Agreement, Lender Security and other documents relating to the Lender Indebtedness; all obligations of Lender to extend credit to Debtor have been cancelled; and the Lender Credit Agreement and loan facilities thereunder have been terminated and Lender Security discharged. Upon termination of this Agreement in accordance with the preceding paragraph, the Lender will promptly release its registered security in respect of the Debtor.
10. If the Debtor is a corporation, no change in the name, objects, capital stock or constitution of the Debtor shall in any way affect the obligations of the Subordinator, either with respect to transactions occurring before or after any such change, and this Agreement shall extend to all debts and liabilities to the Subordinator of the person or corporation who or which assumes the obligations of the Debtor in whole or in part in whatsoever manner including, without limitation, by amalgamation with the Debtor.
11. This Agreement shall be binding upon the Subordinator and its heirs, executors, administrators, successors and assigns including any successor by reason of amalgamation of or any other change in the Subordinator and shall enure to the benefit of the Lender and its successors and assigns. In the event that this Agreement is executed by more than one party, the obligations of each of the undersigned shall be joint and several, but the failure of any other party or parties to sign this or any other Agreement with the Lender shall in no way limit or otherwise affect the liability of the undersigned to the Lender. The Lender may assign, transfer and deliver to any transferee any of the Lender Indebtedness or any security, documents or instruments held by the Lender in respect thereof provided that no such assignment, transfer or delivery shall release the Subordinator from the covenants and agreements herein contained; and thereafter the Lender shall be fully discharged from all responsibility with respect to the Lender Indebtedness and security, documents and instruments so assigned, transferred or delivered. Such transferee shall be vested with all powers and rights of the Lender under such security, documents or instruments but the Lender shall retain all rights and powers with respect to any such security, documents or instruments not so assigned, transferred or delivered.
12. This Agreement is in addition to all, and not in substitution for or merged in any, other agreement, security, document and instrument now or hereafter held by the Lender.
13. This Agreement shall be construed in accordance with and be governed by the laws of the Province of Ontario and the federal laws applicable therein and for the purpose of legal proceedings this Agreement shall be deemed to have been made in the said jurisdiction and to be performed there and the courts of that jurisdiction shall have jurisdiction and to be performed there and the courts of that jurisdiction shall have jurisdiction over all disputes which may arise under this Agreement and the Subordinator irrevocably and unconditionally submits to the nonexclusive jurisdiction of such courts, provided always that nothing contained in this Agreement shall prevent the Lender from proceeding at its election against the Subordinator in the courts of any other province, state, country or jurisdiction.
14. If one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions

contained in this Agreements shall not in any way be affected or impaired thereby.

15. Any notice or statement referred to in this Agreement may be delivered or, providing that postal service throughout Canada is fully operative, mailed by ordinary prepaid mail to the Subordinator at the address of the Subordinator as shown on the books of the Lender and the Subordinator shall be deemed to have received such notice or statement on the day of delivery, if delivered on a business day, the business day immediately following the day of delivery, if delivered on a day other than a business day, or three (3) business days after mailing, if mailed.
16. 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 taken together shall constitute but one and the same agreement. Delivery by any party or other signatory of an executed counterpart of this Agreement by electronic mail or in PDF format shall be equally effective as delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by electronic mail or in PDF format also shall promptly deliver an original executed counterpart of this Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement.
17. Words importing the singular include the plural and vice versa; and words importing gender shall include all genders.

Dated as of the 20 day of NOV, 2017.

2312788 ONTARIO INC.

Per: [Signature] c.s.
 Name: WILSON
 Title: SEC. TREASURER

Per: [Signature] c.s.
 Name: GRIPP/OCM
 Title: GRIPP/OCM

I/We have authority to bind the Corporation.

Address: 376 Richmond St Suite 300
 London, Ontario N6A 3C7

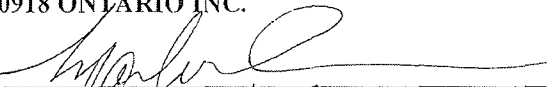
TO: FMMC Private Yield Fund Limited Partnership I (the "Lender")

ACKNOWLEDGEMENT

The undersigned acknowledges receipt of notice in writing of the assignment contained in the foregoing Agreement; and agrees to the terms thereof and not to make any payment to the Subordinator except as therein provided.

Dated as of the 20 day of November, 2017.

2400918 ONTARIO INC.

Per:  c.s.
Name: Mark Wilson
Title: President

Per: _____
Name: _____
Title: _____

This is Exhibit "S" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

[ACEF Trust]

SUBORDINATION AND POSTPONEMENT AGREEMENT**TO: FMMC Private Yield Fund Limited Partnership I (the "Lender")****RECITALS:**

- A. 2400918 Ontario Inc. (the "**Debtor**") is now or may hereafter become indebted or liable or further indebted or liable to the undersigned (the "**Subordinator**");
- B. The Debtor has granted and/or may hereafter grant security (collectively, as the same may be amended, modified, restated, supplemented, renewed or replaced from time to time, the "**Subordinator Security**") in favour of the Subordinator as security for the repayment and discharge of all indebtedness, obligations and liabilities of any kind, present or future, direct or indirect, absolute or contingent, matured or not, joint or several, of the Debtor to the Subordinator, whether as principal or surety, together with all expenses (including legal fees on a full indemnification basis) incurred by the Subordinator, or its respective receiver or agent in the preparation, perfection and enforcement of security or other agreements held by the Subordinator in respect of such indebtedness, obligations or liabilities, and interest thereon (collectively, the "**Subordinator Indebtedness**");
- C. The Debtor has granted and may hereafter grant security (collectively, as the same may be amended, modified, restated, supplemented, renewed or replaced from time to time, the "**Lender Security**") in favour of the Lender as security for the repayment and discharge of all indebtedness, obligations and liabilities of any kind, present or future, direct or indirect, absolute or contingent, matured or not, joint or several, of the Debtor to the Lender, whether as principal or surety, together with all expenses (including legal fees on a full indemnification basis) incurred by the Lender, its receiver or agent, in the preparation, perfection and enforcement of security and other agreements held by the Lender in respect of such indebtedness, obligations or liabilities and interest thereon (collectively, the "**Lender Indebtedness**");
- D. Certain financing has been provided or is hereafter to be provided by the Lender to the Debtor pursuant to a credit agreement between the Debtor and Lender dated as of the 11th day of October, 2018 (as amended, modified, restated, renewed, supplemented or replaced from time to time, the "**Lender Credit Agreement**"); and
- E. The Subordinator has agreed to enter into this Agreement in favour of the Lender.

NOW THEREFORE for value received and intending to be legally bound, the undersigned **ACEF Trust** covenants and agrees as follows:

1. All Subordinator Indebtedness is postponed, subordinated and subject to all Lender Indebtedness.
2. All Subordinator Security is postponed, subordinated and subject to all Lender Security, and the Lender Security shall have full and absolute priority over the Subordinator Security and the Subordinator Security shall in all respects and for all purposes be subordinated and postponed and rank junior to the Lender Security, notwithstanding that any of the Lender Security shall be defective, unperfected, void or unenforceable for any reason whatsoever.

3. In order to effectuate this Agreement the Subordinator agrees that all amounts collected by the Subordinator in respect of the Subordinated Indebtedness shall be applied in accordance with the terms of this Agreement.
4. Except as expressly permitted in this Section 4, no Subordinator Indebtedness shall be paid, withdrawn or distributed without the occurrence of one of the following events:
 - (a) the Lender having provided its prior written consent.
 - (b) the Lender having indefeasibly received all amounts due and owing in respect of the Lender Indebtedness.

Any payments which may be received by the Subordinator from the Debtor or from any third party on account of or otherwise for the benefit of the Debtor shall be received in trust and as mandatory for the Lender and shall be paid over to the Lender forthwith upon receipt but no such payment shall have the effect of reducing the Lender Indebtedness until the same has been applied in permanent reduction of the Lender Indebtedness.

Notwithstanding any other provision in this Agreement, the Debtor may make and the Subordinator may receive the following payments in respect of the Subordinator Indebtedness: regularly scheduled interest payments, provided no default exists and is continuing in respect of the Lender Indebtedness and no Event of Default or breach of covenant has occurred and is continuing under the Lender Credit Agreement, and no such default or Event of Default or breach of covenant would arise upon such payment or occur as a consequence of such payment (including with respect to financial covenants).

5. The Subordinator agrees that it shall not take any enforcement action (including, without limitation, demand for payment, acceleration of debt, realization on security, commencing an action for payment, commencing any bankruptcy proceedings, foreclosure, sale, power of sale, or appointing or making application to the court for an order appointing a receiver or receiver and manager) against the Debtor in respect of any Subordinator Indebtedness or the Subordinator Security.
6. Except with the prior written consent of the Lender, the Subordinator shall not sell, assign, transfer, pledge, or otherwise dispose of or encumber any Subordinator Indebtedness or Subordinator Security or any part thereof to any other party without the prior written consent of the Lender, which consent shall not be unreasonably withheld. The Lender may sell, assign, transfer, pledge and otherwise dispose of and encumber the Lender Indebtedness, the Lender Credit Agreement, and the Lender Security without the consent of the Subordinator. The Subordinator understands and agrees that this Agreement shall not suspend or otherwise affect the present or future rights and remedies of the Lender with respect to the Lender Indebtedness or with respect to the Lender Security. The Subordinator confirms and acknowledges that it shall not acquire any additional security for the repayment of the Subordinator Indebtedness from the Debtor or any other person from and after the date hereof without the prior written consent of the Lender.
7. The subordination and postponement provided for in this Agreement and all other rights established in, altered by or specified in this Agreement shall be effective, irrespective of. (i) the time or order of creation, execution, delivery, attachment or perfection of the Lender Security or the Subordinator Security; (ii) the method of perfection of the Lender Security or the Subordinator Security; (iii) the time or order of registration or filing of financing statements, land registration forms or other recording of the Lender Security or the Subordinator Security; (iv) the giving of or failure to give

notice of the acquisition of any additional Lender Security; (v) the date or dates of any existing or future advance or advances made or other credit accommodation granted by the Lender to the Subordinator pursuant to the Lender Credit Agreement; (vi) the date or dates of any default in respect of the Lender Indebtedness or the Subordinator Indebtedness, or any default under the Lender Security or the Subordinator Security or any demand for repayment arising therefrom; (vii) the date of crystallization of any floating charge contained in the Lender Security or the Subordinator Security; (viii) the date of commencement of any enforcement action, including the date of any Notice of Intention to Enforce Security given under the Bankruptcy and Insolvency Act (Canada); (ix) the date or dates of execution, delivery, attachment, registration, perfection or reperfecting of all or any portion of any agreement, document or instrument creating the Lender Security or the Subordinator Security; (x) the place or jurisdiction of execution, delivery, attachment, registration, perfection or reperfecting of all or any portion of any of the Lender Indebtedness, the Subordinator Indebtedness, the Lender Security and/or the Subordinator Security, or any agreement, document or instrument creating same; (xi) any other matter which may affect the relative priorities of the Lender Indebtedness, the Subordinator Indebtedness, the Lender Security and/or the Subordinator Security; or (xii) the priorities otherwise accorded to the Lender Security and the Subordinator Security by any applicable laws.


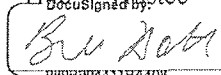
8. The Subordinator (i) acknowledges and consents to the execution and delivery by the Debtor of the Lender Credit Agreement and to the performance of the respective obligations of Debtor and Lender thereunder, and to the enforcement by the Lender of all of its rights and remedies thereunder, (ii) acknowledges and agrees that the Debtor may sell, lease, exchange or otherwise dispose of all or substantially all of its assets, including where so doing is out of the ordinary course of business, if the sole purpose of such sale, lease, exchange or other disposition is to repay all or part of the Lender Indebtedness, plus reasonable associated fees and costs, (iii) acknowledges and agrees that the Lender may become a shareholder of the Debtor pursuant to warrants issued to the Lender in accordance with the terms of the Lender Security and the provisions pursuant to which the Lender advanced the Lender Indebtedness, and (iv) confirms that all such actions do not violate or conflict with any of the terms and provisions of the Subordinator Security and the terms and provisions pursuant to which the Subordinator advanced the Subordinator Indebtedness, and the priorities established pursuant to the terms and provisions of this Agreement.
9. This Agreement shall terminate and cease to have effect on the date on which all the Lender Indebtedness shall have been indefeasibly paid and performed in full; Debtor has otherwise performed its obligations under the Lender Credit Agreement, Lender Security and other documents relating to the Lender Indebtedness; all obligations of Lender to extend credit to Debtor have been cancelled; and the Lender Credit Agreement and loan facilities thereunder have been terminated and Lender Security discharged. Upon termination of this Agreement in accordance with the preceding paragraph, the Lender will promptly release its registered security in respect of the Debtor.
10. If the Debtor is a corporation, no change in the name, objects, capital stock or constitution of the Debtor shall in any way affect the obligations of the Subordinator, either with respect to transactions occurring before or after any such change, and this Agreement shall extend to all debts and liabilities to the Subordinator of the person or corporation who or which assumes the obligations of the Debtor in whole or in part in whatsoever manner including, without limitation, by amalgamation with the Debtor.
11. This Agreement shall be binding upon the Subordinator and its heirs, executors, administrators, successors and assigns including any successor by reason of amalgamation or of any other change in the Subordinator and shall enure to the benefit of the Lender and its successors and assigns. In

the event that this Agreement is executed by more than one party, the obligations of each of the undersigned shall be joint and several, but the failure of any other party or parties to sign this or any other Agreement with the Lender shall in no way limit or otherwise affect the liability of the undersigned to the Lender. The Lender may assign, transfer and deliver to any transferee any of the Lender Indebtedness or any security, documents or instruments held by the Lender in respect thereof provided that no such assignment, transfer or delivery shall release the Subordinator from the covenants and agreements herein contained; and thereafter the Lender shall be fully discharged from all responsibility with respect to the Lender Indebtedness and security, documents and instruments so assigned, transferred or delivered. Such transferee shall be vested with all powers and rights of the Lender under such security, documents or instruments but the Lender shall retain all rights and powers with respect to any such security, documents or instruments not so assigned, transferred or delivered.

12. This Agreement is in addition to all, and not in substitution for or merged in any, other agreement, security, document and instrument now or hereafter held by the Lender.
13. This Agreement shall be construed in accordance with and be governed by the laws of the Province of Ontario and the federal laws applicable therein and for the purpose of legal proceedings this Agreement shall be deemed to have been made in the said jurisdiction and to be performed there and the courts of that jurisdiction shall have jurisdiction and to be performed there and the courts of that jurisdiction shall have jurisdiction over all disputed which may arise under this Agreement and the Subordinator irrevocably and unconditionally submits to the nonexclusive jurisdiction of such courts, provided always that nothing contained in this Agreement shall prevent the Lender from proceeding at its election against the Subordinator in the courts of any other province, state, country or jurisdiction.
14. If one or more of the provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained in this Agreements shall not in any way be affected or impaired thereby.
15. Any notice or statement referred to in this Agreement may be delivered or, providing that postal service throughout Canada is fully operative, mailed by ordinary prepaid mail to the Subordinator at the address of the Subordinator as shown on the books of the Lender and the Subordinator shall be deemed to have received such notice or statement on the day of delivery, if delivered on a business day, the business day immediately following the day of delivery, if delivered on a day other than a business day, or three (3) business days after mailing, if mailed.
16. 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 taken together shall constitute but one and the same agreement. Delivery by any party or other signatory of an executed counterpart of this Agreement by electronic mail or in PDF format shall be equally effective as delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by electronic mail or in PDF format also shall promptly deliver an original executed counterpart of this Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Agreement.
17. Words importing the singular include the plural and vice versa; and words importing gender shall include all genders.

Dated as of the 11th day of October, 2018.

ACEF TRUST

Per:  DocuSigned by:
Name: Firas Askiri
Title: Trustee
Per:  DocuSigned by:
Name: Bree Holt
Title: Trustee

I/We have authority to bind the Trust.

Address: 81 York Road
Toronto, Ontario
M2L 1H9

TO: FMMC Private Yield Fund Limited Partnership I (the "Lender")

ACKNOWLEDGEMENT

The undersigned acknowledges receipt of notice in writing of the assignment contained in the foregoing Agreement; and agrees to the terms thereof and not to make any payment to the Subordinator except as therein provided.

Dated as of the 12th day of OCTOBER, 2018.

2400918 ONTARIO INC.

Per: _____

Name: MARK WILSON
Title: PRESIDENT

Per: _____

Name: _____
Title: _____

I/We have authority to bind the Corporation.

This is Exhibit "T" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

ServiceOntario[Main Menu](#) [New Enquiry](#)**Enquiry Result**

File Currency: 09DEC 2020

[Show All Pages](#)**Note:** All pages have been returned.

Type of Search Business Debtor
 Search Conducted On ADVANTAGEWON CAPITAL CORP.
 File Currency 09DEC 2020

File Number	Family	of Families	Page	of Pages	Expiry Date	Status
692741502	1	3	1	16	20DEC 2023	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
692741502		001	1		20131220 1254 1590 3611	P PPSA	5

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
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Business Debtor	Business Debtor Name	Ontario Corporation Number
2400918 ONTARIO INC.		

Address	City	Province	Postal Code
188 TALBOT STREET WEST	AYLMER	ON	N5H 1K1

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
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Business Debtor	Business Debtor Name	Ontario Corporation Number
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Address	City	Province	Postal Code
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Secured Party	Secured Party / Lien Claimant
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GC-GLOBAL CAPITAL CORP.	
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Address	City	Province	Postal Code
273 TWEED STREET	COBOURG	ON	K9A 2R8

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			

Motor Vehicle Description	Year	Make	Model	V.I.N.
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General Collateral Description	General Collateral Description
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306

Registering Agent	Registering Agent			
	WILDEBOER DELLELCE LLP			
	Address	City	Province	Postal Code
	800 - 365 BAY STREET	TORONTO	ON	M5H 2V1

CONTINUED

Type of Search	Business Debtor									
Search Conducted On	ADVANTAGEWON CAPITAL CORP.									
File Currency	09DEC 2020									
	File Number	Family	of Families	Page	of Pages					
	692741502	1	3	2	16					
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT										
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number			Registered Under		
		001	2		20170531 1526 1590 4957			P PPSA		
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required			Renewal Years	Correct Period		
	692741502		X	A AMNDMNT						
Reference Debtor/ Transferor	First Given Name			Initial	Surname					
	Business Debtor Name									
	2400918 ONTARIO INC.									
Other Change	Other Change									
Reason / Description	Reason / Description									
	THE SECURED PARTY GC-GLOBAL CAPITAL CORP. HAS CHANGED ITS NAME TO FOUNTAIN ASSET CORP. AND ACCORDINGLY THE SECURED PARTY NAME AND ADDRESS ON LINES 08 AND 09 OF REGISTRATION NUMBER 20131220 1254 1590									
Debtor/ Transferee	Date of Birth	First Given Name			Initial	Surname				
	Business Debtor Name								Ontario Corporation Number	
	Address				City		Province	Postal Code		
Assignor Name	Assignor Name									
Secured Party	Secured party, lien claimant, assignee									
	FOUNTAIN ASSET CORP.									
	Address				City		Province	Postal Code		
	25 ADELAIDE STREET EAST, SUITE 1300				TORONTO		ON	M5C 3A1		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date	
Motor Vehicle Description	Year	Make			Model			V.I.N.		
General Collateral Description	General Collateral Description									

307

Registering Agent		Registering Agent or Secured Party/ Lien Claimant			
GARDINER ROBERTS LLP					
Address		City	Province	Postal Code	
3600-22 ADELAIDE STREET WEST		TORONTO	ON	M5H 4E3	

CONTINUED

Type of Search Business Debtor
 Search Conducted On ADVANTAGEWON CAPITAL CORP.

File Currency 09DEC 2020
 File Number Family of Families Page of Pages
 692741502 1 3 3 16

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
002	2			20170531 1526 1590 4957	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	692741502					

Reference Debtor/ Transferor	First Given Name	Initial	Surname

Business Debtor Name

Other Change Other Change

Reason / Description	Reason / Description
3611 ARE BEING REPLACED WITH THE NAME AND ADDRESS OF FOUNTAIN ASSET CORP.	

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname

Business Debtor Name Ontario Corporation Number

Address City Province Postal Code

Assignor Name Assignor Name

Secured Party	Secured party, lien claimant, assignee

Address City Province Postal Code

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date

Motor Vehicle Description	Year	Make	Model	V.I.N.

308

General Collateral Description	General Collateral Description				
Registering Agent		Registering Agent or Secured Party/ Lien Claimant			
	Address	City	Province	Postal Code	

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	ADVANTAGEWON CAPITAL CORP.								
File Currency	09DEC 2020								
	File Number	Family	of Families	Page	of Pages				
	692741502	1	3	4	16				
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT									
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number		Registered Under		
		001	3		20170630 1533 1590 7339				
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required		Renewal Years	Correct Period		
	692741502			J OTHER					
Reference Debtor/ Transferor	First Given Name			Initial	Surname				
	Business Debtor Name								
	2400918 ONTARIO INC.								
Other Change	Other Change								
	SUBORDINATION								
Reason / Description	Reason / Description								
	SUBORDINATION BY FOUNTAIN ASSET CORP. (FORMERLY GC-GLOBAL CAPITAL CORP.) OF ITS SECURITY AND PERSONAL PROPERTY SECURITY ACT FILE NO.								
	692741502 TO SECURITY AND PERSONAL PROPERTY SECURITY ACT FILE NO.								
Debtor/ Transferee	Date of Birth	First Given Name		Initial	Surname				
	Business Debtor Name						Ontario Corporation Number		
	Address				City	Province	Postal Code		
Assignor Name	Assignor Name								
Secured Party	Secured party, lien claimant, assignee								
	Address				City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date

309

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description

General Collateral Description

Registering Agent

Registering Agent or Secured Party/ Lien Claimant

GARDINER ROBERTS LLP				
Address	City	Province	Postal Code	
3600-22 ADELAIDE STREET WEST	TORONTO	ON	M5H 4E3	

CONTINUED

Type of Search	Business Debtor					
Search Conducted On	ADVANTAGEWON CAPITAL CORP.					
File Currency	09DEC 2020					
	File Number	Family	of Families	Page	of Pages	
	692741502	1	3	5	16	
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT						
	Cautious Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
		002	3		20170630 1533 1590 7339	
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	692741502					
Reference Debtor/ Transferor	First Given Name		Initial	Surname		
	Business Debtor Name					
Other Change	Other Change					
Reason / Description	Reason / Description					
	729144513 OF FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I, PURSUANT TO A SUBORDINATION AND POSTPONEMENT AGREEMENT BETWEEN FOUNTAIN ASSET CORP. AND FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I, DATED JUNE					
Debtor/ Transferee	Date of Birth	First Given Name		Initial	Surname	
	Business Debtor Name					Ontario Corporation Number
	Address					City Province Postal Code
Assignor Name	Assignor Name					
Secured Party	Secured party, lien claimant, assignee					
	Address					City Province Postal Code
	Inventory	Equipment	Accounts	Other	Amount	

310

Collateral Classification	Consumer Goods					Motor Vehicle Included		Date of Maturity or	No Fixed Maturity Date
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Motor Vehicle Description	Year	Make	Model	V.I.N.
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General Collateral Description	General Collateral Description
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Registering Agent	Registering Agent or Secured Party/ Lien Claimant
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	Address	City	Province	Postal Code

CONTINUED

Type of Search Business Debtor

Search Conducted On ADVANTAGEWON CAPITAL CORP.

File Currency 09DEC 2020

File Number	Family	of Families	Page	of Pages
692741502	1	3	6	16

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

Cautious Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
	003	3		20170630 1533 1590 7339	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	692741502					

Reference Debtor/ Transferor	First Given Name	Initial	Surname
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Business Debtor Name

Other Change	Other Change
--------------	--------------

Reason / Description	Reason / Description
30, 2017.	

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname
		Business Debtor Name		Ontario Corporation Number
		Address	City	Province Postal Code

Assignor Name	Assignor Name
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Secured Party	Secured party, lien claimant, assignee
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311

	Address	City	Province	Postal Code
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Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
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Motor Vehicle Description	Year	Make	Model	V.I.N.
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General Collateral Description

General Collateral Description

Registering Agent

Registering Agent or Secured Party/ Lien Claimant

	Address	City	Province	Postal Code
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CONTINUED

Type of Search	Business Debtor					
Search Conducted On	ADVANTAGEWON CAPITAL CORP.					
File Currency	09DEC 2020					
	File Number	Family	of Families	Page	of Pages	
	692741502	1	3	7	16	
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT						
	Cautious Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
		001	1		20181030 0949 1590 1876	
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	692741502		X	A AMNDMNT		
Reference Debtor/ Transferor	First Given Name			Initial	Surname	
	Business Debtor Name					
	2400918 ONTARIO INC.					
Other Change	Other Change					
Reason / Description	Reason / Description					
	TO REFLECT THE SECURED PARTY'S CHANGE OF NAME AND CHANGE OF ADDRESS.					
Debtor/ Transferee	Date of Birth	First Given Name		Initial	Surname	
	Business Debtor Name					Ontario Corporation Number
	Address			City	Province	Postal Code
Assignor Name	Assignor Name					

312

Secured Party		Secured party, lien claimant, assignee							
FOUNTAIN ASSET CORP.		Address		City		Province		Postal Code	
99 SCOLLARD STREET		TORONTO		ON		M5R 1G4			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description		General Collateral Description							
Registering Agent		Registering Agent or Secured Party/ Lien Claimant							
WILDEBOER DELLELCE LLP		Address		City		Province		Postal Code	
365, BAY STREET		TORONTO		ON		M5H 2V1			

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	ADVANTAGEWON CAPITAL CORP.								
File Currency	09DEC 2020								
File Number	Family	of Families	Page		of Pages				
692741502	1	3	8	16					
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT									
Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number		Registered Under			
	01	001		20181030 1046 1590 1891					
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required		Renewal Years	Correct Period		
	692741502			B RENEWAL		5			
Reference Debtor/ Transferor	First Given Name		Initial		Surname				
	2400918 ONTARIO INC.		Business Debtor Name						
Other Change	Other Change								
Reason / Description	Reason / Description								
Debtor/ Transferee	Date of Birth	First Given Name		Initial		Surname			
		Business Debtor Name		Ontario Corporation Number					
Address		City		Province		Postal Code			

313

Assignor Name		Assignor Name	
Secured Party		Secured party, lien claimant, assignee	
Address		City	Province Postal Code
Collateral Classification	Consumer Goods	Inventory	Equipment
		Accounts	Other
		Motor Vehicle Included	Amount
		Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make	Model
			V.I.N.
General Collateral Description		General Collateral Description	
Registering Agent		Registering Agent or Secured Party/ Lien Claimant	
WILDEBOER DELLELCE LLP			
Address		City	Province Postal Code
800-365 BAY STREET		TORONTO	ON M5H 2V1

CONTINUED

Type of Search	Business Debtor					
Search Conducted On	ADVANTAGEWON CAPITAL CORP.					
File Currency	09DEC 2020					
File Number	Family	of Families	Page	of Pages		
692741502	1	3	9	16		
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT						
Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under	
	001	001		20190820 0957 1862 6150		
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	692741502		X	A AMNDMNT		
Reference Debtor/ Transferor	First Given Name		Initial	Surname		
	Business Debtor Name					
	2400918 ONTARIO INC.					
Other Change	Other Change					
Reason / Description	Reason / Description					
	THE DEBTOR HAS CHANGED ITS NAME FROM 2400918 ONTARIO INC. TO					
	ADVANTAGEWON CAPITAL CORP.					
Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname		

314

Business Debtor Name		Ontario Corporation Number	
ADVANTAGEWON CAPITAL CORP.		2400918	
Address		City	Province Postal Code
188 TALBOT STREET WEST		AYLMER	ON N5H 1K1
Assignor Name		Assignor Name	
Secured Party		Secured party, lien claimant, assignee	
FOUNTAIN ASSET CORP.			
Address		City	Province Postal Code
25 ADELAIDE STREET EAST, SUITE 1300		TORONTO	ON M5C 3A1
Collateral Classification	Consumer Goods	Inventory	Equipment
			Accounts
			Other
			Motor Vehicle Included
		Amount	Date of Maturity or
			No Fixed Maturity Date
Motor Vehicle Description	Year	Make	Model
			V.I.N.
General Collateral Description		General Collateral Description	
Registering Agent		Registering Agent or Secured Party/ Lien Claimant	
CYBERBAHN			
Address		City	Province Postal Code
400-333 BAY STREET		TORONTO	ON M5H 2R2

CONTINUED

Type of Search	Business Debtor						
Search Conducted On	ADVANTAGEWON CAPITAL CORP.						
File Currency	09DEC 2020						
File Number	Family	of Families	Page	of Pages			
692741502	1	3	10	16			
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT							
Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under		
	001	001		20190820 1535 1862 6262			
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period	
	692741502		X	A AMNDMNT			
Reference Debtor/ Transferor	First Given Name	Initial	Surname				
	Business Debtor Name						
	ADVANTAGEWON CAPITAL CORP.						
Other Change	Other Change						
Reason / Description	Reason / Description						
	TO CHANGE THE REGISTERED ADDRESS OF THE SECURED PARTY.						

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname
Business Debtor Name				Ontario Corporation Number
ADVANTAGEWON CAPITAL CORP.				2400918
Address		City	Province	Postal Code
188 TALBOT STREET WEST		AYLMER	ON	N5H 1K1
Assignor Name	Assignor Name			
Secured Party	Secured party, lien claimant, assignee			
FOUNTAIN ASSET CORP.				
Address		City	Province	Postal Code
99 SCOLLARD STREET		TORONTO	ON	M5R 1G4
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts
				Other
				Motor Vehicle Included
				Amount
				Date of Maturity or
				No Fixed Maturity Date
Motor Vehicle Description	Year	Make	Model	V.I.N.
General Collateral Description	General Collateral Description			
Registering Agent	Registering Agent or Secured Party/ Lien Claimant			
CYBERBAHN				
Address		City	Province	Postal Code
400-333 BAY STREET		TORONTO	ON	M5H 2R2
END OF FAMILY				
Type of Search	Business Debtor			
Search Conducted On	ADVANTAGEWON CAPITAL CORP.			
File Currency	09DEC 2020			
File Number	Family	of Families	Page	of Pages
729144513	2	3	11	16
				Expiry Date
				27JUN 2027
Status				
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN				
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule
729144513		001	1	
Registration Number		Registered Under		
20170627 1023 1590 6918		P PPSA 10		
Registration Period				
Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	Business Debtor Name			
2400918 ONTARIO INC.				
Address		City	Province	Postal Code
376 RICHMOND STREET, 3RD FLOOR		LONDON	ON	N6A 3C7
Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	Business Debtor Name			
ADVANTAGEWON				
Address		City	Province	Postal Code

376 RICHMOND STREET, 3RD FLOOR	LONDON	ON	N6A 3C7
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Secured Party

Secured Party / Lien Claimant

FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I

Address	City	Province	Postal Code
34 KING STREET EAST, SUITE 400	TORONTO	ON	M5C 2X8

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description

General Collateral Description

Registering Agent	Registering Agent			
	GARDINER ROBERTS LLP			
	Address	City	Province	Postal Code
	3600-22 ADELAIDE STREET WEST	TORONTO	ON	M5H 4E3

CONTINUED

Type of Search Business Debtor

Search Conducted On ADVANTAGEWON CAPITAL CORP.

File Currency 09DEC 2020

File Number	Family	of Families	Page	of Pages
729144513	2	3	12	16

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
	001	1		20200911 1603 1590 1440	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	729144513		X	A AMNDMNT		

Reference Debtor/ Transferor	First Given Name	Initial	Surname

Business Debtor Name

2400918 ONTARIO INC.

Other Change

Other Change

Reason / Description

Reason / Description

THE NAME OF THE DEBTOR HAS CHANGED.

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname

Business Debtor Name	Ontario Corporation Number
ADVANTAGEWON CAPITAL CORP.	

317

Address	City	Province	Postal Code
376 RICHMOND STREET, 3RD FLOOR	LONDON	ON	M6A 3C7

Assignor Name

Assignor Name

Secured Party

Secured party, lien claimant, assignee

Address

City

Province Postal Code

Collateral
ClassificationConsumer
Goods

Inventory

Equipment

Accounts

Other

Motor
Vehicle
Included

Amount

Date of Maturity
orNo Fixed
Maturity
DateMotor Vehicle
Description

Year

Make

Model

V.I.N.

General Collateral
Description

General Collateral Description

Registering Agent

Registering Agent or Secured Party/ Lien Claimant

GARDINER ROBERTS LLP (EH)

Address	City	Province	Postal Code
3600-22 ADELAIDE STREET WEST	TORONTO	ON	M5H 4E3

CONTINUED

Type of Search	Business Debtor						
Search Conducted On	ADVANTAGEWON CAPITAL CORP.						
File Currency	09DEC 2020						
	File Number	Family	of Families	Page	of Pages		
	729144513	2	3	13	16		
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT							
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under	
		001	1		20201105 1044 1590 5847		
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period	
	729144513		X	A AMNDMNT			
Reference Debtor/ Transferor	First Given Name			Initial	Surname		
	Business Debtor Name						
	ADVANTAGEWON CAPITAL CORP.						
Other Change	Other Change						
Reason / Description	Reason / Description						
	THE ADDRESS OF THE SECURED PARTY HAS CHANGED.						
Debtor/ Transferee	Date of Birth	First Given Name		Initial	Surname		

318

Business Debtor Name		Ontario Corporation Number	
Address		City	Province Postal Code
Assignor Name		Assignor Name	
Secured Party		Secured party, lien claimant, assignee	
FMMC PRIVATE YIELD PARTNERSHIP I			
Address		City	Province Postal Code
116 EASTBOURNE AVENUE		TORONTO	ON M5P 2G3
Collateral Classification	Consumer Goods	Inventory	Equipment
		Accounts	Other
		Motor Vehicle Included	Amount
		Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make	Model
			V.I.N.
General Collateral Description		General Collateral Description	

Registering Agent	Registering Agent or Secured Party/ Lien Claimant			
GARDINER ROBERTS LLP (EH)				
Address	City	Province	Postal Code	
3600-22 ADELAIDE STREET WEST	TORONTO	ON	M5H 4E3	

CONTINUED

Type of Search	Business Debtor						
Search Conducted On	ADVANTAGEWON CAPITAL CORP.						
File Currency	09DEC 2020						
	File Number	Family	of Families	Page	of Pages		
	729144513	2	3	14	16		
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT							
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under	
		001	1		20201207 1420 1590 8534		
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period	
	729144513		X	A AMNDMNT			
Reference Debtor/ Transferor	First Given Name			Initial	Surname		
	Business Debtor Name						
	ADVANTAGEWON CAPITAL CORP.						
Other Change	Other Change						
Reason / Description	Reason / Description						
	TO CORRECT THE NAME OF THE SECURED PARTY.						

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname
Business Debtor Name				Ontario Corporation Number
Address		City	Province Postal Code	

Assignor Name

Assignor Name

Secured Party

Secured party, lien claimant, assignee

FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I

Address	City	Province	Postal Code
116 EASTBOURNE AVENUE	TORONTO	ON	M5P 2E3

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
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Motor Vehicle Description	Year	Make	Model	V.I.N.
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General Collateral Description

General Collateral Description

Registering Agent

Registering Agent or Secured Party/ Lien Claimant

GARDINER ROBERTS LLP (EH)

Address	City	Province	Postal Code
3600-22 ADELAIDE STREET WEST	TORONTO	ON	M5H 4E3

END OF FAMILY

Type of Search Business Debtor
 Search Conducted On ADVANTAGEWON CAPITAL CORP.
 File Currency 09DEC 2020

File Number	Family	of Families	Page	of Pages	Expiry Date	Status
764487801	3	3	15	16	22OCT 2020	D DISCHARGED

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
764487801		001	001		20200806 1628 1862 8830	P PPSA	5

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
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Business Debtor	Business Debtor Name	Ontario Corporation Number
2400918 ONTARIO INC.		
Address	City	Province Postal Code
188 TALBOT STREET WEST	AYLMER	ON N5H 1K1

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
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Business Debtor	Business Debtor Name	Ontario Corporation Number
ADVANTAGEWON CAPITAL CORP.		

320

Address	City	Province	Postal Code
188 TALBOT STREET WEST	AYLMER	ON	N5H 1K1

Secured Party

Secured Party / Lien Claimant

ECHO BAY STRATEGIC YIELD FUND

Address	City	Province	Postal Code
1 TORONTO STREET, SUITE 200	TORONTO	ON	M5C 2V6

Collateral Classification

Consumer Goods

Inventory

Equipment

Accounts

Other

Motor Vehicle Included

Amount

Date of Maturity or

No Fixed Maturity Date

X X X X X

Motor Vehicle Description

Year

Make

Model

V.I.N.

General Collateral Description

General Collateral Description

LATE RENEWAL OF FILE NUMBER 719110449, REGISTRATION NUMBER 20160729
1458 1590 3895.

Registering Agent	Registering Agent			
	FASKEN MARTINEAU DUMOULIN LLP (SDR) (DC)			
	Address	City	Province	Postal Code
	333 BAY STREET, SUITE 2400	TORONTO	ON	M5H 2T6

CONTINUED

Type of Search	Business Debtor						
Search Conducted On	ADVANTAGEWON CAPITAL CORP.						
File Currency	09DEC 2020						
	File Number	Family	of Families	Page	of Pages		
	764487801	3	3	16	16		
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT							
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under	
		001	1		20201022 1305 1590 4370		
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period	
	764487801			C DISCHRG			
Reference Debtor/ Transferor	First Given Name			Initial	Surname		
	Business Debtor Name						
	2400918 ONTARIO INC.						
Other Change	Other Change						
Reason / Description	Reason / Description						
Debtor/ Transferee	Date of Birth	First Given Name		Initial	Surname		
	Business Debtor Name					Ontario Corporation Number	

Assignor Name

Secured party, lien claimant, assignee

Province Postal Code

No Fixed
Maturity
Date

V.I.N.

General Collateral Description

Registering Agent or Secured Party/ Lien Claimant

Address	City	Province	Postal Code
376 RICHMOND STREET	LONDON	ON	N6A 3C7

Note: All pages have been returned.

◀ ◁ All Pages ▹ ▸ ▶

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Enquiry Result

File Currency: 09DEC 2020

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Note: All pages have been returned.

Type of Search Business Debtor
 Search Conducted On 2400918 ONTARIO INC.
 File Currency 09DEC 2020

	File Number	Family	of Families	Page	of Pages	Expiry Date	Status	
	692741502	1	6	1	26	20DEC 2023		
	FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN							
	File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
	692741502		001	1		20131220 1254 1590 3611	P PPSA	5

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor		Business Debtor Name		Ontario Corporation Number
		Address	City	Province Postal Code
		188 TALBOT STREET WEST	AYLMER	ON N5H 1K1

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor		Business Debtor Name		Ontario Corporation Number
		Address	City	Province Postal Code

Secured Party	Secured Party / Lien Claimant
GC-GLOBAL CAPITAL CORP.	
Address	City Province Postal Code
273 TWEED STREET	COBOURG ON K9A 2R8

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			

Motor Vehicle Description	Year	Make	Model	V.I.N.
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General Collateral Description	General Collateral Description
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323

Registering Agent	Registering Agent			
	WILDEBOER DELLELCE LLP			
	Address	City	Province	Postal Code
	800 - 365 BAY STREET	TORONTO	ON	M5H 2V1

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	2400918 ONTARIO INC.								
File Currency	09DEC 2020								
	File Number	Family	of Families	Page	of Pages				
	692741502	1	6	2	26				
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT									
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under			
		001	2		20170531 1526 1590 4957	P PPSA			
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period			
	692741502		X	A AMNDMNT					
Reference Debtor/ Transferor	First Given Name		Initial	Surname					
	Business Debtor Name								
	2400918 ONTARIO INC.								
Other Change	Other Change								
Reason / Description	Reason / Description								
	THE SECURED PARTY GC-GLOBAL CAPITAL CORP. HAS CHANGED ITS NAME TO FOUNTAIN ASSET CORP. AND ACCORDINGLY THE SECURED PARTY NAME AND ADDRESS ON LINES 08 AND 09 OF REGISTRATION NUMBER 20131220 1254 1590								
Debtor/ Transferee	Date of Birth	First Given Name		Initial	Surname				
	Business Debtor Name					Ontario Corporation Number			
	Address			City	Province	Postal Code			
Assignor Name	Assignor Name								
Secured Party	Secured party, lien claimant, assignee								
	FOUNTAIN ASSET CORP.								
	Address			City	Province	Postal Code			
	25 ADELAIDE STREET EAST, SUITE 1300			TORONTO	ON	M5C 3A1			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								

Registering Agent	Registering Agent or Secured Party/ Lien Claimant			
	GARDINER ROBERTS LLP			
	Address	City	Province	Postal Code
	3600-22 ADELAIDE STREET WEST	TORONTO	ON	M5H 4E3

CONTINUED

Type of Search Business Debtor
 Search Conducted 2400918 ONTARIO INC.
 On

File Currency 09DEC 2020

File Number	Family	of Families	Page	of Pages
692741502	1	6	3	26

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
002	2			20170531 1526 1590 4957	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	692741502					

Reference Debtor/ Transferor	First Given Name	Initial	Surname
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Business Debtor Name

Other Change

Other Change

Reason / Description	Reason / Description
	3611 ARE BEING REPLACED WITH THE NAME AND ADDRESS OF FOUNTAIN ASSET CORP.

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname
		Business Debtor Name		Ontario Corporation Number
		Address	City	Province Postal Code

Assignor Name

Assignor Name

Secured Party

Secured party, lien claimant, assignee

Address	City	Province	Postal Code
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Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
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Motor Vehicle Description	Year	Make	Model	V.I.N.
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General Collateral Description	General Collateral Description
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Registering Agent

Registering Agent or Secured Party/ Lien Claimant

	Address	City	Province	Postal Code
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CONTINUED

Type of Search	Business Debtor										
Search Conducted On	2400918 ONTARIO INC.										
File Currency	09DEC 2020										
	File Number	Family	of Families	Page	of Pages						
	692741502	1	6	4	26						
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT											
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number			Registered Under			
		001	3		20170630 1533 1590 7339						
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period					
	692741502			J OTHER							
Reference Debtor/ Transferor	First Given Name			Initial	Surname						
	Business Debtor Name										
	2400918 ONTARIO INC.										
Other Change	Other Change										
	SUBORDINATION										
Reason / Description	Reason / Description										
	SUBORDINATION BY FOUNTAIN ASSET CORP. (FORMERLY GC-GLOBAL CAPITAL CORP.) OF ITS SECURITY AND PERSONAL PROPERTY SECURITY ACT FILE NO. 692741502 TO SECURITY AND PERSONAL PROPERTY SECURITY ACT FILE NO.										
Debtor/ Transferee	Date of Birth	First Given Name			Initial	Surname					
	Business Debtor Name								Ontario Corporation Number		
	Address								City	Province	Postal Code
Assignor Name	Assignor Name										
Secured Party	Secured party, lien claimant, assignee										
	Address								City	Province	Postal Code
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date		

Motor Vehicle Description	Year	Make	Model	V.I.N.
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General Collateral Description

General Collateral Description

Registering Agent

Registering Agent or Secured Party/ Lien Claimant

GARDINER ROBERTS LLP

Address	City	Province	Postal Code
3600-22 ADELAIDE STREET WEST	TORONTO	ON	M5H 4E3

CONTINUED

Type of Search	Business Debtor						
Search Conducted On	2400918 ONTARIO INC.						
File Currency	09DEC 2020						
	File Number	Family	of Families	Page	of Pages		
	692741502	1	6	5	26		
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT							
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under	
		002	3		20170630 1533 1590 7339		
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period	
	692741502						
Reference Debtor/ Transferor	First Given Name			Initial	Surname		
	Business Debtor Name						
Other Change	Other Change						
Reason / Description	Reason / Description						
	729144513 OF FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I, PURSUANT TO A SUBORDINATION AND POSTPONEMENT AGREEMENT BETWEEN FOUNTAIN ASSET CORP. AND FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I, DATED JUNE						
Debtor/ Transferee	Date of Birth	First Given Name		Initial	Surname		
	Business Debtor Name					Ontario Corporation Number	
	Address					City	Province Postal Code
Assignor Name	Assignor Name						
Secured Party	Secured party, lien claimant, assignee						
	Address					City	Province Postal Code
		Inventory	Equipment	Accounts	Other	Amount	

Collateral Classification	Consumer Goods					Motor Vehicle Included		Date of Maturity or	No Fixed Maturity Date
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Motor Vehicle Description Year Make Model V.I.N.

General Collateral Description

General Collateral Description

Registering Agent

Registering Agent or Secured Party/ Lien Claimant

	Address	City	Province	Postal Code

CONTINUED

Type of Search Business Debtor

Search Conducted 2400918 ONTARIO INC.
On

File Currency 09DEC 2020

File Number Family of Families Page of Pages
692741502 1 6 6 26

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

Caution Filing Page of Total Pages Motor Vehicle Schedule Attached Registration Number Registered Under
003 3 20170630 1533 1590 7339

Record Referenced File Number Page Amended No Specific Page Amended Change Required Renewal Years Correct Period
692741502

Reference Debtor/ Transferor First Given Name Initial Surname

Business Debtor Name

Other Change

Other Change

Reason / Description Reason / Description
30, 2017.

Debtor/ Transferee Date of Birth First Given Name Initial Surname
Business Debtor Name Ontario Corporation Number
Address City Province Postal Code

Assignor Name

Assignor Name

Secured Party

Secured party, lien claimant, assignee

	Address	City	Province	Postal Code
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Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
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Motor Vehicle Description	Year	Make	Model	V.I.N.
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General Collateral Description

General Collateral Description

Registering Agent

Registering Agent or Secured Party/ Lien Claimant

	Address	City	Province	Postal Code
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CONTINUED

Type of Search	Business Debtor					
Search Conducted On	2400918 ONTARIO INC.					
File Currency	09DEC 2020					
	File Number	Family	of Families	Page	of Pages	
	692741502	1	6	7	26	
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT						
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
		001	1		20181030 0949 1590 1876	
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	692741502		X	A AMNDMNT		
Reference Debtor/ Transferor	First Given Name			Initial	Surname	
	Business Debtor Name					
	2400918 ONTARIO INC.					
Other Change	Other Change					
Reason / Description	Reason / Description					
	TO REFLECT THE SECURED PARTY'S CHANGE OF NAME AND CHANGE OF ADDRESS.					
Debtor/ Transferee	Date of Birth	First Given Name		Initial	Surname	
	Business Debtor Name					Ontario Corporation Number
	Address			City	Province	Postal Code
Assignor Name	Assignor Name					

Secured Party		Secured party, lien claimant, assignee							
FOUNTAIN ASSET CORP.		Address		City		Province		Postal Code	
99 SCOLLARD STREET		TORONTO		ON		M5R 1G4			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make		Model		V.I.N.			
General Collateral Description		General Collateral Description							
Registering Agent		Registering Agent or Secured Party/ Lien Claimant							
WILDEBOER DELLELCE LLP		Address		City		Province		Postal Code	
365, BAY STREET		TORONTO		ON		M5H 2V1			

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	2400918 ONTARIO INC.								
File Currency	09DEC 2020								
File Number	Family	of Families	Page	of Pages					
692741502	1	6	8	26					
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT									
Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number			Registered Under		
	01	001		20181030 1046 1590 1891					
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required		Renewal Years	Correct Period		
	692741502			B RENEWAL		5			
Reference Debtor/ Transferor	First Given Name		Initial		Surname				
	2400918 ONTARIO INC.		Business Debtor Name						
Other Change	Other Change								
Reason / Description	Reason / Description								
Debtor/ Transferee	Date of Birth	First Given Name		Initial		Surname			
		Business Debtor Name				Ontario Corporation Number			
Address		City		Province		Postal Code			

Assignor Name		Assignor Name	
Secured Party		Secured party, lien claimant, assignee	
Address		City	Province Postal Code
Collateral Classification	Consumer Goods	Inventory	Equipment
		Accounts	Other
		Motor Vehicle Included	Amount
		Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make	Model
			V.I.N.
General Collateral Description		General Collateral Description	

Registering Agent	Registering Agent or Secured Party/ Lien Claimant			
WILDEBOER DELLELCE LLP				
Address		City	Province	Postal Code
800-365 BAY STREET		TORONTO	ON	M5H 2V1

CONTINUED

Type of Search	Business Debtor					
Search Conducted On	2400918 ONTARIO INC.					
File Currency	09DEC 2020					
	File Number	Family	of Families	Page	of Pages	
	692741502	1	6	9	26	
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT						
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
		001	001		20190820 0957 1862 6150	
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	692741502		X	A AMNDMNT		
Reference Debtor/ Transferor	First Given Name			Initial	Surname	
	Business Debtor Name					
	2400918 ONTARIO INC.					
Other Change	Other Change					
Reason / Description	Reason / Description					
	THE DEBTOR HAS CHANGED ITS NAME FROM 2400918 ONTARIO INC. TO					
	ADVANTAGEWON CAPITAL CORP.					
Debtor/ Transferee	Date of Birth	First Given Name		Initial	Surname	

	Business Debtor Name			Ontario Corporation Number
	ADVANTAGEWON CAPITAL CORP.			2400918
	Address	City	Province	Postal Code
	188 TALBOT STREET WEST	AYLMER	ON	N5H 1K1

Assignor Name

Assignor Name

Secured Party

Secured party, lien claimant, assignee

FOUNTAIN ASSET CORP.

Address	City	Province	Postal Code
25 ADELAIDE STREET EAST, SUITE 1300	TORONTO	ON	M5C 3A1

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
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Motor Vehicle Description	Year	Make	Model	V.I.N.
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General Collateral Description

General Collateral Description

Registering Agent

Registering Agent or Secured Party/ Lien Claimant

	CYBERBAHN			
	Address	City	Province	Postal Code
	400-333 BAY STREET	TORONTO	ON	M5H 2R2

CONTINUED

Type of Search Business Debtor

Search Conducted On 2400918 ONTARIO INC.

File Currency

09DEC 2020

File Number	Family	of Families	Page	of Pages
692741502	1	6	10	26

FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
	001	001		20190820 1535 1862 6262	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	692741502		X	A AMNDMNT		

Reference Debtor/ Transferor

First Given Name

Initial

Surname

Business Debtor Name

ADVANTAGEWON CAPITAL CORP.

Other Change

Other Change

Reason / Description

Reason / Description

TO CHANGE THE REGISTERED ADDRESS OF THE SECURED PARTY.

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname
Business Debtor Name				Ontario Corporation Number
ADVANTAGEWON CAPITAL CORP.				2400918
Address		City	Province	Postal Code
188 TALBOT STREET WEST		AYLMER	ON	N5H 1K1
Assignor Name		Assignor Name		
Secured Party		Secured party, lien claimant, assignee		
FOUNTAIN ASSET CORP.				
Address		City	Province	Postal Code
99 SCOLLARD STREET		TORONTO	ON	M5R 1G4
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts
				Other
				Motor Vehicle Included
				Amount
				Date of Maturity or
				No Fixed Maturity Date
Motor Vehicle Description	Year	Make	Model	V.I.N.
General Collateral Description		General Collateral Description		
Registering Agent		Registering Agent or Secured Party/ Lien Claimant		
CYBERBAHN				
Address		City	Province	Postal Code
400-333 BAY STREET		TORONTO	ON	M5H 2R2
END OF FAMILY				
Type of Search	Business Debtor			
Search Conducted On	2400918 ONTARIO INC.			
File Currency	09DEC 2020			
File Number	Family	of Families	Page of Pages	Expiry Date
727503012	2	6	11 26	10MAY 2022
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN				
File Number	Caution Filing	Page of Total Pages	Motor Vehicle Schedule	Registration Number
727503012		001 004		20170510 1359 1862 4278 P
Registered Under	PPSA 5			
Registration Period				
Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	Business Debtor Name			Ontario Corporation Number
	2400918 ONTARIO INC.			
Address		City	Province	Postal Code
188 TALBOT STREET WEST		AYLMER	ON	N5H 1K1
Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	Business Debtor Name			Ontario Corporation Number
Address		City	Province	Postal Code

333

Secured Party

Secured Party / Lien Claimant

BEACON HOLDINGS LIMITED

Address

THE PHOENIX CENTRE, GEORGE STREET,

City

ST. MICHAEL,
BARBADOS

Province

Postal Code

Collateral
ClassificationConsumer
Goods

Inventory Equipment

Accounts

Other

Motor Vehicle
Included

Amount

Date of
Maturity
orNo Fixed
Maturity Date

X

X

Motor Vehicle
Description

Year

Make

Model

V.I.N.

General Collateral
Description

General Collateral Description

ABSOLUTE SALE, TRANSFER AND ASSIGNMENT OF ALL RECEIVABLES (AS SUCH TERM IS DEFINED AND USED IN THE SERIES LW1 RECEIVABLES PURCHASE AGREEMENT AMONG THE DEBTOR, AS SELLER AND THE SECURED PARTY, AS

Registering Agent	Registering Agent			
	MCCARTHY TETRAULT LLP (D.J. LYNDE)			
	Address	City	Province	Postal Code
	STE. 5300, TD BANK TOWER, TD CENTRE	TORONTO	ON	M5K 1E6

CONTINUED

Type of Search	Business Debtor						
Search Conducted On	2400918 ONTARIO INC.						
File Currency	09DEC 2020						
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	727503012	2	6	12	26	10MAY 2022	
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN							
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
727503012		002	004		20170510 1359 1862 4278		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname	
Business Debtor	Business Debtor Name					Ontario Corporation Number	
	Address				City	Province	Postal Code
Individual Debtor	Date of Birth	First Given Name			Initial	Surname	
Business Debtor	Business Debtor Name					Ontario Corporation Number	
	Address				City	Province	Postal Code
Secured Party	Secured Party / Lien Claimant						
	Address				City	Province	Postal Code
	BELLEVILLE						
	Inventory	Equipment	Accounts	Other	Amount		

Collateral Classification	Consumer Goods					Motor Vehicle Included		Date of Maturity or	No Fixed Maturity Date
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Motor Vehicle Description	Year	Make	Model	V.I.N.
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General Collateral Description

General Collateral Description

PURCHASER (AS IT MAY BE AMENDED, RESTATED, SUPPLEMENTED, REPLACED OR OTHERWISE MODIFIED FROM TIME TO TIME, THE "RECEIVABLES PURCHASE AGREEMENT")), ANY SECURITY THEREFOR AND CERTAIN OTHER RELATED ASSETS

Registering Agent	Registering Agent			
	Address	City	Province	Postal Code

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	2400918 ONTARIO INC.								
File Currency	09DEC 2020								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	727503012	2	6	13	26	10MAY 2022			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
727503012		003	004		20170510 1359 1862 4278				
Individual Debtor	Date of Birth	First Given Name		Initial	Surname				
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name		Initial	Surname				
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address				City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant								
	BEACON HOLDINGS LIMITED								
	Address				City	Province	Postal Code		
	C/O AILERON CAPITAL INC., 1455 LAKESHORE				BURLINGTON	ON	L7S 2J1		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make		Model		V.I.N.			

335

General Collateral Description	General Collateral Description			
	SOLD BY THE DEBTOR TO THE SECURED PARTY PURSUANT TO THE TERMS OF THE RECEIVABLES PURCHASE AGREEMENT.			
Registering Agent	Registering Agent			
	Address	City	Province	Postal Code

CONTINUED

Type of Search Business Debtor
 Search Conducted On 2400918 ONTARIO INC.

File Currency 09DEC 2020

File Number	Family	of Families	Page	of Pages	Expiry Date	Status
727503012	2	6	14	26	10MAY 2022	

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
727503012		004	004		20170510 1359 1862 4278		

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor		Business Debtor Name		Ontario Corporation Number
		Address	City	Province Postal Code

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor		Business Debtor Name		Ontario Corporation Number
		Address	City	Province Postal Code

Secured Party	Secured Party / Lien Claimant
	Address City Province Postal Code
	ROAD, SUITE 205 SOUTH

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description

Registering Agent	Registering Agent			
	Address	City	Province	Postal Code

END OF FAMILY

Type of Search	Business Debtor								
Search Conducted On	2400918 ONTARIO INC.								
File Currency	09DEC 2020								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	729144513	3	6	15	26	27JUN 2027			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Cautious Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
729144513		001	1		20170627 1023 1590 6918	P PPSA	10		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	2400918 ONTARIO INC.								
	Address				City	Province	Postal Code		
	376 RICHMOND STREET, 3RD FLOOR				LONDON	ON	N6A 3C7		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	ADVANTAGEWON								
	Address				City	Province	Postal Code		
	376 RICHMOND STREET, 3RD FLOOR				LONDON	ON	N6A 3C7		
Secured Party	Secured Party / Lien Claimant								
	FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I								
	Address				City	Province	Postal Code		
	34 KING STREET EAST, SUITE 400				TORONTO	ON	M5C 2X8		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent								
	GARDINER ROBERTS LLP								
	Address				City	Province	Postal Code		
	3600-22 ADELAIDE STREET WEST				TORONTO	ON	M5H 4E3		

CONTINUED

Type of Search	Business Debtor						
Search Conducted On	2400918 ONTARIO INC.						
File Currency	09DEC 2020						
	File Number	Family	of Families	Page	of Pages		

729144513	3	6	16	26
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FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT

Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
	001	1		20200911 1603 1590 1440	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	729144513		X	A AMNDMNT		

Reference Debtor/ Transferor	First Given Name	Initial	Surname
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Business Debtor Name

2400918 ONTARIO INC.

Other Change

Other Change

Reason / Description	Reason / Description
THE NAME OF THE DEBTOR HAS CHANGED.	

Debtor/ Transferee	Date of Birth	First Given Name	Initial	Surname
--------------------	---------------	------------------	---------	---------

Business Debtor Name

Ontario Corporation Number

ADVANTAGEWON CAPITAL CORP.

Address

City

Province Postal Code

376 RICHMOND STREET, 3RD FLOOR

LONDON

ON M6A 3C7

Assignor Name

Assignor Name

Secured Party

Secured party, lien claimant, assignee

Address

City

Province Postal Code

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
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Motor Vehicle Description	Year	Make	Model	V.I.N.
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General Collateral Description

General Collateral Description

Registering Agent

Registering Agent or Secured Party/ Lien Claimant

GARDINER ROBERTS LLP (EH)

Address	City	Province	Postal Code
3600-22 ADELAIDE STREET WEST	TORONTO	ON	M5H 4E3

CONTINUED

Type of Search	Business Debtor
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338

Search Conducted On	2400918 ONTARIO INC.									
File Currency	09DEC 2020									
File Number	Family	of Families	Page		of Pages					
729144513	3	6	17		26					
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT										
Cautious Filing	Page of	Total Pages	Motor Vehicle Schedule Attached		Registration Number			Registered Under		
	001	1			20201105 1044 1590 5847					
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period				
	729144513		X	A AMNDMNT						
Reference Debtor/ Transferor	First Given Name		Initial		Surname					
					Business Debtor Name					
	ADVANTAGEWON CAPITAL CORP.									
Other Change	Other Change									
Reason / Description	Reason / Description									
	THE ADDRESS OF THE SECURED PARTY HAS CHANGED.									
Debtor/ Transferee	Date of Birth	First Given Name		Initial		Surname				
						Business Debtor Name				
						Ontario Corporation Number				
		Address		City		Province Postal Code				
Assignor Name	Assignor Name									
Secured Party	Secured party, lien claimant, assignee									
	FMMC PRIVATE YIELD PARTNERSHIP I									
	Address		City		Province		Postal Code			
	116 EASTBOURNE AVENUE		TORONTO		ON		M5P 2G3			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date	
Motor Vehicle Description	Year	Make		Model		V.I.N.				
General Collateral Description	General Collateral Description									
Registering Agent	Registering Agent or Secured Party/ Lien Claimant									
	GARDINER ROBERTS LLP (EH)									
	Address				City		Province	Postal Code		
	3600-22 ADELAIDE STREET WEST				TORONTO		ON	M5H 4E3		

CONTINUED

Type of Search	Business Debtor									
Search Conducted On	2400918 ONTARIO INC.									
File Currency	09DEC 2020									
	File Number	Family	of Families	Page	of Pages					
	729144513	3	6	18	26					
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT										
	Cautious Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number			Registered Under		
		001	1		20201207 1420 1590 8534					
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period				
	729144513		X	A AMNDMNT						
Reference Debtor/ Transferor	First Given Name				Initial	Surname				
	Business Debtor Name									
	ADVANTAGEWON CAPITAL CORP.									
Other Change	Other Change									
Reason / Description	Reason / Description									
	TO CORRECT THE NAME OF THE SECURED PARTY.									
Debtor/ Transferee	Date of Birth	First Given Name			Initial	Surname				
	Business Debtor Name								Ontario Corporation Number	
	Address				City	Province	Postal Code			
Assignor Name	Assignor Name									
Secured Party	Secured party, lien claimant, assignee									
	FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I									
	Address				City	Province	Postal Code			
	116 EASTBOURNE AVENUE				TORONTO	ON	M5P 2E3			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date	
Motor Vehicle Description	Year	Make			Model			V.I.N.		
General Collateral Description	General Collateral Description									
Registering Agent	Registering Agent or Secured Party/ Lien Claimant									

	GARDINER ROBERTS LLP (EH)			
	Address	City	Province	Postal Code
	3600-22 ADELAIDE STREET WEST	TORONTO	ON	M5H 4E3

END OF FAMILY

Type of Search	Business Debtor								
Search Conducted On	2400918 ONTARIO INC.								
File Currency	09DEC 2020								
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status		
	744805773	4	6	19	26	15OCT 2023			
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN									
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period		
744805773		001	3		20181015 1515 6083 6567	P PPSA	5		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	2400918 ONTARIO INC.					2400918			
	Address			City	Province	Postal Code			
	376 RICHMOND STREET			LONDON	ON	N6A 3C7			
Individual Debtor	Date of Birth	First Given Name			Initial	Surname			
Business Debtor	Business Debtor Name					Ontario Corporation Number			
	Address			City	Province	Postal Code			
Secured Party	Secured Party / Lien Claimant								
	ACEF TRUST								
	Address			City	Province	Postal Code			
	81 YORK ROAD			TORONTO	ON	M2L 1H9			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X			500000	11OCT2020	
Motor Vehicle Description	Year	Make			Model		V.I.N.		
General Collateral Description	General Collateral Description								
	ALL ACCOUNTS REPRESENTING PRESENT AND FUTURE DEBTS, DEMANDS AND AMOUNTS DUE TO THE DEBTOR INCLUDING ALL BOOK DEBTS, ACCOUNTS RECEIVABLE, AND ALL CONTRACTS, SECURITY INTERESTS AND BENEFITS IN								
Registering Agent	Registering Agent								
	GARDNER LAW FIRM PROFESSIONAL CORPORATION								
	Address			City	Province	Postal Code			
	129 YORKVILLE AVENUE			TORONTO	ON	M5R 1C4			

CONTINUED

Type of Search	Business Debtor
Search Conducted On	2400918 ONTARIO INC.

341

File Currency	09DEC 2020						
File Number	Family	of Families	Page	of Pages	Expiry Date	Status	
744805773	4	6	20	26	15OCT 2023		
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN							
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
744805773		002	3		20181015 1515 6083 6567		
Individual Debtor	Date of Birth	First Given Name		Initial	Surname		
Business Debtor	Business Debtor Name			Ontario Corporation Number			
Address			City	Province	Postal Code		
Individual Debtor	Date of Birth	First Given Name		Initial	Surname		
Business Debtor	Business Debtor Name			Ontario Corporation Number			
Address			City	Province	Postal Code		
Secured Party	Secured Party / Lien Claimant						
Address			City	Province	Postal Code		
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Date of Maturity or
Motor Vehicle Description	Year	Make		Model		V.I.N.	

General Collateral Description

General Collateral Description

RESPECT THEREOF, ALL PRESENT AND FUTURE AGREEMENTS MADE BETWEEN THE DEBTOR AS SECURED PARTY AND OTHERS WHICH EVIDENCE BOTH A MONETARY OBLIGATION OR A SECURITY INTEREST IN SPECIFIC GOODS OR EQUIPMENT AND

Registering Agent	Registering Agent			
Address				
City	Province	Postal Code		

CONTINUED

Type of Search	Business Debtor						
Search Conducted On	2400918 ONTARIO INC.						
File Currency	09DEC 2020						
File Number	Family	of Families	Page	of Pages	Expiry Date	Status	
744805773	4	6	21	26	15OCT 2023		
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN							
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
744805773		003	3		20181015 1515 6083 6567		

Individual Debtor	Date of Birth	First Given Name	Initial	Surname					
Business Debtor	Business Debtor Name		Ontario Corporation Number						
	Address		City	Province	Postal Code				
Individual Debtor	Date of Birth	First Given Name	Initial	Surname					
Business Debtor	Business Debtor Name		Ontario Corporation Number						
	Address		City	Province	Postal Code				
Secured Party	Secured Party / Lien Claimant								
	Address		City	Province	Postal Code				
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make		Model		V.I.N.			

General Collateral Description: ALL BOOKS, ACCOUNTS, INVOICES, LETTERS, PAPERS, DOCUMENTS AND OTHER RECORDS IN ANY FORM OR MEDIUM EVIDENCING OR RELATING TO COLLATERAL SUBJECT TO THE SECURITY INTEREST.

Registering Agent	Registering Agent			
Address				
City	Province	Postal Code		

END OF FAMILY

Type of Search	Business Debtor						
Search Conducted On	2400918 ONTARIO INC.						
File Currency	09DEC 2020						
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	749395215	5	6	22	26	25MAR 2024	
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN							
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
749395215		001	3		20190325 1527 6083 0556	P PPSA	5
Individual Debtor	Date of Birth	First Given Name		Initial	Surname		
Business Debtor	Business Debtor Name					Ontario Corporation Number	
	2400918 ONTARIO INC.					2400918	
	Address			City	Province	Postal Code	
	376 RICHMOND ST., STE. 300			LONDON	ON	N6A 3C7	

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	Business Debtor Name		Ontario Corporation Number	
Address		City	Province	Postal Code
Secured Party	Secured Party / Lien Claimant			
ACEF TRUST		Address	City	Province
81 YORK ROAD		TORONTO	ON	M2L 1H9
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts
		X	X	X
				500000
				25MAR2022
Motor Vehicle Description	Year	Make	Model	V.I.N.
General Collateral Description	General Collateral Description			
	ALL ACCOUNTS REPRESENTING PRESENT AND FUTURE DEBTS, DEMANDS AND AMOUNTS DUE TO THE DEBTOR INCLUDING ALL BOOK DEBTS, ACCOUNTS RECEIVABLE, AND ALL CONTRACTS, SECURITY INTERESTS AND BENEFITS IN			
Registering Agent	Registering Agent			
	GARDNER LAW FIRM PROFESSIONAL CORPORATION			
	Address		City	Province
	129 YORKVILLE AVENUE, STE. 200		TORONTO	ON
				M5R 1C4

CONTINUED

Type of Search	Business Debtor						
Search Conducted On	2400918 ONTARIO INC.						
File Currency	09DEC 2020						
File Number	Family	of Families	Page	of Pages	Expiry Date	Status	
749395215	5	6	23	26	25MAR 2024		
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN							
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
749395215		002	3		20190325 1527 6083 0556		
Individual Debtor	Date of Birth	First Given Name	Initial	Surname			
Business Debtor	Business Debtor Name		Ontario Corporation Number				
Address		City	Province	Postal Code			
Individual Debtor	Date of Birth	First Given Name	Initial	Surname			
Business Debtor	Business Debtor Name		Ontario Corporation Number				
Address		City	Province	Postal Code			
Secured Party	Secured Party / Lien Claimant						

		Address		City	Province	Postal Code
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included
						Amount
						Date of Maturity or
						No Fixed Maturity Date
Motor Vehicle Description	Year	Make	Model	V.I.N.		
General Collateral Description		General Collateral Description				
		RESPECT THEREOF, ALL PRESENT AND FUTURE AGREEMENTS MADE BETWEEN THE DEBTOR AS SECURED PARTY AND OTHERS WHICH EVIDENCE BOTH A MONETARY OBLIGATION OR A SECURITY INTEREST IN SPECIFIC GOODS OR EQUIPMENT AND				
Registering Agent	Registering Agent					
	Address		City	Province	Postal Code	

CONTINUED

Type of Search	Business Debtor						
Search Conducted On	2400918 ONTARIO INC.						
File Currency	09DEC 2020						
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	749395215	5	6	24	26	25MAR 2024	
FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN							
File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
749395215		003	3		20190325 1527 6083 0556		
Individual Debtor	Date of Birth	First Given Name			Initial	Surname	
Business Debtor	Business Debtor Name					Ontario Corporation Number	
	Address			City	Province	Postal Code	
Individual Debtor	Date of Birth	First Given Name			Initial	Surname	
Business Debtor	Business Debtor Name					Ontario Corporation Number	
	Address			City	Province	Postal Code	
Secured Party	Secured Party / Lien Claimant						
	Address			City	Province	Postal Code	
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount
							Date of Maturity or
							No Fixed Maturity Date

Motor Vehicle Description	Year	Make	Model	V.I.N.
General Collateral Description	General Collateral Description			
ALL BOOKS, ACCOUNTS, INVOICES, LETTERS, PAPERS, DOCUMENTS AND OTHER RECORDS IN ANY FORM OR MEDIUM EVIDENCING OR RELATING TO COLLATERAL SUBJECT TO THE SECURITY INTEREST.				
Registering Agent	Registering Agent			
Address		City	Province	Postal Code

END OF FAMILY

Type of Search Business Debtor
 Search Conducted On 2400918 ONTARIO INC.
 File Currency 09DEC 2020

File Number	Family	of Families	Page	of Pages	Expiry Date	Status
764487801	6	6	25	26	22OCT 2020	D DISCHARGED

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
764487801		001	001		20200806 1628 1862 8830	P PPSA	5

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor		Business Debtor Name		Ontario Corporation Number
		2400918 ONTARIO INC.		
		Address	City	Province Postal Code
		188 TALBOT STREET WEST	AYLMER	ON N5H 1K1

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor		Business Debtor Name		Ontario Corporation Number
		ADVANTAGEWON CAPITAL CORP.		
		Address	City	Province Postal Code
		188 TALBOT STREET WEST	AYLMER	ON N5H 1K1

Secured Party	Secured Party / Lien Claimant
	ECHO BAY STRATEGIC YIELD FUND
	Address City Province Postal Code
	1 TORONTO STREET, SUITE 200 TORONTO ON M5C 2V6

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description
	LATE RENEWAL OF FILE NUMBER 719110449, REGISTRATION NUMBER 20160729 1458 1590 3895.

Registering Agent	Registering Agent			
	FASKEN MARTINEAU DUMOULIN LLP (SDR) (DC)			
	Address	City	Province	Postal Code
	333 BAY STREET, SUITE 2400	TORONTO	ON	M5H 2T6

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	2400918 ONTARIO INC.								
File Currency	09DEC 2020								
	File Number	Family	of Families	Page	of Pages				
	764487801	6	6	26	26				
FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT									
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under			
		001	1		20201022 1305 1590 4370				
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period			
	764487801			C DISCHRG					
Reference Debtor/ Transferor	First Given Name		Initial	Surname					
	Business Debtor Name								
	2400918 ONTARIO INC.								
Other Change	Other Change								
Reason / Description	Reason / Description								
Debtor/ Transferee	Date of Birth	First Given Name		Initial	Surname				
	Business Debtor Name				Ontario Corporation Number				
	Address			City	Province	Postal Code			
Assignor Name	Assignor Name								
Secured Party	Secured party, lien claimant, assignee								
	Address			City	Province	Postal Code			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included			
Motor Vehicle Description	Year	Make		Model		V.I.N.			
	General Collateral Description								

General Collateral Description

Registering Agent

Registering Agent or Secured Party/ Lien Claimant

SZEMENYEI MACKENZIE GROUP LLP

Address		City	Province	Postal Code
376 RICHMOND STREET		LONDON	ON	N6A 3C7

LAST PAGE

Note: All pages have been returned.

[BACK TO TOP](#)

All Pages ▾



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Last Modified: November 03, 2019

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This is Exhibit "U" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

NOTICE OF BREACH OF COVENANT & EVENT OF DEFAULT

TO: 2400918 Ontario Inc.

FROM: FMMC Private Yield Fund Limited Partnership I (the "Lender")

RE: Credit agreement dated as of June 30, 2017 among 2400918 ONTARIO INC., as borrower (the "Borrower"), as amended by that certain first credit agreement amendment dated as of July 13, 2017 and that certain second credit agreement amendment dated February 6, 2018 (as may be further amended, restated, supplemented, renewed, replaced or otherwise modified from time to time, collectively, the "Credit Agreement").

DATE: August 23, 2018

RECITALS:

- A. All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Credit Agreement and all dollar figures are in Canadian dollars.
- B. On February 6, 2018 the Lender provided temporary relief from several breached covenants in accordance with the terms and conditions as further detailed in a Waiver and Authorization dated February 6, 2018 (the "**Prior Waiver**");
- C. As at April 30, 2018, and continuing since then, the Borrower is in breach of several covenants under the Credit Agreement, as more fully described below: and
- D. The Lender wishes to provide notice of breach of covenant and event of default to the Borrower so that it may have an opportunity to discuss with the Lender a possible Forbearance Agreement.

Financial Covenants, Section 6.1(3)

As of April 30, 2018, the Borrower was not in compliance with the following un-waived Financial Covenant:

(c) The Borrower shall have, at the end of each fiscal quarter and Fiscal Period, a Customer Loan Book to Total Funded Unsubordinated Debt Ratio of not less than 1.5:1. (the "Security Coverage Covenant").

The Security Coverage Covenant has declined to 1.32x on April 30, 2018, to 1.24x as at May 31, 2018 to 1.19x as at June 30, 2018, and 1.05x as at July 31, 2018 according to the covenant compliance certificate signed by the Borrower and delivered to the Lender.

Negative Covenants, Section 6.3(3)

Pursuant to Section 6.3 (3)(b) "Business and Property" under the Credit Agreement, the Borrower will not:

permit any Affiliate or Related Party to engage in the Business or a business competitive to the Business.

As understood by the Lender, during the month of May, 2312788 Ontario Inc. ("231"), a private company in which the Borrower's President is a major shareholder, financed approximately \$1.2 million of car repair loans, which, if our understanding is correct, would thereby breach the above covenant. It is our further understanding that the total of vehicle repairs loans financed by such related company has grown to over \$2 million by July.

6.1 Positive Covenants

Under Section 6.1(6)(a) the Borrower covenanted to the Lender that:

It shall pay all Taxes required to be paid by it under Applicable Law as they become due and payable under Applicable Law unless they are being contested in good faith by appropriate proceedings and it has set aside adequate reserves for payment of the contested amount.

As at the July 18, 2018 monthly reporting call the Borrower had not remitted to Canada Revenue Agency all of its payroll taxes for several prior months.

6.2 Reporting and Notice Requirements and 6.1 Positive Covenants

Under the Prior Waiver, the Lender had waived compliance with the following covenant breaches through June 30, 2018:

Section 6.1(2)(a), which required the Borrower to upgrade certain reporting features in its IT reporting systems; and

Section 6.2(1)(b), which requires, among other things, for the monthly reporting package to include aged accounts payable and aged accounts receivable.

Neither covenant has been brought into compliance as of the date hereof.

The combination of the above breaches including the deteriorating security coverage ratio at the Borrower, the eroding asset base caused in part by no material volume of new loans being directed into the Borrower while the Borrower's potential new investor seems to be directing new capital for car repair loans to be made in an entity other than the Borrower, collectively constitutes, in the reasonable

judgement of the Lender, a Material Adverse Change under the Credit Agreement. Consequently the Lender is notifying the Borrower that there has occurred an Event of Default under the Credit Agreement.

The Lender hereby expressly reserves all of its rights under the Credit Agreement, including with respect to any breaches not specified in this Notice of Breach.

We look forward to discussing the above at your earliest convenience.

Kind regards,

FMMC PRIVATE YIELD FUND LP I, by its general partner, FMEC GP INC.

By: 

Name: Don Bent

Title: Managing Partner

By: 

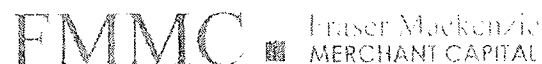
Name: Philip Benson

Title: Managing Partner

This is Exhibit "V" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)



August 28, 2018

2400918 Ontario Inc.
376 Richmond Street, 3rd Floor
London, Ontario, N6A 3C7

Attention: Mark Wilson

Dear Mark:

Re: FMMC Private Yield Fund Limited Partnership I (the "Lender") and the Loan Documents of 2400918 Ontario Inc. (the "Company")

This letter follows our recent meeting and discussions concerning the material adverse change at the Company, resulting in a default under the above Loan Documents as set forth in the Lender's letter of August 23, 2018. At the time of our meeting you acknowledged the material adverse change and requested forbearance from the Lender to permit you time to deal with that default or to refinance. At the time of our meeting, we particularly noted that the asset coverage at the Company has deteriorated significantly over the past several months and that, without an injection into the business, the asset base will continue to grind down with every passing day. Any capitalized terms not defined herein shall have the definition ascribed in the credit agreement dated June 30, 2017 between the Company and the Lender, as amended on July 13, 2017 and most recently on February 6, 2018 (the "Credit Agreement").

We understand that the Company is attempting to resolve these problems. While the Lender is in a position to enforce repayment and act on its security, rather than doing so, the Lender is prepared to forbear and allow the Company some time to address the Lender's concerns, provided the Company is prepared to agree to the following forbearance terms and conditions (the "Forbearance Agreement").

Acknowledgments

1. The Company, hereby acknowledges and agrees as follows:

- (a) The Company's Loan Documents are referenced in the Credit Agreement of June 30, 2017 as modified on July 13, 2017 and most recently on February 6, 2018 from the Lender to the Company;
- (b) The Company's current indebtedness to the Lender, not including accrued costs or accrued interest to date, stands at a principal amount of CAD \$3,380,000 as of the date of this letter. The amount owing to the Lender from time to time plus any accrued and unpaid interest, costs, fees, disbursements and expenses is hereinafter referred to as the Indebtedness. The Company acknowledges, confirms and agree that the Indebtedness, together with interest accrued and accruing thereon, and fees, costs, expenses and other charges now or hereafter properly payable by the Company to the Lender under the Credit Agreement, is unconditionally owing by the Company to the Lender, without any right of setoff, defence, counterclaim or reduction of any kind, nature or description whatsoever, and that they are estopped from disputing such Indebtedness;
- (c) The security documents, forming part of the Loan Documents, are valid and enforceable, in accordance with their terms (the "Security");
- (d) The Company,
- (i) hereby acknowledges, confirms and agrees that one or more defaults have occurred under the Credit Agreement and is or are presently continuing pursuant to the provisions of the Loan Documents and the Security;
- (ii) The Company further acknowledges, confirms and agrees that, as of the date hereof, the Lender has not waived, and does not intend to waive any existing defaults, and nothing contained herein or the transactions contemplated hereby shall be deemed to constitute any such waiver;
- (e) The Lender has demanded repayment of its loan and is in a position to act on its Security but has not done so at this time;
- (f) The Company does not dispute its liability to repay the amounts described in paragraph 1 (b) herein on any basis whatsoever; and,
- (g) The Company has no present claims for set off, counterclaim, or damages on any basis whatsoever against the Lender, its directors, officers, servants, agents or employees.

Really??

2. For the forbearance of the Lender, the Company agrees to pay a fee of CAD\$5,000, however the Lender has incurred legal costs in connection herewith, and reimbursement for \$2,000 plus HST of such expense, shall be due and payable on the execution of this letter by the Company and shall be added to the amount otherwise due and owing to the Lender.

Amendments to Loan Agreements

3. Unless amended by the terms of this letter agreement, the terms and conditions of the Loan Documents shall remain the same.

4. Except to the extent that the Loan Documents contradict the terms of this Forbearance Agreement the Company shall comply at all times with the terms and provisions of the Loan Documents and make all payments required in conjunction therewith. In the event of a conflict between this Forbearance Agreement and the Loan Agreements, this Agreement shall prevail.

Additional Covenants of the Company

5. In addition to the covenants contained in the Loan Agreements, the Company shall:
- (a) provide all documents, approvals and assistance as requested by the Lender in conjunction with the Lender's sale of its loan position to Ampersand Finance Inc. or any other such party as the Lender may engage with for the same purpose;
 - (b) pay all source deductions as they come due and shall reduce the accumulated liability for previously unremitted source deductions by the ~~greater of (i) \$25,000 per month starting September 2018, or (ii) the amount agreed upon with CRA, until all arrears are paid in full;~~
 - (c) by August 31, 2018 issue executed promissory notes (with copies to the Lender) under the loan agreement dated December 7, 2017 between the Company and 2312788 Ontario Inc. (the "Promissory Note Agreement") for the following previously received advances:
 - (i) \$45,000 on or about April 16, 2018
 - (ii) \$261,700 on or about April 30, 2018
 - (iii) \$175,000 on or about May 9, 2018
 - (d) by September ²¹~~12~~, 2018, have received an injection of no less than \$500,000 in cash and/or performing auto repair loan either under the Promissory Note Agreement or by way of some other

capital provider who has executed with the Lender a subordination and postponement agreement in materially the same form as the subordination and postponement agreement as exists between the Lender and 2312788 Ontario Inc. ("231 Inc.");

- (e) ~~by September 30, 2018~~ ^{October 12}, inclusive of the \$500,000 referenced in (d) above, the Company shall have received an injection of no less than \$1,000,000 in cash and/or performing auto repair loan either under the Promissory Note Agreement or by way of some other capital provider who has executed with the Lender a subordination and postponement agreement in materially the same form as the subordination and postponement agreement as exists between the Lender and 231 Inc.;
- (f) by August 31, 2018, reverse the accounting entry made in the Company's accounting records with an effective date of 30-Jun-18, whereby \$62,500 of the amount due to the Company by AGIL was off-set on a non-cash basis against subordinated and postponed debt due by the Company to 231 Inc.;
- (g) have received by August 31, 2018 in cash from AGIL \$62,500 related to the above amount in (f) and
- (h) by August 31, 2018, have remitted to the Lender a copy of the agreement with CRA for reducing the payroll remittance arrears.

Forbearance

6. Relying on this Forbearance Agreement and its terms and the Company's compliance with it, the Lender agrees to forbear from exercising its rights and remedies under the Loan Documents and the Security, until the earlier of September 30, 2018, or the occurrence of an Event of Default (as defined hereafter) (the "Forbearance Period").

Events of Default

7. The following shall constitute Events of Default under this Forbearance Agreement:

- (a) Any material non-compliance with the terms and conditions outlined in this letter or the Loan Agreements, save and except for the existing defaults under the Loan Documents related to financial covenants and accounting systems upgrades listed in the letter dated August 23, 2018 from the Lender to the Company which shall not constitute Events of Default during the term of the Forbearance Agreement;
- (b) The Company fails to make any payment when due or fulfill any obligation owing to the Lender under the terms of the Loan Agreement and/or this Forbearance Agreement;
- (c) The change of ownership or control of the Company, without the Lender's prior written consent;
- (d) A creditor appoints a receiver or commences any insolvency proceeding over all or substantially all of the assets of the Company;
- (e) If, in the opinion of the Lender, in its sole and unfettered discretion, there has been a material adverse change in the financial condition, ownership or operation of the Company;
- (f) Any of the assets or undertakings of the Company that form part of the Lender's Security are sold or transferred without the Lender's prior written consent, other than sale of repossessed vehicles to *bona fide* third parties in the ordinary course of business;
- (g) The making of any order adjudging the Company bankrupt or the making of any proposal or commencement of any other process by the Company under insolvency legislation or under any Act permitting the compromise of debt and/or the stay of any proceedings;

- (h) The occurrence of any other event which, in the opinion of the Lender in its sole and unfettered discretion, may materially and adversely impact the priority or enforceability of the Lender's Security or the realizable value of the collateral subject to such Security.
- (i) The Company breaches or otherwise fails to perform any of its covenants contained herein.

Termination

8. This Forbearance Agreement shall terminate on September 30, 2018 (the "Termination Date") unless earlier terminated or extended by mutual agreement.

Additional Terms

9. The Company agrees that all costs of this Forbearance Agreement including, but not limited to, the fee referred to above, all out of pocket expenses of the Lender, and all reasonable legal and monitoring costs, including the accounts from time to time of the Lender's legal advisors, Gardiner Roberts LLP, shall be to the Company's account and shall be reimbursed by the Company as invoiced by the Lender from time to time.

10. The Company acknowledges that the Lender has not taken control or taken part in the management, operation or affairs of the Company and will not during the effectiveness of this Agreement.

11. The Company agrees that upon execution of this Agreement, the Company releases any and all claims that they may have against the Lender, its directors, officers, servants, agents and employees, arising prior to the date of this Forbearance Agreement out of the Loan Documents and any actions taken in connection therewith.

12. Subject to this Forbearance Agreement, the Company agrees that the Lender shall retain all of its rights and recourses and that, notwithstanding this Forbearance Agreement, upon termination or expiry, the Lender may immediately enforce its security without further notice.

13. The Company agrees if an Event of Default occurs under this Agreement, and in any event immediately after the Termination Date if the Indebtedness is not repaid or the Forbearance Agreement is not extended by mutual agreement, the Lender shall be at liberty to immediately terminate this Forbearance Agreement, enforce any and all of its security, and pursue any and all of its rights and remedies, all in accordance with all applicable law, including, without limitation, the appointment of a qualified person or entity chosen by the Lender, to act as a trustee in bankruptcy, receiver or a receiver and manager, interim or otherwise.

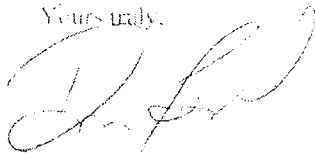
14. The Company hereby acknowledges that it has had the opportunity to review this Forbearance Agreement in its entirety with its legal counsel prior to executing same.

now!

15. 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 taken together shall constitute but one and the same agreement. Delivery by any party or other signatory of an executed counterpart of this Forbearance Agreement by electronic mail or in PDF format shall be equally effective as delivery of an original executed counterpart of this Forbearance Agreement. Any party delivering an executed counterpart of this Forbearance Agreement by electronic mail or in PDF format also shall promptly deliver an original executed counterpart of this Agreement but the failure to deliver an original executed counterpart shall not affect the validity, enforceability, and binding effect of this Forbearance Agreement.

We require that the Company and the Guarantors to execute this Agreement and return it to us, duly executed, by August 31, 2018 at 5 p.m.

Yours truly,



Per:

Name:

David J. Wilson

Title: Managing Partner of EMMC GP Inc., general partner of EMMC Private Yield Fund Limited Partnership I

THIS FORBEARANCE AGREEMENT IS
 AGREED TO AND ACCEPTED THIS 31
 DAY OF Aug 2018

2400918 ONTARIO INC.

Per:

I have authority to bind the Company.

Name: Mark Wilson

Title:



This is Exhibit "W" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

PROMISSORY NOTE

Promissory Note - Advance # 09

Loan Agreement

2312788 ONTARIO INC. ("Lender")

376 Richmond Street
London, Ontario, N6A 3C7

This Promissory Note is subject to the terms and conditions of the Loan Agreement dated December 7, 2017 between 2400918 Ontario Inc., as borrower and 2312788 Ontario Inc., as Lender ("**Agreement**"). Capitalized terms used but not defined herein have the meanings given thereto in the Agreement.

During the month of November 30, 2018, 2400918 Ontario Inc. (the "**Borrower**") requested the Lender to issue an Advance in an amount of \$89,323.13 bringing the total outstanding debt to \$1,706,505.52 as at November 30, 2018.

All Advances bear an interest rate equivalent to 16.9% per annum.

For value received, the Borrower promises to repay to Lender the Advance amount and interest thereon in accordance with the terms and conditions of this Promissory Note and the Agreement.

As at the date hereof, no Default or event that, with the lapse of time or the giving of notice or both, would constitute a Default, has occurred and is continuing.

2400918 ONTARIO INC.

By: 

Name: Mark Wilson

Title: President

Date: , 2018

I have authority to bind the corporation



November 30, 2018

2400918 Ontario Inc.
376 Richmond Street, 3rd Floor
London, Ontario, N6A 3C7

Attention: Mark Wilson

Dear Mark:

Re: Amendment of Forbearance Agreement Dated August 28, 2018 between FMMC Private Yield Fund Limited Partnership I (the "Lender") and 2400918 Ontario Inc. (the "Company")

This letter follows our recent conversation and discussions concerning extending the previously executed Forbearance Agreement to permit you more time to refinance the Company. All terms and conditions of the Forbearance Agreement dated August 28, 2018 (and acknowledged and executed by the Company August 31, 2018) remain in effect save and except the following, which are hereby amended (capitalized definitions are those referenced in the original Forbearance Agreement):

Paragraph 5 (d)

It is acknowledged by the Lender that the referenced \$500,000 required injection of capital has occurred by way of a subordinated and postponed loan from ACEF Trust, dated October 11, 2018. The Lender amends the previously required deadline of such capital injection from September 21, 2018, to the actual date of cash injection of October 11, 2018.

Paragraph 5 (e)

Subject to the imminent receipt by the Lender of a Promissory Note from 231 Inc. acknowledging the subordination and postponement of \$89,232.13 advanced in the month of November, 2018, the prior Paragraph 5 (e) is hereby replaced in its entirety with the following:

From December 1, 2018 onward, each month the Company shall receive an injection of no less than \$200,000 in cash and/or performing auto repair loans either under the Promissory Note Agreement or by way of some other

capital provider who has executed with the Lender a subordination and postponement agreement in materially the same form as the subordination and postponement agreement as exists between the Lender and 231 Inc.

Paragraph 5 (h)

The deadline for the Borrower to have remitted to the Lender a copy of the agreement with CRA for reducing the payroll remittance arrears is hereby amended from August 31, 2018 to September 18, 2018.

Paragraph 6

Reference to September 30, 2018 is hereby amended to January 31, 2019.

Paragraph 8

Reference to September 30, 2018 is hereby amended to January 31, 2019.

We require that the Company to execute this Agreement and return it to us, duly executed, by **December 7, 2018 at 5 p.m.**

Yours truly,

Per:

Name:

Title: Managing Partner of FMMC GP Inc., general partner of FMMC Private Yield Fund Limited Partnership I

THIS FORBEARANCE AGREEMENT **2400918 ONTARIO INC.**
AMENDMENT IS AGREED TO AND
ACCEPTED THIS 4 DAY OF Dec, 2018

Per: 
I have authority to bind the Company.

Name: Mark Wilson

Title: Resident

This is Exhibit "X" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)



January 31, 2019

2400918 Ontario Inc.
376 Richmond Street, 3rd Floor
London, Ontario, N6A 3C7

Attention: Mark Wilson

Dear Mark:

Re: Extension to the November 30, 2018 Amendment of the Forbearance Agreement Dated August 28, 2018 between FMMC Private Yield Fund Limited Partnership I (the "Lender") and 2400918 Ontario Inc. (the "Company")

This letter follows our recent conversation and discussions concerning extending the previously executed amendment to the Forbearance Agreement to permit you more time to refinance the Company. All terms and conditions of the Forbearance Agreement dated August 28, 2018 (and acknowledged and executed by the Company August 31, 2018) as modified by the amendment dated November 30, 2018, remain in effect save and except the following, which are hereby amended (capitalized definitions are those referenced in the original Forbearance Agreement):

Paragraph 6

Reference to January 31, 2019 is hereby amended to March 31, 2019.

Paragraph 8

Reference to January 31, 2019 is hereby amended to March 31, 2019.

We require that the Company to execute this Agreement and return it to us, duly executed, by **February 7, 2019 at 5 p.m.**

Yours truly,

A handwritten signature in black ink, consisting of a stylized, cursive script, located in the bottom right corner of the page.

Per:

Name:

Title: Managing Partner of FMMC GP Inc., general partner of FMMC Private Yield Fund Limited Partnership I

THIS FORBEARANCE AGREEMENT 2400918 ONTARIO INC.
AMENDMENT IS AGREED TO AND
ACCEPTED THIS ____ DAY OF ____, 2019

Per: 

I have authority to bind the Company.

Name: Mark Wilson

Title: 

This is Exhibit "Y" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)



April 1, 2019

2400918 Ontario Inc.
376 Richmond Street, 3rd Floor
London, Ontario, N6A 3C7

Attention: Mark Wilson

Dear Mark:

Re: Extension to the November 30, 2018 Amendment of the Forbearance Agreement Dated August 28, 2018 between FMMC Private Yield Fund Limited Partnership I (the "Lender") and 2400918 Ontario Inc. (the "Company")

This letter follows our recent conversation and discussions concerning extending the previously executed amendment to the Forbearance Agreement to permit you more time to refinance the Company. All terms and conditions of the Forbearance Agreement dated August 28, 2018 (and acknowledged and executed by the Company August 31, 2018) as modified by the amendment dated November 30, 2018, and extended in the extension dated January 31, 2019, remain in effect save and except the following, which are hereby amended (capitalized definitions are those referenced in the original Forbearance Agreement):

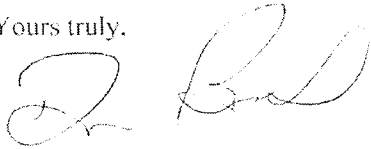
Paragraph 6

Reference to March 31, 2019 is hereby amended to December 31, 2019.

Paragraph 8

Reference to March 31, 2019 is hereby amended to December 31, 2019.

Yours truly,



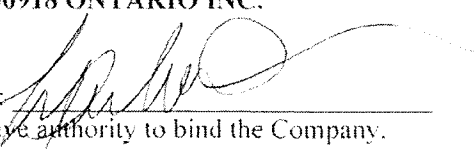
Per:

Name: Don B. F. T.

Title: Managing Partner of FMMC GP Inc., general partner of FMMC Private Yield Fund Limited Partnership I

THIS FORBEARANCE AGREEMENT 2400918 ONTARIO INC.
AMENDMENT IS AGREED TO AND
ACCEPTED THIS ____ DAY OF ____, 2019

Per:


I have authority to bind the Company.

Name: Mark Wilson

Title:



President

This is Exhibit "Z" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)



January 2, 2020

2400918 Ontario Inc.
376 Richmond Street, 3rd Floor
London, Ontario, N6A 3C7

Attention: Mark Wilson

Dear Mark;

Re: Extension to the April 1, 2019 Amendment of the Forbearance Agreement Dated August 28, 2018 between FMMC Private Yield Fund Limited Partnership I (the "Lender") and 2400918 Ontario Inc. (the "Company")

This letter follows our recent conversation and discussions concerning extending the previously executed amendment to the Forbearance Agreement to permit you more time to refinance the Company. All terms and conditions of the Forbearance Agreement dated August 28, 2018 (and acknowledged and executed by the Company August 31, 2018) as modified by the amendment dated November 30, 2018, and extended in the extensions dated January 31, 2019 and April 1, 2019, remain in effect save and except the following, which are hereby amended (capitalized definitions are those referenced in the original Forbearance Agreement):

Paragraph 6

Reference to December 31, 2019 is hereby amended to August 31, 2020.

Paragraph 8

Reference to December 31, 2019 is hereby amended to August 31, 2020.

Yours truly,



Per:

Name: Philip Benson

Title: Managing Partner of FMMC GP Inc., general partner of FMMC Private Yield Fund Limited Partnership I

THIS FORBEARANCE AGREEMENT **2400918 ONTARIO INC.**
AMENDMENT IS AGREED TO AND
ACCEPTED THIS 2nd DAY OF January,
2020



Per:

I have authority to bind the Company.

Name: Mark Wilson

Title: President

This is Exhibit "AA" referred to in the Affidavit of Don Bent,
sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)



77 King Street West
Suite 3000, PO Box 95
TD Centre North Tower
Toronto, ON M5K 1G8
t: 416.864.9700 | f: 416.941.8852
foglers.com

October 26, 2020

Reply To: Tim Duncan
Direct Dial: 416.941.8817
E-mail: tduncan@foglers.com
Our File No. 205364

VIA REGULAR MAIL, REGISTERED MAIL AND EMAIL

Advantagewon Capital Corp.
376 Richmond Street, 3rd Floor
London ON N6A 3C7
mwilson@advantagewon.com

Attention: Mark Wilson

Dear Sir:

Re: Credit Facilities of Advantagewon Capital Corp. (the "Company"); Loan from FMMC Private Yield Fund Limited Partnership I ("FMMC")

We are the solicitors for FMMC Private Yield Fund Limited Partnership I.

By various letter agreements dated June 30, 2017, July 13, 2017, February 6, 2018, March 8, 2019 and August 20, 2020, FMMC and the Company entered into credit facility arrangements (the "**Credit Facility**"). The Credit Facility and loan therein (the "**Loan**") are secured by various forms of security including, amongst other things, a first position General Security Agreement on all of the assets and undertaking of the Company, various postponement and subordination arrangements and an assignment of customer loans and all liens in favour of the Company.

The Credit Facility is in default. We understand that the Company has, for quite some time, not maintained the required Customer Loan to Total Funded Unsubordinated Debt Ratio of not less than 1.5:1, and the Company has received prior written notice of this. The Company has demonstrated an inability since February 2020 to attract capital to reverse its financial condition such that FMMC considers the Company to have experienced a Material Adverse Effect. The Company's ability to repay FMMC appears impaired. These circumstances are violations of the Credit Facility and Events of Default. On August 28, 2018 and by further extensions on November 30, 2018, January 31, 2019, April 1, 2019 and January 2, 2020, FMMC agreed to forbear from making demand for repayment of the Loan and from taking any steps to enforce its security (the "**Forbearance Agreement**"). Under the Forbearance Agreement, the Company agreed to additional terms, including a term that clearly required the Company to receive

injections of no less than \$200,000 per month in cash and/or performing auto repair loans. This requirement has not been maintained and constitutes a further Event of Default.

Efforts to work with the Company in respect of the indebtedness have not been successful and the Company is in default in multiple ways. In accordance with the Credit Facility, there is due and owing the following sums inclusive of principal and interest and for which demand for payment from the Company is hereby made:

The Loan

For Principal	\$3,253,550.00
For Accrued & Unpaid Interest to October 26, 2020 at the rates specified in the Credit Facility	\$33,440.66
Total	\$3,286,990.66

The total amount due as of the date of this letter is therefore \$3,286,990.66. Interest is running on these amounts in accordance with the terms of the Credit Facility.

Enclosed is a Notice of Intention to Enforce Security pursuant to the provisions of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3. Please make payment within the next ten (10) days of the amount noted above plus interest to FMMC to the attention of Don Bent at 34 King Street East, Suite 400, Toronto ON M5C 2X8.

Yours truly,

FOGLER, RUBINOFF LLP



Tim Duncan
TD
Enclosure

cc: D. Bent, M. Liik

This is Exhibit "BB" referred to in the Affidavit of Don Bent,
sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

NOTICE OF INTENTION TO ENFORCE SECURITY

(By Registered Mail)

(s. 244(1) of the Bankruptcy and Insolvency Act)

TO: Advantagewon Capital Corp. (the "**Company**"), an insolvent person.

TAKE NOTICE that:

1. FMMC Private Yield Fund Limited Partnership I, secured creditor, intends to enforce its security on all real and personal property owned by the Company as permitted by the security listed below.
2. The security that is to be enforced is in the form of:
 - a. See Schedule "A"
3. The total amount of indebtedness to FMMC Private Yield Fund Limited Partnership I and secured by the security as at the date hereof is \$3,286,990.66.
4. The secured creditor will not have the right to enforce the security until after the expiry of the ten day period following the sending of this notice, unless the insolvent person (the Company) consents to an earlier enforcement.

DATED at Toronto, this 26th day of October, 2020.

FMMC Private Yield Fund Limited Partnership I
by its solicitors herein, **Fogler, Rubinoff LLP**



Per:

The undersigned hereby consents to the immediate enforcement of the security and the appointment of a receiver pursuant to the security over all of the Company's assets and undertaking.

Dated:

Advantagewon Capital Corp.

Per: _____

Schedule "A"

Advantagewon Capital Corp.

1. General Security Agreement
2. Security with Respect to Insurance Policies
3. Assignment of Life Insurance Policy
4. Assignment of Accounts, Contracts and Security
5. Assignment of Mailbox Contract
6. Blocked Accounts Agreement
7. Landlords' Waiver
8. Agreement Between Secured Parties (Beacon Holdings Limited)
9. Subordination and Postponement Agreement (Fountain Asset Corp., formerly GC-Global Capital Corp.)
10. Subordination and Postponement Agreement (2312788 Ontario Inc.)
11. Subordination and Postponement Agreement (ACEF Trust)

This is Exhibit "CC" referred to in the Affidavit of Don Bent,
sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)



Government
of Canada

Gouvernement
du Canada

[Canada.ca](#) → [Innovation, Science and Economic Development Canada](#)

→ [Corporations Canada](#) → [Search for a Federal Corporation](#)

Federal Corporation Information - 434187-2

[Order copies of corporate documents](#)

i Note

This information is available to the public in accordance with legislation
(see [Public disclosure of corporate information](#)).

Corporation Number

434187-2

Business Number (BN)

105348395RC0002

Corporate Name

FOUNTAIN ASSET CORP.

Status

Active

Governing Legislation

Canada Business Corporations Act - 2005-12-31

[Order a Corporate Profile](#) [\[View PDF Sample\]](#) [\[View HTML Sample\]](#).

[PDF Readers](#)

Registered Office Address

25 Adelaide Street East
Suite 1300

Toronto ON M5C 3A1
Canada

i Note

Active CBCA corporations are required to update this information within 15 days of any change. A corporate key is required. If you are not authorized to update this information, you can either contact the corporation or contact Corporations Canada. We will inform the corporation of its reporting obligations.

Directors

Minimum 1
Maximum 10

ALEC REGIS
10 ALPHA AVENUE
TORONTO ON M4X 1J3
Canada

Andrew Parks
3 Market Street
Suite 609
Toronto ON M5V 0A3
Canada

Roger Daher
22 Ovida Blvd
Markham ON L3P 1E1
Canada

CESARE FAZARI
78 NORTHCLIFFE BOULEVARD
TORONTO ON M6H 3H3
Canada

MORRIS PRYCHIDNY
105 LONSDALE ROAD
TORONTO ON M4V 1W4
Canada

PAUL KELLY
28 MAPLE GROVE DRIVE
OAKVILLE ON L6J 4V6
Canada

i Note

Active CBCA corporations are required to update director information (names, addresses, etc.) within 15 days of any change. A corporation key is required. If you are not authorized to update this information, you can either contact the corporation or contact Corporations Canada. We will inform the corporation of its reporting obligations.

Annual Filings

Anniversary Date (MM-DD)

12-31

Date of Last Annual Meeting

2017-08-09

Annual Filing Period (MM-DD)

12-31 to 03-01

Type of Corporation

Distributing corporation

Status of Annual Filings

2020 - Not due

2019 - Overdue

2018 - Overdue

Corporate History

Corporate Name History

2005-12-31 to 2015-08-31	GC-GLOBAL CAPITAL CORP.
2015-08-31 to Present	FOUNTAIN ASSET CORP.

Certificates and Filings

Certificate of Amalgamation

2005-12-31

Corporations amalgamated:

- 73636 E & E Capital Funding Inc.
- 212687 GLOBAL (GMPC) HOLDINGS INC. / GESTIONS GLOBAL (GMPC) INC.

Certificate of Amendment :

2015-03-11

Amendment details: Other

Certificate of Amendment :

2015-08-31

Amendment details: Corporate name

* Amendment details are only available for amendments effected after 2010-03-20. Some certificates issued prior to 2000 may not be listed.
For more information, [contact Corporations Canada](#).

Order copies of corporate documents

Start New Search

[Return to Search Results](#)

Date Modified:

2020-10-27

This is Exhibit "DD" referred to in the Affidavit of Don Bent,
sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

CONSENT AND WAIVER

TO: 2400918 Ontario Inc ("Borrower")

AND TO: Its solicitors, Szemenyei MacKenzie Group

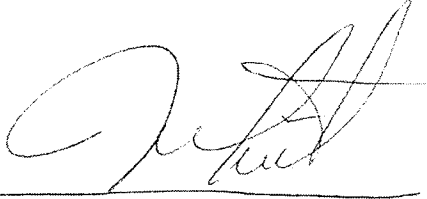
RE: ACEF TRUST Loan to 2400918 Ontario Inc. o/a Advantagewon (the "Borrower")

THE UNDERSIGNED, for valuable consideration, hereby agrees to consent to the registration of a financing statement under the Personal Property Security Act between the Borrower and ACEF Trust. In addition the undersigned agrees to waive the provisions of the Credit Agreement dated as of June 30, 2017 as between the undersigned and the Borrower to the extent that will allow for this registration to not constitute a default under said Agreement. It is understood that this new registration will be subordinated to the undersigned's security.

The undersigned acknowledges and agrees that this agreement shall not defer or otherwise affect the present or future rights and remedies of the Lender with respect to present or future indebtedness and other liabilities of the Borrower to the undersigned, or with respect to the security which the Lender now holds or may hereafter receive from the Borrower as collateral for the said indebtedness and other liabilities.

This agreement shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned.

DATED at London, Ontario this 9th day of October, 2018



Michael L. Lusk
MANAGING PARTNER OF FMMC GP LP, General
Partner of FMMC Private Yield Fund Limited
Partnership I

FMMC PRIVATE YIELD FUND
LIMITED PARTNERSHIP I.

Per: 

Name: Don Burt

Title: Managing Partner of FMMC GP LP, General Partner
of FMMC Private Yield Fund Limited Partnership I

I have the authority to bind the Partnership.

This is Exhibit "EE" referred to in the Affidavit of Don Bent,
sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

Execution Copy

SERIES LW1 RECEIVABLES PURCHASE AGREEMENT

between

2400918 ONTARIO INC.,
as Seller

and

BEACON HOLDINGS LIMITED,
as Purchaser

Dated as of May 18, 2017

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SERIES LW1 RECEIVABLES PURCHASE AGREEMENT, dated as of May 18, 2017 (this “Agreement”), between 2400918 ONTARIO INC., a corporation governed by the laws of the Province of Ontario, as seller, and BEACON HOLDINGS LIMITED, a company governed by the laws of Barbados, as purchaser.

BACKGROUND

In the regular course of its business the Seller originates receivables arising from the financing of sales of consumer goods and services and acquires or originates receivables arising from the financing of motor vehicle-related repair services.

The Seller wishes to sell, and the Purchaser wishes to purchase, from time to time, certain of such receivables and related assets, in each case on the terms and conditions of this Agreement.

The parties agree as follows:

ARTICLE I DEFINITIONS

SECTION 1.1 Definitions. Capitalized terms used in this Agreement have the meanings specified below:

“Administrative Agent” means Beacon Portfolio Servicing Inc.

“Affiliate” means, for a specified Person, any other Person controlling, controlled by, or under common control with such specified Person. For the purposes of this definition, “control” when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise.

“Annual Percentage Rate” or “APR” of a Receivable means the annual rate of finance charges stated in the Receivable.

“Applicable Law” means all applicable laws, ordinances, judgments, decrees, injunctions, writs and orders of any Governmental Authority and rules, regulations, orders, published interpretations, licenses and permits of any Governmental Authority.

“Amount Financed” means, for a Receivable, the amount financed by the Obligor for the purchase of the related goods or services, the purchase of related service contracts, physical damage, credit life and disability insurance policies and similar products and other related fees and charges.

“Applicable Privacy Law” has the meaning specified in Section 7.1(d)(i).

“Arrangement Fee” means, for a Payment Date, the product of (a) the excess, if any, of (i) 15.00%, over (ii) the BT Cost of Funds Rate for the related Interest Period, divided by (b) 12,

times (c) the aggregate Funded Principal Balance of the Purchased Receivables at the end of such Interest Period.

“Bill of Sale” means an agreement, substantially in the form of Exhibit B.

“Blocked Accounts Agreement” means a blocked accounts agreement entered into by the Seller, the Trust and the applicable depository bank approved by the Trust, such blocked accounts agreement to be in form and substance satisfactory to the Trust.

“BT Cost of Funds Rate” means, for an Interest Period, the fraction, expressed as a percentage, equal to the product, of (a) the total amount of interest accrued on the Series LW1 Notes for such Interest Period, times (b) 12, divided by (c) the Pool Balance at the end of such Interest Period.

“Business Day” means any day other than a Saturday, a Sunday, a statutory holiday or a day on which banks in Toronto, Ontario are authorized or obligated by law, regulation or executive order to close.

“Canadian Dollars” and “\$” means the lawful currency of Canada.

“Closing Date” means, for a Purchase, the Business Day specified in the related Purchase Request.

“Closing Date Payment” means, for a Purchase and the related Closing Date, the amount specified as such in the related Purchase Request.

“Collection Period” means each month commencing with the Cutoff Date for the Initial Closing Date. For any Payment Date, the related Collection Period means the Collection Period preceding such Payment Date.

“Collection Policy” means the operations policies and procedures of the Servicer relating to consumer finance contracts and retail conditional sale contracts relating to Vehicles serviced by the Servicer as they may change from time to time.

“Collections” means all cash collections and other cash proceeds of the Purchased Assets.

“Commitment Expiry Date” means the date occurring on the earliest of (a) May 18, 2019, or such later date to which the Commitment Expiry Date may be extended in accordance with Section 2.3, (b) the date upon which the Purchase Limit has been reached, and (c) the occurrence of an Event of Termination.

“Commitment Fee” means, for a Payment Date, the product of (a) the Purchaser’s Percentage, times (b) (i) the Excess Spread Amount, minus (ii) the Remaining Excess Spread Amount, in each case for such Payment Date.

“Confidential Information” has the meaning specified in Section 7.1(d)(ii).

“Contingent Additional Payments” means, for a Purchase, the balance of the Purchase Price for the related Offered Assets equal to the sum of the amounts paid by the Purchaser to the Seller in accordance with Section 2.1(e)(ii) and Section 2.1(e)(iii) and attributable to such Purchase.

“Custodian” means the Person appointed to act as such pursuant to the Sale and Servicing Agreement and any successor in such capacity; as at the Initial Closing Date, the “Custodian” is Beacon Portfolio Servicing Inc.

“Cutoff Date” means, for a Purchase, the first day of the month in which the related Closing Date occurs.

“Declaration of Trust” means the Declaration of Trust, dated May 14, 2013, by Computershare Trust Company of Canada establishing Beacon Trust.

“Designated Account” means the deposit account specified in Schedule B.

“Equity and Option Documentation” means, collectively, (a) the stock option agreement between the Seller and Aileron Capital Limited; and (b) the fee agreement between the Seller and Aileron Capital Limited.

“Event of Termination” means the occurrence of any of the following events:

(a) any failure by the Seller to deliver to the Purchaser or the Trust any proceeds or payment required to be delivered under this Agreement or any Blocked Accounts Agreement that continues for three Business Days after the earlier of the date on which (i) notice of such failure is given to the Seller by the Purchaser or the Trust or (ii) a Responsible Person of the Seller learns of such failure;

(b) any breach of representation or warranty by the Seller or any failure by the Seller to observe or to perform in any material respect any other duties or obligations of the Seller, in each case as set forth in this Agreement or any Blocked Accounts Agreement, which breach or failure materially and adversely affects the interests of the Purchaser or the Trust and continues for 60 days after the Seller receives notice of such breach or failure from the Purchaser or the Trust;

(c) the occurrence of an Insolvency Event with respect to the Seller; or

(d) the occurrence of a Material Adverse Effect.

“Excess Spread Amount” means, for a Payment Date, the amount, if any, by which (a) the non-principal Collections received by the Servicer on the Purchased Receivables during the related Collection Period, exceed (b) the sum of (i) the aggregate Realized Losses for the Purchased Receivables and such Collection Period, plus (ii) the total amount of interest accrued on the Series LW1 Notes during the related Interest Period attributable to the Trust financing its interest in the aggregate Funded Principal Balance of the Purchased Receivables, plus (iii) the Servicing Fee for such Collection Period, plus (iv) the Arrangement Fee for such Payment Date.

“Financed Property” means any personal or movable property, including a Vehicle, securing an Obligor’s indebtedness under a Receivable.

“Financial Services Agent” means Beacon FSA Inc.

“Funded Principal Balance” means, for a Receivable on any day, an amount (not less than zero) equal to:

- (a) the amount of the Closing Date Payment attributable to the purchase of such Receivable pursuant to this Agreement on the related Closing Date; minus
- (b) the portion of all amounts applied on or after such Cutoff Date and on or prior to such day allocable to principal; minus
- (c) Realized Losses.

“Governmental Authority” means, any government, parliament, legislature, regulatory authority, agency, tribunal, department, commission, board, instrumentality, court, arbitration board or arbitrator or other law, regulation or rule making entity (including a Minister of the Crown, any central bank, Office of the Superintendent of Financial Institutions or other comparable authority or agency).

“Indemnified Person” has the meaning specified in Section 4.8(a).

“Information Recipient” has the meaning specified in Section 7.1(d)(ii).

“Interest Period” means, for a Payment Date, the period from the 15th day of the month preceding such Payment Date to the 15th day of the month in which such Payment Date occurs. For any Payment Date, the related Interest Period means the Interest Period ending in the month in which such Payment Date occurs.

“Initial Closing Date” means May 18, 2017.

“Insolvency Event” means, for any Person:

- (a) the making of a general assignment for the benefit of creditors;
- (b) the filing of a voluntary petition in bankruptcy;
- (c) being adjudged as bankrupt or insolvent, or having had entered against such Person an order for relief in any bankruptcy or insolvency proceeding;
- (d) the filing by such Person of a notice of intention, petition or answer seeking reorganization, arrangement, composition, readjustment, bankruptcy, liquidation, dissolution or similar relief under any statute, law or regulation;
- (e) seeking, consenting to or acquiescing in the appointment of a Receiver of such Person or of all or any substantial part of such Person’s assets;

(f) the failure to obtain dismissal or stay within 60 days of the commencement of, or the filing by such Person of an answer or other pleading admitting or failing to contest the material allegations of, a petition filed against such Person in any proceeding against such Person seeking (i) reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any statute, law or regulation, or (ii) the appointment of a Receiver of such Person or of all or any substantial part of such Person's assets; or

(g) the failure by such Person generally to pay its debts as such debts become due.

"Issuer Trustee" means Computershare Trust Company of Canada, a trust company under the laws of Canada, not in its individual capacity but solely as trustee under the Declaration of Trust.

"Lien" means a security interest, lien, charge, pledge, hypothec, encumbrance, reservation of ownership right or other similar right intended to secure an interest in personal or movable property.

"Liquidated Receivable" means a Receivable for which the Servicer has received and applied the proceeds of a sale or other disposition of any related Financed Property.

"Liquidation Proceeds" means, for a Collection Period and any Liquidated Receivable and any other Receivable that is charged off during such Collection Period in accordance with the Collection Policy, an amount equal to:

(a) all amounts received and applied by the Servicer with respect to such Receivable from whatever source, whether allocable to interest or principal, during such Collection Period; minus

(b) Recoveries with respect to such Receivable; minus

(c) the sum of any amounts expended by the Servicer for the account of the related Obligor in accordance with the Collection Policy, including collection expenses and all amounts paid to third parties in connection with the repossession, transportation, reconditioning and disposition of any related Financed Property; minus

(d) any amounts required by law or under the Collection Policy to be paid to the related Obligor.

"Material Adverse Effect" means any effect on the business, operations, property or financial or other condition of the Seller which materially adversely affects (a) the interest of the Purchaser or the Trust in the Purchased Assets or any Collections, (b) the collectibility of the Purchased Receivables, (c) the legality, validity or enforceability of the Purchased Receivables, or (d) the ability of the Seller to perform its obligations under this Agreement or any Blocked Accounts Agreement.

"Obligor" means a Person who owes payments under a Receivable.

“Offered Assets” has, for a Purchase, the meaning specified in the related Purchase Request.

“Officer’s Certificate” means, for the Seller, a certificate signed by any Responsible Person of the Seller.

“Organizational Documents” means, for any Person, such Person’s articles of incorporation or association and by-laws, memorandum of association, certificate of formation and limited liability company agreement, declaration of trust, partnership agreement or other similar documents.

“Payment Date” means the 15th day of each month or, if not a Business Day, the next Business Day, commencing June 15, 2017.

“Permitted Lien” means a tax lien, mechanics’ lien and any other Lien that attaches by operation of law.

“Performance Guarantee” means the Series LW1 Performance Guarantee, dated as of the Initial Closing Date, by the Performance Guarantor in favour of the Purchaser and the Trust.

“Performance Guarantor” means AdvantageWon Inc.

“Person” means any individual, partnership, limited partnership, joint venture, sole proprietorship, company or corporation with or without share capital, limited liability company, unlimited liability company, unincorporated association, trust, regulatory body or agency, government or Governmental Authority however designated or constituted.

“Personal Information” has the meaning specified in Section 7.1(d)(iii).

“PIPEDA” means the *Personal Information Protection and Electronic Documents Act* (Canada).

“Pool Balance” means, for any day, (a) the aggregate Funded Principal Balance of the Purchased Receivables on such day, plus (b) the Pool Balance (as defined in the Sale and Servicing Agreement) minus (c) the aggregate Principal Balance of the Purchased Receivables, each on such day.

“PPSA” means, for any province or territory of Canada, the Personal Property Security Act, or for the Province of Quebec, the Civil Code, in each case in force in such province and territory, as the context dictates.

“Principal Balance” means, for a Receivable on any day, an amount (not less than zero) equal to:

- (a) the Amount Financed; minus
- (b) the portion of all amounts applied on or prior to such day allocable to principal; minus

(c) Realized Losses.

“Proceeding” means any suit in equity, action at law or other judicial or administrative proceeding.

“Purchase” means a purchase of Offered Assets by the Purchaser from the Seller pursuant to Section 2.1.

“Purchase Limit” means \$10,000,000 or such higher amount agreed to from time to time by the Seller and the Purchaser.

“Purchase Price” means, for a Purchase, the sum of (a) the related Closing Date Payment, and (b) any related Contingent Additional Payments.

“Purchase Request” means a notice, substantially in the form of Exhibit A.

“Purchased Assets” means (a) the Purchased Receivables, (b) all amounts received and applied on the Purchased Receivables on or after each Cutoff Date, (c) the Liens in any Financed Property granted by Obligors pursuant to the Purchased Receivables and any other interest of the Seller in such Financed Property, (d) rights to receive proceeds from claims on any physical damage, credit life, credit disability or other insurance covering any related Financed Property or Obligors, but excluding any such proceeds where the Seller has no legal entitlement to retain such proceeds, (e) the related Receivables Files, (f) rebates of premiums and other amounts relating to insurance and other items financed under the Purchased Receivables, (g) the universality of all present and future claims, demands, causes of action and choses in action in respect of any of the foregoing, and (h) all payments on or under and all proceeds in respect of any of the foregoing.

“Purchased Receivable” means, for any day, any Receivable that is the subject matter of a Purchase on the Initial Closing Date or on any Closing Date thereafter, excluding any such Receivable re-conveyed to the Seller in accordance with this Agreement prior to such day.

“Purchaser” means Beacon Holdings Limited.

“Purchaser’s Percentage” means, for a Payment Date, a percentage (not less than zero) equal to (a) 33%, minus (b) 1% for each 1% of the issued and outstanding common shares of the Seller beneficially owned by the Purchaser or an assignee of the Purchaser at the beginning of the related Interest Period.

“Québec Receivable” means a Receivable that is (a) owed by an Obligor located or otherwise domiciled in Québec, (b) governed by the law of the Province of Québec, or (c) payable to a location in the Province of Québec.

“Realized Losses” means, for a Receivable that is charged off by the Servicer in accordance with the Collection Policy, an amount (not less than zero) equal to:

(a) the Funded Principal Balance of such Receivable as of the last day of the Collection Period preceding the Collection Period in which the Receivable is charged off; minus

(b) any Liquidation Proceeds for the Receivable received in the Collection Period in which the Receivable is charged off.

“Receivable” means any consumer finance contract financing the purchase of personal or movable property or services originated or acquired by the Seller.

“Receivables Files” means, for each Receivable, the following documents and instruments, each of which may be in photocopy or electronic format:

- (a) the Receivable;
- (b) the credit application executed by the related Obligor;
- (c) any financing statement or similar instrument registered against such Obligor or such other documents evidencing the Lien, if any, securing the Financed Property; and
- (d) all other documents, notices and correspondence that the Seller generates relating to such Receivable, the related Obligor or any related Financed Property.

“Receiver” means a receiver, manager, receiver and manager, administrator, inspector, liquidator, agent, trustee, assignee in bankruptcy or other similar official.

“Recoveries” means, for a Collection Period and a Receivable that has been charged off in accordance with the Collection Policy (whether or not such Receivable is a Liquidated Receivable), an amount equal to:

- (a) all amounts received and applied by the Servicer during such Collection Period with respect to such Receivable from whatever source, whether allocable to interest or principal, after the date it was charged off; minus
- (b) the sum of any amounts expended by the Servicer for the account of the related Obligor in accordance with the Collection Policy, including collection expenses and all amounts paid to third parties in connection with the repossession, transportation, reconditioning and disposition of any related Financed Property, to the extent such amounts have not been included in calculating Liquidation Proceeds for such Collection Period; minus
- (c) any amounts required by law or under the Collection Policy to be paid to the Obligor.

“Remaining Excess Spread Amount” means, for a Payment Date, an amount (no less than zero) equal to the lesser of (a) the amount, if any, by which the Excess Spread Amount exceeds the Targeted Excess Spread Amount, in case for such Payment Date, and (b) the aggregate of the Excess Spread Amounts for such Payment Date and all prior Payment Dates, minus the cumulative payments of Remaining Excess Spread Amounts for all prior Payment Dates, minus the aggregate of the Targeted Excess Spread Amounts for the current and all prior Payment Dates.

“Responsible Person” means, for the Seller, the individuals designated from time to time by the Seller pursuant to Section 4.6(g).

“Sale and Servicing Agreement” means the Amended and Restated Series LW1 Sale and Servicing Agreement, dated as of April 21, 2014, among the Purchaser, the Servicer and the Trust.

“Seller” means 2400918 Ontario Inc.

“Series LW1 Indenture Supplement” means the Series LW1 Indenture Supplement, dated as of February 20, 2014, between the Trust and Valiant Trust Company, as indenture trustee, as supplemented by a First Series LW1 Supplemental Indenture, dated as of April 21, 2014, between the Trust and Valiant Trust Company.

“Series LW1 Notes” has the meaning specified in Section 2.1 of the Series LW1 Indenture Supplement.

“Servicer” means the Person appointed to act as such pursuant to the Sale and Servicing Agreement and any successor in such capacity; as at the Initial Closing Date, the “Servicer” is Beacon Portfolio Servicing Inc.

“Servicing Fee” means, for a Payment Date, the product of (a) 2.50%, divided by (b) 12, times (c) the aggregate Funded Principal Balance of the Purchased Receivables at the end of the related Collection Period.

“Targeted Excess Spread Amount” means, for a Payment Date, the product of (a) 22.50%, divided by (b) 12, times (c) the aggregate Funded Principal Balance of the Purchased Receivables at the end of the related Collection Period.

“Total Investment” means, as of any date, the investment by the Purchaser in the Purchased Assets equal to the aggregate of the Closing Date Payments made prior to such date.

“Trust” means Beacon Trust, a trust established under the laws of the Province of Ontario pursuant to the Declaration of Trust; provided that the term “Trust” will also include the Issuer Trustee in its capacity as trustee of the Trust.

“Vehicle” means a new or used car, light truck, utility vehicle, recreational vehicle, boat or other motor vehicle and all related accessories.

SECTION 1.2 Usage. The following rules of construction and usage apply to this Agreement and any document made or delivered pursuant to this Agreement:

(a) The term “documents” includes any and all documents, agreements, instruments, certificates, notices, reports, statements or other writings however evidenced, whether in electronic or physical form.

(b) Accounting terms not defined or not completely defined in this Agreement will be construed in conformity with generally accepted accounting principles, international financial reporting standards or such other applicable accounting principles as in effect in Canada on the date of this Agreement.

(c) References to “Article”, “Section”, “Exhibit”, “Schedule”, “Appendix” or another subdivision of or to an attachment are, unless otherwise specified, to an article, section, exhibit, schedule, appendix or other subdivision of or an attachment to this Agreement.

(d) Any document defined or referred to in this Agreement means such document as from time to time amended, modified, supplemented, consolidated, restated or replaced, including by waiver or consent, and includes all attachments to and instruments incorporated in such document.

(e) Any statute defined or referred to in this Agreement means such statute as from time to time amended, modified, supplemented, consolidated, restated or replaced, including by succession of comparable successor statutes, and includes any rules and regulations promulgated under such statute and any judicial and administrative interpretations of such statute.

(f) Calculation of any amount on, for or as of any date will be determined at or as of the close of business on such day after the application of any moneys, payments and other transactions to be applied on such day, except that calculations as of a Cutoff Date will be determined as of the open of business on such day prior to the application of any moneys, payments and other transactions to be applied on such day.

(g) 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 will not affect the construction or interpretation of this Agreement.

(h) All terms defined in this Agreement apply to the singular and plural forms of such terms and the term “including” means “including without limitation”.

(i) References to a Person are also to its permitted successors and assigns, whether in its individual or representative capacity, as the case may be.

(j) In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including”, the word “to” means “to but excluding” and the word “through” means “to and including”.

(k) References to a month, quarter or year are, unless otherwise specified, to a calendar month, calendar quarter or calendar year, respectively.

(l) References to deposits, transfers and payments of any amounts refer to deposits, transfers or payments of such amounts in immediately available funds.

(m) Except as otherwise provided in this Agreement, whenever any action is to be taken on a day other than a Business Day, such action will be taken, on the next succeeding Business Day.

(n) Time will be of the essence in this Agreement.

(o) If one or more provisions in this Agreement is invalid, illegal or unenforceable in any respect under any Applicable Law, the validity, legality and enforceability of the remaining provisions of this Agreement will not be affected or impaired thereby.

(p) Unless otherwise provided, all monetary amounts stated or referred to in this Agreement are stated in Canadian Dollars.

(q) Any reference to the Trust in this Agreement will be deemed to include reference to the fact that, and an agreement by the parties to this Agreement that, unless otherwise provided to the contrary, the Trust may delegate to the Financial Services Agent and the Administrative Agent all or any of its powers, rights and discretions under this Agreement, and the Financial Services Agent or the Administrative Agent, as the case may be, may from time to time take such actions and exercise such powers for and on behalf of the Trust as are delegated to it or contemplated by the Financial Services Agreement or the Administration Agreement, respectively, and all such actions and the exercise of all such powers as are reasonably incidental thereto. Each party to this Agreement may assume without enquiry that the actions of the Financial Services Agent and the Administrative Agent under this Agreement on behalf of the Trust are undertaken with the full and proper power, authority, appointment and consent of the Trust pursuant to an effective delegation and such actions will bind the Trust for all purposes of this Agreement with and to the same effect as if undertaken by the Trust directly. Notwithstanding any term or provision of this Agreement to the contrary, each party to this Agreement will be deemed to acknowledge, agree and confirm that each of the Financial Services Agent and the Administrative Agent acts under this Agreement as agent for the Trust and has no duties or obligations to, and does not act as an agent in any capacity for, any other Person.

ARTICLE II SALE AND PURCHASE OF RECEIVABLES

SECTION 2.1 Sale of Receivables; Payment of Purchase Price.

(a) The Seller may from time to time prior to the Commitment Expiry Date request that the Purchaser purchase Receivables and other Offered Assets from the Seller on a proposed Closing Date by delivering to the Purchaser a Purchase Request at least 10 Business Days (or such other period as the Seller and the Purchaser may mutually agree) prior to the proposed Closing Date.

(b) Subject to the satisfaction of the conditions precedent set forth in Article III, the Purchaser will agree to the terms and conditions set out in the Purchase Request and will signify its acceptance thereof by executing and returning to the Seller such Purchase Request at least two Business Days before the proposed Closing Date referred to in the Purchase Request (or such lesser period as agreed to by the Purchaser and the Seller). On the acceptance of a

Purchase Request, there will exist, subject to satisfaction of the applicable conditions precedent set forth in Article III, a binding agreement between the Seller and the Purchaser for the purchase by the Purchaser of the Offered Assets specified in such Purchase Request for the Purchase Price set forth therein, which amount will not be less than the approximate current fair market value of such Offered Assets (such amount to be determined by the Seller and the Purchaser acting reasonably and in good faith for each Purchase).

(c) On each Closing Date, the Purchaser will pay, or cause to be paid, to the Seller the related Closing Date Payment. Effective upon receipt by the Seller of such Closing Date Payment and delivery of the related Bill of Sale pursuant to Section 2.1(d), all of the Seller's right, title and interest in and to the related Offered Assets will be sold, transferred and assigned to the Purchaser without recourse (except as provided in this Agreement) and without the need of any formality or other instrument of assignment.

(d) On each Closing Date, the Seller and the Purchaser will execute and deliver a duly completed Bill of Sale for the related Purchase.

(e) On each Payment Date following a Purchase, and solely to the extent of amounts received by the Purchaser on such Payment Date pursuant to Section 2.3(b) of the Sale and Servicing Agreement attributable to the related Offered Assets, the Purchaser will pay or cause such amounts received to be paid in the following order of priority:

(i) First: To the Purchaser, the Arrangement Fee for such Payment Date;

(ii) Second: *Pro rata*, to (A) the Purchaser, the Commitment Fee for such Payment Date; and (B) the Seller, an amount equal to the sum of the Excess Spread Amount minus the Commitment Fee minus the Remaining Excess Spread Amount, in each case for such Payment Date; and

(iii) Third: To the Seller, the Remaining Excess Spread Amount for such Payment Date and any other remaining amount.

The Seller's recourse for Contingent Additional Payments for any Offered Assets will be limited exclusively to amounts paid to the Seller pursuant to this Section 2.1(e) and the Seller will have no recourse to any other assets or property of the Purchaser.

(f) The sale of the Offered Assets made pursuant to this Section 2.1 does not constitute, and is not intended to result in (i) the assumption by the Purchaser of any obligation of the Seller to the Obligors or any other Person in connection with the Purchased Assets, or (ii) the formation of any trust or partnership between the Purchaser and the Seller or any other Person (except as otherwise expressly provided in this Agreement).

SECTION 2.2 Absolute Sale. It is the intention of the Purchaser and the Seller that (a) the sales pursuant to Section 2.1 constitute an absolute sale of the Offered Assets, conveying good title free and clear of any Lien, other than Permitted Liens, from the Seller to the Purchaser

and are not intended, nor should be construed as, a loan or an assignment by way of security, and (b) the Purchased Assets not be a part of the Seller's estate in the event of an Insolvency Event with respect to the Seller.

SECTION 2.3 Commitment Extension. The commitment of the Purchaser to purchase Receivables hereunder may be extended for successive 364 day periods if, at least 60 days prior to the then current Commitment Expiry Date (but not more than 120 days prior to the then current Commitment Expiry Date), the Seller delivers a request (each, an "Extension Request") to the Purchaser requesting an extension of the commitment of the Purchaser to purchase additional Receivables for an additional 364 day period from the date of such then current Commitment Expiry Date. Not later than 30 days prior to the then current Commitment Expiry Date, the Purchaser will, by notice to the Seller, advise the Seller whether or not it accepts the offer to extend its commitment. If the Purchaser fails to deliver the notice described in this Section 2.3 within the specified period, the Purchaser will be deemed to have declined the terms of the Extension Request. On acceptance of an Extension Request by the Purchaser, the commitment of the Purchaser to purchase additional Receivables under this Agreement will be extended until the day that is 364 days following the then current Commitment Expiry Date.

ARTICLE III CONDITIONS PRECEDENT

SECTION 3.1 Conditions Precedent to Effectiveness of this Agreement. Prior to the initial Purchase under this Agreement, the Purchaser will have received the following (or the following conditions will otherwise have been satisfied), unless waived by the Purchaser, in each case in form and substance satisfactory to the Purchaser:

- (a) an Officer's Certificate of the Seller (i) certifying that as of the date thereof the representations and warranties of the Seller set forth in Article IV are true and correct and no event has occurred and is continuing which constitutes, or would, after giving effect to the Purchase constitute an Event of Termination or would constitute an Event of Termination but for the requirement that notice be given or time elapse or both, and (ii) attaching copies of its Organizational Documents, an appropriate resolution of its directors and the names and true signatures of the officers authorized to sign this Agreement and the other documents required to be delivered in connection with this Agreement;
- (b) a certificate of status or compliance issued by the Seller's governing jurisdiction;
- (c) an opinion of counsel to the Seller;
- (d) an executed copy of this Agreement, the Performance Guarantee and the Equity and Option Documentation;
- (e) evidence of filing a financing statement under the PPSA (Ontario) in respect of the assignment of Receivables by the Seller to the Purchaser; and
- (f) such other approvals, opinions or documents as the Purchaser may reasonably request.

SECTION 3.2 Conditions Precedent to all Purchases. Prior to each Purchase under this Agreement after the date of this Agreement, the Purchaser will have received the following (or the following conditions will otherwise have been satisfied), unless waived by the Purchaser, in each case in form and substance satisfactory to the Purchaser:

- (a) a duly completed Purchase Request, setting forth the amount to be funded on the Closing Date specified therein, which will be a date prior to the Commitment Expiry Date, and which will be delivered in accordance with Section 2.1(a); provided that, such Purchase Request will be irrevocable and the amount to be funded on such Closing Date may not be less than \$500,000 (or such other amount as may be agreed by the Seller and the Purchaser);
- (b) an executed copy of the Bill of Sale for such Purchase;
- (c) evidence that the Seller has deposited or caused to be deposited into the Designated Account all Collections received in respect of the Receivables comprising part of the related Offered Assets since the related Cutoff Date;
- (d) confirmation that each related Receivables File has been delivered to, or is otherwise in the possession or control of, the Custodian;
- (e) evidence of all discharges, releases or postponements, if any, necessary to discharge, release or postpone all security interests and other rights of any Person in the Offered Assets previously granted by or through the Seller (other than in favour of the Purchaser) as contemplated in Section 3.1(e), together with, where applicable, copies of the relevant financing change statements or other discharge statements with the registration particulars stamped thereon;
- (f) the representations and warranties of the Seller set forth in Article IV are true and correct on the related Closing Date;
- (g) the Purchaser is satisfied in its sole discretion with its due diligence review of the related Offered Assets;
- (h) confirmation that (i) the related Closing Date will occur prior to the Commitment Expiry Date, (ii) no event has occurred and is continuing which constitutes, or would, after giving effect to the related Purchase constitute an Event of Termination or would constitute an Event of Termination but for the requirement that notice be given or time elapse or both; (iii) the Total Investment, after taking into account such Purchase, will not exceed the Purchase Limit, and (iv) the Trust has agreed to purchase an interest in the related Offered Assets from the Purchaser pursuant to the Sale and Servicing Agreement on such Closing Date;
- (i) the Purchaser is satisfied in its sole discretion that the Receivables forming part of the related Offered Assets will, as of the related Closing Date, constitute "Eligible Receivables" as defined in the Sale and Servicing Agreement; and
- (j) such other approvals, opinions or documents as the Purchaser may reasonably request.

ARTICLE IV THE SELLER

SECTION 4.1 Representations and Warranties of Seller. The Seller represents and warrants to the Purchaser as of each Closing Date (unless specifically stated below to be as of another date), on which the Purchaser is relying in acquiring the related Offered Assets and which will survive the sale of such Offered Assets to the Purchaser on such Closing Date:

(a) Organization and Qualification. It is duly organized and validly existing as a corporation in good standing under the laws of the Province of Ontario. It has obtained all necessary licenses and approvals in all jurisdictions in which the ownership or lease of its properties or the conduct of its activities requires such qualification, license or approval, unless the failure to obtain such qualifications, licenses or approvals would not reasonably be expected to have a material adverse effect on the interests of the Purchaser or the Seller's ability to perform its obligations under this Agreement.

(b) Power, Authorization and Enforceability. It has the power and authority to execute, deliver and perform the terms of this Agreement. It has authorized the execution, delivery and performance of the terms of this Agreement. Assuming the due authorization, execution and delivery of this Agreement by the Purchaser, this Agreement constitutes its legal, valid and binding obligation and is enforceable against it, except as may be limited by insolvency, bankruptcy, reorganization or other laws relating to the enforcement of creditors' rights or by general equitable principles.

(c) No Conflicts and No Violation. The consummation of the transactions contemplated by this Agreement and the fulfillment of the terms of this Agreement will not (i) conflict with or result in a breach of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement, guarantee or similar agreement or instrument under which it is a debtor or guarantor, (ii) result in the creation or imposition of any Lien upon any of its properties or assets pursuant to the terms of any such indenture, mortgage, deed of trust, loan agreement, guarantee or similar agreement or instrument (other than as contemplated by this Agreement), (iii) violate its Organizational Documents, or (iv) violate any law or, to its knowledge, any order, rule or regulation applicable to it of any court or of any federal, provincial or territorial regulatory body, administrative agency or other governmental instrumentality having jurisdiction over it or its properties, in each case which conflict, breach, default, Lien or violation would reasonably be expected to have a material adverse effect on the interests of the Purchaser or the Seller's ability to perform its obligations under this Agreement.

(d) No Proceedings. There are no proceedings or investigations pending or, to its knowledge, threatened in writing, before any Governmental Authority having jurisdiction over it or its properties (i) asserting the invalidity of this Agreement, (ii) seeking to prevent any of the transactions contemplated by this Agreement, or (iii) seeking any determination or ruling that would reasonably be expected to have a material adverse effect on the interests of the Purchaser or the Seller's ability to perform its obligations under, or the validity or enforceability of, this Agreement.

(e) Place of Business. Its chief executive office and chief place of business is located at 376 Richmond Street, 3rd Floor, London, Ontario N6A 3C7, Canada or at such other location for which notification has been given to the Purchaser in accordance with Section 4.3(c).

(f) Bulk Sales Legislation. No transaction contemplated by this Agreement requires compliance with any bulk sales or similar legislation.

(g) Eligible Receivables. Each of the Receivables comprising part of the related Offered Assets satisfies each of the criteria specified in Schedule A relating to the Receivables on such Closing Date and the information in respect of such Receivables provided to the Purchaser pursuant to this Agreement is in all material respects true and correct.

(h) Good Title. The Seller has good and marketable title to the related Offered Assets free and clear of all Liens (other than Permitted Liens), and such Offered Assets have been sold, transferred and assigned to the Purchaser free and clear of any Liens (other than Permitted Liens).

(i) No Registrations. No effective financing statement or other instrument similar in effect perfecting a Lien in any related Offered Assets is on file in any relevant recording office registered or filed against the Seller, except (i) in favour of the Purchaser as contemplated in Section 3.1(e), or (ii) as may have been waived in writing by the Purchaser or in respect of which a waiver, release or acknowledgement in form and substance acceptable to the Purchaser has been obtained.

(j) Perfection. The Seller has registered or has caused to be registered all necessary filings to perfect the transfers contemplated under this Agreement.

(k) Information Correct. No information, exhibit, financial statement, document, book, record or report furnished by the Seller under this Agreement or in connection herewith is or will be inaccurate in any material respect as of the date it is or will be dated or as of the date so furnished, or omits or will omit to state a material fact or any fact necessary to make the statements contained therein not materially misleading.

(l) Solvency. The Seller is not the subject matter of an Insolvency Event.

(m) Residency. The Seller is a resident of Canada within the meaning of the *Income Tax Act* (Canada).

SECTION 4.2 Deemed Collections.

(a) If, on any day, any Purchased Receivable is either reduced or cancelled as a result of (i) any defective, rejected, undelivered or returned inventory or services or as a result of any cash discount or other adjustment or settlement by the Seller or any other Person other than the Purchaser or the Trust, or (ii) a set-off in respect of any claim by the applicable Obligor against the Seller or the Purchaser (whether such claim arises out of the same or a related transaction or, with respect to the Seller only, an unrelated transaction), the Seller will be deemed to have received on such day a Collection of such Receivable in the amount of such reduction or cancellation, and will within two Business Days upon becoming aware of such reduction or

cancellation deposit such amount to the Designated Account. In the event any Purchased Receivable is cancelled, the amount to be deposited by the Seller pursuant to the preceding sentence in respect of such Receivable will be increased to include 30 days' interest at the lesser of (A) 27.5% per annum and (B) the related APR.

(b) If, on any day, (i) any representation or warranty made by the Seller pursuant to Section 4.1(g), Section 4.1(h) or Section 4.1(j) in respect of any Purchased Receivable is found to have been incorrect when made, or (ii) the Seller defaults in the performance of any of its obligations under Section 4.6(b), the Seller or the Purchaser will forthwith upon becoming aware of such incorrectness or default notify the other thereof and if such incorrectness or default is not remedied within three Business Days of such notice, the Seller will be deemed to have received on such day a Collection of each affected Purchased Receivable in full, together with 30 days' interest at the lesser of (A) 27.5% per annum and (B) the related APR, and will deposit such amount to the Designated Account. Upon such deposit, such incorrectness or default will be deemed to have been rectified and cured and the Purchaser will be deemed to have sold, transferred and assigned to the Seller as of the date of such deposit such Receivable and any related Purchased Assets and such Receivable will no longer comprise part of the Purchased Assets. Any such sale by the Purchaser will be without recourse, representation or warranty (whether expressed, implied, statutory or otherwise) by or on behalf of the Purchaser except the representation that the Purchaser owns such Receivable and the other related Purchased Assets free and clear of any Liens created by, through or in favour of the Purchaser.

SECTION 4.3 Filing and Maintenance of Financing Statements and Liens.

(a) The Seller will file or cause to be filed financing statements, financing change statements and similar instruments in the manner and place required by law to perfect, preserve, maintain and protect the ownership interest in the Purchased Receivables and related Purchased Assets acquired by the Purchaser from the Seller pursuant to this Agreement. The Seller will deliver or cause to be delivered to the Purchaser file-stamped copies of, or filing receipts for, any such financing statement, financing change statement or similar instrument promptly upon such document becoming available following filing.

(b) The Seller authorizes the Purchaser and its agents to file any financing statements, financing change statements and similar instruments and amendments thereto, in all jurisdictions and with all filing offices as the Purchaser may determine are necessary or advisable to perfect, preserve, maintain and protect the ownership interest in the Purchased Receivables and related Purchased Assets acquired by the Purchaser from the Seller pursuant to this Agreement.

(c) The Seller will give the Purchaser at least 20 days' prior notice of any relocation of its chief executive office or chief place of business or change in its corporate structure, form of organization or jurisdiction of organization if, as a result of such relocation or change, the provisions of any applicable PPSA or other Applicable Law would require the filing of a new financing statement, financing change statement or similar instrument or an amendment to a previously filed financing statement, financing change statement or similar instrument and will promptly file any such new financing statement, financing change statement or similar

instrument. The Seller will maintain its chief executive office and chief place of business within the Province of Ontario.

(d) The Seller will not change its name in any manner that could make any financing statement, financing change statement or similar instrument filed by or on behalf of the Seller or the Purchaser in accordance with Section 4.3(a) or Section 4.3(b) misleading or the related Lien unperfected for the purpose of any applicable PPSA or other Applicable Law, unless it has given the Purchaser at least 10 days' prior notice of such change and promptly files appropriate amendments to all previously filed financing statements, financing change statements or similar instruments.

SECTION 4.4 Account Records and Receivables.

(a) The Seller will maintain or cause to be maintained or, if requested by the Servicer, will provide reasonable assistance to the Servicer in maintaining, accurate accounts and records for each Purchased Receivable in sufficient detail to indicate the status of such Receivable, including payments and collections made and payments owing (and the nature of each).

(b) The Seller will mark its receivables system, from and after the Initial Closing Date, to indicate clearly that each Purchased Receivable has been sold to the Purchaser, which indication of ownership will not be deleted or modified until the Receivable has been paid in full by the Obligor or all of the Purchaser's right, title and interest therein sold, transferred and assigned to the Seller pursuant to this Agreement.

(c) Without the prior written consent of the Purchaser and the Trust, the Seller will not direct or allow an Obligor to make any payments in respect of the applicable Receivable to any bank account other than (i) the account subject to a Blocked Accounts Agreement, or (ii) an unencumbered segregated account of the Seller under which the Seller will only have the ability to deposit funds into such account and the Purchaser or the Trust will have the sole dominion and control to transfer, withdraw and disburse funds from such account. Notwithstanding the foregoing, if the Seller receives any Collections in respect of Purchased Receivables directly, it will deposit such amounts to the Designated Account as soon as possible but in no event later than two Business Days following receipt thereof.

SECTION 4.5 Inspections. The Seller, upon receipt of reasonable prior notice, will permit the Purchaser, the Trust and their respective agents at any time during the Seller's normal business hours to inspect and audit the Seller's records regarding any Purchased Receivable subject to the Seller's normal security and confidentiality procedures and subject to the terms and conditions of a confidentiality agreement satisfactory to the Seller. Nothing in this Section 4.5 will affect the obligation of the Seller to observe any Applicable Law prohibiting disclosure of information regarding the Obligors.

SECTION 4.6 Other Seller Covenants. The Seller covenants with the Purchaser:

(a) to preserve and maintain its corporate existence, rights, franchises and privileges and to qualify and remain qualified to carry on business in each jurisdiction in which

the failure to do so would reasonably be expected to have a material adverse effect on the interests of the Purchaser or the Seller's ability to perform its obligations under this Agreement;

(b) except as otherwise expressly permitted in this Agreement not to sell, transfer, assign (by operation of law or otherwise) or otherwise dispose of any of the Purchased Assets (or any interest therein), take any action which may cause the validity, enforceability or collectability of the Purchased Receivables to be impaired or take any action or omit to take any steps which may cause a Lien (other than a Permitted Lien) to attach or extend to or otherwise burden the Purchased Receivables, other Purchased Assets, Collections or any account to which any Collections are payable;

(c) to comply with all laws, rules, regulations, orders, judgments, injunctions, awards or decrees applicable to the Seller and the Purchased Assets except where the failure to do so would reasonably be expected not to have a material adverse effect on the interests of the Purchaser or the Seller's ability to perform its obligations under this Agreement;

(d) to promptly notify the Purchaser of any amendment, limitation or restriction of any license issued to the Seller by a regulatory authority relating to the carrying on by the Seller of its business if such amendment, limitation or restriction would reasonably be expected to have a material adverse effect on the interests of the Purchaser or the Seller's ability to perform its obligations under this Agreement;

(e) to continue to record the sale of the Purchased Assets to the Purchaser as a sale for financial accounting and other reporting purposes, provided that such recording is in conformity with GAAP;

(f) not to amalgamate or, other than the transactions contemplated by this Agreement, enter into any transaction whereby all or substantially all of its undertaking, property and assets would become the property of any other corporation whether by way of reconstruction, reorganization, recapitalization, consolidation, merger, transfer, sale or otherwise;

(g) on the Initial Closing Date, to designate the individuals who are authorized to act as "Responsible Persons" with respect to the Seller pursuant to an Officer's Certificate distributed to the Purchaser, which designation may change from time to time by delivery of an Officer's Certificate in accordance with this Section 4.6(g);

(h) to remit within two Business Days, without set-off or other deduction, to the Designated Account, any Collections received (including deemed to be received pursuant to Section 4.2) by the Seller; and

(i) to enter into and deliver a Blocked Accounts Agreement to the Trust no later than 60 days following the Initial Closing Date (or such longer period of time approved by the Trust in writing).

SECTION 4.7 Liability of Seller.

(a) The Seller and any officer, director, employee or agent of the Seller may rely in good faith on the advice of counsel or on any document believed to be genuine and to have been executed by the proper party in respect of any matters arising under this Agreement.

(b) The obligations of the Seller under this Agreement are solely corporate obligations of the Seller, and no recourse may be taken, directly or indirectly, with respect to the obligations of the Seller against any shareholder, officer, director, employee or agent of the Seller in their individual capacities.

SECTION 4.8 Indemnities of Seller.

(a) The Seller will indemnify, defend and hold harmless the Purchaser and its officers, directors, employees, agents and assigns, including the Trust, (each, with respect to this Section 4.8, an “Indemnified Person”) from and against any and all costs, losses, claims and liabilities arising out of:

(i) the Seller’s failure to perform any of its duties or obligations under this Agreement;

(ii) any breach of the representations and warranties made by the Seller in Section 4.1 (determined after giving effect to any payment made pursuant to Section 4.2(b) in connection therewith);

(iii) any transfer taxes (or any interest or penalties with respect thereto) at any time being asserted against the Purchaser with respect to the sale of the Purchased Assets to the Purchaser, including any goods and services, harmonized sales, sales or tangible personal property taxes, provided that the Seller will not indemnify any Indemnified Person for any federal, provincial, territorial, local or foreign income, capital or franchise taxes (or any interest or penalties with respect thereto) required to be paid by such Indemnified Person in connection with this Agreement to any taxing authority, or any costs and expenses in defending against such taxes;

(iv) the disclosure of Personal Information by or on behalf of the Seller to the Purchaser, collection or use of such Personal Information by the Purchaser or its agents or any assignee of the Purchaser, including the Trust and its agents and assignees, disclosure of such Personal Information by the Purchaser to any successor servicer of the Purchased Assets or collection or use of such Personal Information by any successor servicer of the Purchased Assets that is not in compliance with Applicable Privacy Law, provided that, other than in respect of the Seller, the collection, use or disclosure of such Personal Information is solely in connection with the purchase, disposition or servicing of the Purchased Receivables in accordance with this Agreement and the Sale and Servicing Agreement or for any other purpose permitted hereunder or thereunder and for no other purpose unless required by law;

(v) the return or transfer by the Purchaser to the Seller of any payments received by the Purchaser to which the Purchaser is otherwise entitled pursuant to this Agreement for any reason; and

(vi) the commingling by the Seller of Collections at any time with other funds.

(b) Promptly upon receipt by an Indemnified Person of notice of the commencement of any Proceeding against any such Indemnified Person, such Indemnified Person will, if a claim in respect of such Proceeding will be made against the Seller under this Section 4.8, notify the Seller of the commencement of such Proceeding. The Seller may participate in and assume the defense and settlement of any such Proceeding at the Seller's expense. No settlement of such Proceeding may be made without the approval of the Seller and such Indemnified Person, which approvals will not be unreasonably withheld, delayed or conditioned. The Seller's indemnification obligation will include the reasonable fees and expenses of counsel and the expenses of litigation. After notice from the Seller to such Indemnified Person of the Seller's intention to assume the defense of such Proceeding with counsel reasonably satisfactory to such Indemnified Person, and so long as the Seller so assumes the defense of such Proceeding in a manner reasonably satisfactory to such Indemnified Person, the Seller will not be liable for any legal expenses of counsel to such Indemnified Person unless there is a conflict between the interests of the Seller and such Indemnified Person, in which case the Seller will pay for the separate counsel to such Indemnified Person.

(c) If the Seller makes any indemnity payments pursuant to this Section 4.8 and the Person to or on behalf of whom such payments are made thereafter collects any such amounts from others, such Person will promptly repay such amounts to the Seller, without interest.

SECTION 4.9 Servicing of Purchased Assets. The Seller acknowledges that (a) the Purchased Assets will be serviced, administered and collected by the Servicer, and (b) the Custodian will act as custodian of the Receivables Files, in each case in accordance with the terms of the Sale and Servicing Agreement. Without limiting Section 8.11(b), the Seller will, upon request, provide the Servicer and the Custodian with such reasonable assistance as may be necessary for such Person to comply with its duties and obligations under the Sale and Servicing Agreement as they may pertain to the Purchased Assets.

ARTICLE V THE PURCHASER

SECTION 5.1 Representations and Warranties of Purchaser. The Purchaser represents and warrants to the Seller as of each Closing Date and which will survive the sale of the related Offered Assets to the Purchaser on such Closing Date:

(a) Organization and Qualification. It is duly organized and validly existing as a body corporate in good standing under the laws of Barbados. It has obtained all necessary licenses and approvals in all jurisdictions in which the ownership or lease of its properties or the conduct of its activities requires such qualification, license or approval, unless the failure to

obtain such qualifications, licenses or approvals would not reasonably be expected to have a material adverse effect on the Purchaser's ability to perform its obligations under this Agreement.

(b) Power, Authorization and Enforceability. It has the power and authority to execute, deliver and perform the terms of this Agreement. It has authorized the execution, delivery and performance of the terms of this Agreement. Assuming the due authorization, execution and delivery of this Agreement by the Seller, this Agreement constitutes its legal, valid and binding obligations and is enforceable against it, except as may be limited by insolvency, bankruptcy, reorganization or other laws relating to the enforcement of creditors' rights or by general equitable principles.

(c) No Conflicts and No Violation. The consummation of the transactions contemplated by this Agreement and the fulfillment of the terms of this Agreement will not (i) conflict with or result in a breach of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement, guarantee or similar agreement or instrument under which it is a debtor or guarantor, (ii) result in the creation or imposition of any Lien upon any of its properties or assets pursuant to the terms of any such indenture, mortgage, deed of trust, loan agreement, guarantee or similar agreement or instrument, (iii) violate its Organizational Documents, or (iv) violate any law or, to its knowledge, any order, rule or regulation applicable to it of any court or of any federal, provincial or territorial regulatory body, administrative agency or other governmental instrumentality having jurisdiction over it or its properties, in each case which conflict, breach, default, Lien or violation would reasonably be expected to have a material adverse effect on the Purchaser's ability to perform its obligations under this Agreement.

(d) No Proceedings. There are no proceedings or investigations pending or, to its knowledge, threatened in writing, before any Governmental Authority having jurisdiction over it or its properties (i) asserting the invalidity of this Agreement, (ii) seeking to prevent any of the transactions contemplated by this Agreement, or (iii) seeking any determination or ruling that would reasonably be expected to have a material adverse effect on the interests of the Seller or the Purchaser's ability to perform its obligations under, or the validity or enforceability of, this Agreement.

ARTICLE VI TERMINATION

SECTION 6.1 Termination. This Agreement will terminate on the earlier of (a) the date on which the Seller and the Purchaser agree in writing, and (b) the date on which the Sale and Servicing Agreement terminates in accordance with Section 9.1 thereof, provided however, that Section 4.7, Section 4.8, Section 7.1, Section 8.5, Section 8.7 and Section 8.10 will be continuing and will survive any termination of this Agreement.

ARTICLE VII OTHER COVENANTS

SECTION 7.1 Confidential Information and Personal Information Protection.

(a) The Purchaser agrees to, and will cause each of the Information Recipients to, hold and treat all Confidential Information of the Seller, and all Personal Information which it receives or is provided access to in connection with this Agreement, in strict confidence and in accordance with this Section 7.1, and will implement and maintain safeguards to protect the confidentiality of such Confidential Information, and will use the same degree of care to protect such Confidential Information as it uses to protect its own confidential information of a like nature, but in no circumstances less than reasonable care. Without limiting the generality of the foregoing, each Information Recipient will protect any Personal Information which it receives or is provided access to in connection with this Agreement using appropriate safeguards to protect against loss, theft and destruction and against unauthorized access, disclosure, copying, use, or modification thereto.

(b) The Purchaser and each of the Information Recipients will not, without the written consent of the Seller, use Confidential Information or Personal Information for any purpose other than in connection with structuring the transactions contemplated by this Agreement and the Sale and Servicing Agreement, facilitating the offering, distribution and issuance of any notes of the Trust or otherwise for the purposes of performing its obligations under this Agreement or the Sale and Servicing Agreement or for exercising its rights of inspection or receipt of reports under this Agreement in connection with the performance of its reasonable due diligence on the Purchased Assets, and will not copy or disclose any Confidential Information or Personal Information, directly or indirectly, to any third party other than the Trust or its agents or a successor servicer of the Purchased Assets appointed pursuant to the Sale and Servicing Agreement, or their respective officers, directors, employees or agents that have a need to know such information in connection with the Purchaser's performance of its obligations under this Agreement and the Sale and Servicing Agreement and have agreed to be bound by obligations of confidentiality and data protection substantially the same as those of this Section 7.1. The foregoing prohibitions on disclosure of Confidential Information and Personal Information will not apply where the Seller has consented in writing to disclosure, or where such disclosure is in response to a valid court order, law, rule, regulation or other governmental action provided that (i) the Seller is notified in writing prior to disclosure of the Confidential Information, (ii) the Information Recipient assists the Seller to limit or prevent the disclosure of Confidential Information, and (iii) any such disclosure is limited to such information as is necessary to comply with such order, law, rule, regulation or action. The foregoing prohibitions on disclosure of Personal Information will not apply where such disclosure is otherwise made with the consent of the individual that is the subject of the information as required by Applicable Privacy Law, or where such disclosure is not otherwise a violation of Applicable Privacy Law or required by law.

(c) Each Information Recipient will comply with Applicable Privacy Law with respect to all Personal Information it receives or has access to in connection with this Agreement.

(d) In this Section 7.1:

(i) "Applicable Privacy Law" means PIPEDA and any similar federal, provincial or foreign legislation governing the protection of personal information

applicable to the parties hereto or to the transactions contemplated in this Agreement or the Sale and Servicing Agreement;

(ii) “Confidential Information” means information of the Seller of a confidential, proprietary or similar nature that is received by the Purchaser, the Trust or any other Person to whom the Seller may be required to disclose or provide access to information hereunder or any of their respective officers, directors, employees or agents (each, an “Information Recipient”) in connection with this Agreement, whether received directly or indirectly and whether received orally, in writing or in any material form. “Confidential Information” that is not Personal Information will not include information that (A) is or becomes generally available to the public through no fault of any of the Information Recipients (B) was available to any of the Information Recipients on a non-confidential basis from a Person or entity other than the Seller prior to its receipt by any of the Information Recipients in connection with this Agreement or (C) becomes available to any of the Information Recipients on a non-confidential basis from a Person other than the Seller having legitimate possession of the information and who is to the knowledge of the Information Recipient not otherwise bound by a confidentiality agreement with the Seller and is to the knowledge of the Information Recipient not otherwise prohibited from disclosing the information to the Information Recipients, provided, in either case, that the information did not become available to the Information Recipients in circumstances in which the information would reasonably be understood to be confidential; and

(iii) “Personal Information” means personal information (as defined in PIPEDA) regarding Obligors or other individuals, including such information about identifiable individuals as may be contained in any Receivables Files.

ARTICLE VIII MISCELLANEOUS PROVISIONS

SECTION 8.1 Amendment. The Purchaser and the Seller may from time to time (a) enter into agreements amending, modifying or supplementing this Agreement, and (b) in their sole discretion, grant waivers of the provisions of this Agreement or consent to a departure from the due performance of the obligations of the Purchaser and the Seller under this Agreement.

SECTION 8.2 Protection of Right, Title and Interest to Purchased Assets.

(a) On and after the Initial Closing Date until a Purchased Receivable has been paid in full or the Seller has been notified that the Purchaser has sold all of its right, title and interest in such Receivable, the Seller will maintain its receivables systems to indicate clearly that such Receivable is owned by the Purchaser.

(b) At any time the Purchaser has reasonable grounds to believe that a list of all Purchased Receivables (by contract number) then included in the Purchased Assets is necessary in connection with the performance of its duties under this Agreement or the Sale and Servicing Agreement, the Purchaser may request such a list from the Seller and the Seller will furnish or cause to be furnished such list to the Purchaser within 10 Business Days of the request.

SECTION 8.3 Notices. Unless otherwise specified in this Agreement, all notices, requests, demands, consents, waivers or other communications to or from the parties to this Agreement will be in writing and will be deemed to have been given and made:

- (a) upon delivery or, in the case of a letter mailed by registered first class mail, postage prepaid, three days after deposit in the mail;
- (b) in the case of a fax, when receipt is confirmed by telephone, reply email or reply fax from the recipient;
- (c) in the case of an email, when receipt is confirmed by telephone or reply email from the recipient; and
- (d) in the case of an electronic posting to a password-protected website to which the recipient has been provided access, upon delivery (without the requirement of confirmation of receipt) of an email to such recipient stating that such electronic posting has occurred.

Any such notice, request, demand, consent or other communication must be delivered or addressed as set forth on Schedule C or at such other address as any party may designate by notice to the other parties.

SECTION 8.4 Assignment and Third Party Beneficiaries.

- (a) This Agreement will be binding upon and enure to the benefit of the Purchaser and the Seller. Except as expressly provided in this Agreement, no party hereto may assign any of its rights under this Agreement without the prior consent of the Trust.
- (b) The Seller acknowledges that the Purchaser may assign or otherwise transfer all or any portion of its rights under and pursuant to this Agreement and the Purchased Assets to the Trust. In addition, the Seller acknowledges that the Trust may further assign or grant security interests in its rights under this Agreement and the Purchased Assets, and the Seller hereby consents to such assignment or grant. The Trust and all such other assigns and secured parties will be third party beneficiaries of, and will be entitled to enforce the Purchaser's rights and remedies under this Agreement to the same extent as if they were parties hereto (other than the right to continue to make Purchases but including the right to give or withhold any consents or approvals of the Purchaser to be given or withheld hereunder) and the Seller agrees to cooperate fully with the Trust and its agents in the exercise of such rights and remedies.
- (c) The Seller acknowledges that it has read and is familiar with the terms of the Sale and Servicing Agreement.
- (d) The Purchaser and the Seller acknowledge and agree that the Trust has executed this Agreement solely to take the direct benefit of this Section 8.4, Section 4.4(c), Section 4.8(a) and Section 8.10 and the Trust will have no covenants, obligations or duties under this Agreement.

SECTION 8.5 GOVERNING LAW. THIS AGREEMENT WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE PROVINCE OF ONTARIO AND THE FEDERAL LAWS OF CANADA APPLICABLE THEREIN.

SECTION 8.6 Submission to Jurisdiction. Each party to this Agreement submits to the non-exclusive jurisdiction of the courts in the Province of Ontario for purposes of all legal proceedings arising out of or relating to this Agreement or the transactions contemplated by this Agreement. Each party to this Agreement irrevocably waives, to the fullest extent it may do so, any objection that it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum.

SECTION 8.7 WAIVER OF JURY TRIAL. EACH PARTY TO THIS AGREEMENT IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

SECTION 8.8 Counterparts. This Agreement may be executed in any number of counterparts. Each counterpart will be an original, and all counterparts will together constitute one and the same instrument. Delivery of an executed signature page to this Agreement by a party hereto by facsimile or electronic transmission will be as effective as delivery of a manually executed counterpart.

SECTION 8.9 No Waiver; Cumulative Remedies. No failure or delay of the Purchaser in exercising any power, right or remedy under this Agreement will operate as a waiver. No single or partial exercise of any power, right or remedy precludes any other or further exercise of such power, right or remedy or the exercise of any other power, right or remedy. The powers, rights and remedies provided in this Agreement are in addition to any powers, rights and remedies provided by law.

SECTION 8.10 No Petition. The Seller covenants and agrees that it will not at any time (a) seek or institute, or join with any other Person in seeking or instituting, against the Purchaser or the Trust any bankruptcy, reorganization, arrangement, insolvency or liquidation Proceedings under any Applicable Law, (b) otherwise take any action to appoint a Receiver of the Purchaser or the Trust of all or any part of their respective property, or (c) seek or institute, or join with any other Person in seeking or instituting, an order for the winding-up or liquidation of the affairs of the Purchaser or the Trust.

SECTION 8.11 Further Assurances.

(a) Each party will from time to time take such action, and execute and deliver such further documents, as will be reasonably required in order to fully perform the terms of, and carry out the intention of, this Agreement.

(b) The Seller further agrees that it will from time to time take such action, and execute and deliver such further documents, as will be reasonably required in order for the


Purchaser to fully perform its obligations under, and carry out the intention of, the Sale and Servicing Agreement, solely as it pertains to the Purchased Assets.

[INTENTIONALLY LEFT BLANK – SIGNATURE PAGE FOLLOWS]

S-1

The parties have caused this Agreement to be duly executed and delivered as of the date specified on the first page of this Agreement.

2400918 ONTARIO INC.,
as Seller

By: 

Authorized Signatory

BEACON HOLDINGS LIMITED,
as Purchaser

By: _____
Authorized Signatory

By: _____
Authorized Signatory

S-1

The parties have caused this Agreement to be duly executed and delivered as of the date specified on the first page of this Agreement.

2400918 ONTARIO INC.,
as Seller

By: _____
Authorized Signatory

BEACON HOLDINGS LIMITED,
as Purchaser

By:  _____
Authorized Signatory MARY LEWIN

By:  _____
Authorized Signatory SHARON DUNN

[SIGNATURE PAGE TO
SERIES LW1 RECEIVABLES PURCHASE AGREEMENT]

S-2

Executed and delivered by the undersigned solely on the terms and conditions specified in Section 8.4(d) of this Agreement.

COMPUTERSHARE TRUST COMPANY OF
CANADA, acting not in its individual capacity but
solely in its capacity as trustee of BEACON TRUST

By: 

Authorized Signatory

By: 

Authorized Signatory

[SIGNATURE PAGE TO
SERIES LW1 RECEIVABLES PURCHASE AGREEMENT]

Schedule A

Eligible Receivables Criteria

The following are the criteria applicable to each Receivable in order for it to qualify as an “Eligible Receivable”:

- (a) the related Obligor (i) is located in Canada, (ii) is not an Affiliate of the Seller, (iii) is not a Governmental Authority, and (iv) is not the subject of bankruptcy or insolvency proceedings;
- (b) the related Obligor is not the Obligor under any Receivable that is a “defaulted receivable” as determined in accordance with the Seller’s credit and collection policies;
- (c) if, as of the date of origination of the Receivable, the related Obligor had a Beacon[®] credit score, such Beacon[®] credit score was at least 480 (or such lower Beacon[®] credit score approved by the Purchaser in writing, but in no event less than 400);
- (d) the Receivable is denominated in Canadian Dollars and payable in Canada;
- (e) the Receivable is payable via pre-authorized payment;
- (f) the Receivable was originated or acquired in the ordinary course of the Seller’s business in compliance with (i) the Seller’s credit and collection policies, and (ii) Applicable Law (including provincial consumer protection legislation);
- (g) the Receivable (i) is in full force and effect and constitutes a legal, valid and binding obligation of the related Obligor, enforceable against such Obligor in accordance with its terms (subject to Applicable Law, including bankruptcy, insolvency, reorganization or similar laws affecting the enforcement of creditors’ rights generally and to equitable principles of general application), and (ii) is not subject to any asserted or threatened dispute, set-off, counterclaim or defense;
- (h) the Receivable does not contain terms which limit the right of the owner thereof to (i) sell, transfer or assign such Receivable or any interest therein (including any amounts owing or otherwise payable thereunder), or (ii) disclose personal information of the related Obligor to a purchaser of the Receivable (or an interest therein) or a servicer of the Receivable;
- (i) the original term of the Receivable requires that payment in full of the related Amount Financed be made no more than 62 months after the date of origination of such Receivable, provided that the first payment may be deferred for a maximum term of 3 months;
- (j) the Receivable bears interest at the APR set out therein and provides for payments of principal and interest which, if timely made, would fully amortize the related Amount Financed on a simple-interest basis over its term;

(k) under the related Receivable, the Seller has a perfected, valid, subsisting and enforceable first priority security interest in the related Vehicle securing such Receivable in accordance with *Repair and Storage Liens Act* (Ontario) or the equivalent legislation in other Canadian provinces, subject to Permitted Liens, and (ii) if required under the Seller's credit and collection policies, such Receivable requires the related Obligor to obtain physical damage insurance covering such Vehicle;

(l) immediately prior to the sale of the Receivable to the Purchaser, the Seller had good and marketable title to such Receivable and the related Offered Assets free and clear of any Lien other than Permitted Liens;

(m) the Receivable is not a Receivable in respect of which any required payment remains unpaid for more than 10 days, in each case from the payment due date;

(n) as of the date of its origination, the Receivable has (i) been originated, acquired and serviced in compliance with all material requirements of Applicable Law (including provincial consumer protection legislation) and in compliance with the Seller's credit and collection policies, and (ii) not been amended except in accordance with the Seller's credit and collection policies, all of which amendments are contained in the Receivables File;

(o) the Receivable constitutes an "account" or "chattel paper" within the meaning of the PPSA of the Province of Ontario;

(p) as of the date of its origination, the Principal Balance of the Receivable did not exceed \$20,000;

(q) as of the Cutoff Date, the Principal Balance of the Receivable was not less than \$500;

(r) the Receivable specifies an APR of at least 27.0%;

(s) if the Receivable is owed by an Obligor not resident in the Province of Ontario, then the Principal Balance of such Receivable, when added to the Principal Balance of all Purchased Receivables then outstanding for Obligors not resident in the Province of Ontario, does not constitute more than 5.0% of the aggregate Principal Balance, unless otherwise approved by the Purchaser and the Trust in writing; and

(t) the Receivable is not a Québec Receivable.

Schedule B

Designated Account

1. TD Canada Trust – Account #5457584-1020

Schedule C

Notice Addresses

1. If to the Purchaser:

Beacon Holdings Limited
 International House, Castle Hill
 Victoria Road
 Douglas, Isle of Man IM2 4RB

Attention: Mark Lewin / James Russell
 Telephone: 01624 630600
 Fax: 01624 624469

with a copy to:

Beacon FSA Inc.
 1455 Lakeshore Road, Suite 205 South
 Burlington, Ontario L7S 2J1
 Canada

Attention: President
 Telephone: (905) 639-3173
 Fax: (877) 474-5977

with a copy to:

Chancery Chambers
 Chancery House, High Street, Bridgetown
 St. Michael, Barbados
 11128

Attention: Andrew C. Ferreira
 Telephone: 1 (246) 431-0070
 Fax: 1 (246) 431-0076

2. If to the Seller:

2400918 Ontario Inc.
 376 Richmond Street, 3rd Floor
 London, Ontario N6A 3C7
 Canada

Attention: Mark J. Wilson, President
 Telephone: 1 (866) 964-7192
 Fax: 1 (888) 649-1721

with a copy to:

Szemenyei MacKenzie Group LLP
376 Richmond St.
London, Ontario N6A 3C7
Canada

Attention: David MacKenzie, Partner /
Brent Pickard, Associate
Telephone: (519) 433-8155
Fax: (519) 660-4857

3. If to the Trust:

Beacon Trust
c/o Beacon FSA Inc.,
as Financial Services Agent of Beacon Trust
1455 Lakeshore Road, Suite 205 South
Burlington, Ontario L7S 2J1
Canada

Attention: President
Telephone: (905) 639-3173
Fax: (877) 474-5977

with a copy to:

Computershare Trust Company of Canada,
as trustee of Beacon Trust
100 University Avenue
11th Floor
Toronto, Ontario M5J 2Y1

Attention: Manager, Corporate Trust Services
Telephone: (416) 263-9200
Fax: (416) 981-9777

Exhibit A

Form of Purchase Request

To: Beacon Holdings Limited

This Purchase Request is delivered to you pursuant to Section 2.1(a) of the Series LW1 Receivables Purchase Agreement, dated as of May 18, 2017 (as amended, restated, supplemented or otherwise modified to the date hereof, the “Receivables Purchase Agreement”), between 2400918 Ontario Inc., as seller (the “Seller”), and Beacon Holdings Limited, as purchaser (the “Purchaser”). Capitalized terms used but not otherwise defined in this Purchase Request have the meanings specified in the Receivables Purchase Agreement.

The Seller requests that the Purchaser purchase from the Seller (a) those Receivables listed in Schedule I hereto, (b) all amounts received and applied on such Receivables on or after the Cutoff Date, (c) the Liens in any Financed Property granted by Obligors pursuant to such Receivables and any other interest of the Seller in such Financed Property, (d) all rights to receive proceeds from claims on any physical damage, credit life, credit disability or other insurance covering any related Financed Property or Obligors, but excluding any such proceeds where the Seller has no legal entitlement to retain such proceeds, (e) the related Receivables Files, (f) rebates of premiums and other amounts relating to insurance and other items financed under such Receivables, (g) the universality of all present and future claims, demands, causes of action and choses in action in respect of any of the foregoing, and (h) all payments on or under and all proceeds in respect of any of the foregoing (collectively, the “Offered Assets”) on the terms specified below.

Closing Date: ●, 201●

Cutoff Date: ●, 201●

Closing Date Payment: \$●

Contingent Additional Payments: As per Section 2.1(e) of the Receivables Purchase Agreement

The Seller hereby certifies that:

- (a) this Purchase Request is irrevocable;
- (b) the Closing Date on which the proposed Purchase is to occur is (i) a Business Day and (ii) will occur prior to the Commitment Expiry Date;
- (c) all of the representations and warranties of the Seller set forth in Article IV of the Receivables Purchase Agreement will be true and correct on the Closing Date;
- (d) no event has occurred and is continuing which constitutes, or would, after giving effect to the Purchase constitute an Event of Termination or would constitute an Event of Termination but for the requirement that notice be given or time elapse or both;

(e) the Total Investment, after taking into account the proposed Purchase, will not exceed the Purchase Limit; and

(f) all other terms and conditions set forth in the Receivables Purchase Agreement to the proposed Purchase have been satisfied.

[INTENTIONALLY LEFT BLANK – SIGNATURE PAGES FOLLOW]

Dated this • day of •, 201•.

2400918 ONTARIO INC.,
as Seller

By: _____
Authorized Signatory

The foregoing Purchase Request is hereby confirmed and accepted as of the • day of •,
201•.

BEACON HOLDINGS LIMITED,
as Purchaser

By: _____
Authorized Signatory

By: _____
Authorized Signatory

Schedule I to Purchase Request

List of Receivables

Exhibit B

Form of Bill of Sale

This Bill of Sale, dated as of ●, 201●, is delivered to you pursuant to Section 2.1(d) of the Series LW1 Receivables Purchase Agreement, dated as of May 18, 2017 (as amended, restated, supplemented or otherwise modified to the date hereof, the “Receivables Purchase Agreement”), between 2400918 Ontario Inc., as seller (the “Seller”), and Beacon Holdings Limited, as purchaser (the “Purchaser”). Capitalized terms used but not otherwise defined in this Bill of Sale have the meanings specified in the Receivables Purchase Agreement.

Now this Bill of Sale witnesses that for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Seller hereby sells, assigns, transfers and conveys to the Purchaser (a) those Receivables listed in Schedule I hereto, (b) all amounts received and applied on such Receivables on or after **[insert related Cutoff Date]**, (c) the Liens in any Financed Property granted by Obligors pursuant to such Receivables and any other interest of the Seller in such Financed Property, (d) rights to receive proceeds from claims on any physical damage, credit life, credit disability or other insurance covering any related Financed Property or Obligors, but excluding any such proceeds where the Seller has no legal entitlement to retain such proceeds, (e) the related Receivables Files, (f) rebates of premiums and other amounts relating to insurance and other items financed under such Receivables, (g) the universality of all present and future claims, demands, causes of action and choses in action in respect of any of the foregoing, and (h) all payments on or under and all proceeds in respect of any of the foregoing.

Delivery of an executed signature page to this Bill of Sale by a party hereto by facsimile or electronic transmission will be as effective as delivery of a manually executed counterpart.

This Bill of Sale will be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

[INTENTIONALLY LEFT BLANK – SIGNATURE PAGE FOLLOWS]

In witness whereof, the parties have executed this Bill of Sale

2400918 ONTARIO INC.,
as Seller

By: _____
Authorized Signatory

BEACON HOLDINGS LIMITED,
as Purchaser

By: _____
Authorized Signatory

By: _____
Authorized Signatory

[SIGNATURE PAGE TO BILL OF SALE]

Schedule I to Bill of Sale

List of Receivables

This is Exhibit "FF" referred to in the Affidavit of Don Bent,
sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)



COMPANIES ACT OF BARBADOS
(Section 169(1) and (2))

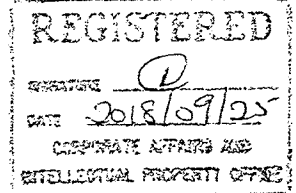
**NOTICE OF ADDRESS
OR
NOTICE OF CHANGE OF ADDRESS OF REGISTERED OFFICE**

Form 4

#586204

- \$2500

2018-09-25



1. Name of Company:

BEACON HOLDINGS LIMITED

2. Company Number:

36968

3. Address of Registered Office:

**Suite 1, Ground Floor, The Financial Services Centre, Bishop's Court Hill, St. Michael,
Barbados BB14004**


4. Mailing Address:

**Suite 1, Ground Floor, The Financial Services Centre, Bishop's Court Hill, St. Michael,
Barbados BB14004**

5. If change of address, give previous address of Registered Office.

The Phoenix Centre, George Street, Belleville, St. Michael, Barbados

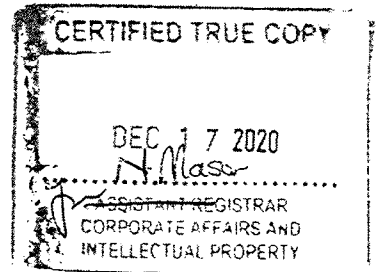
6.

Date:	29th September, 2017	Signature:	Trident Corporate Services (Barbados) Limited 	Title:	Secretary
			Per: Gayle A. Hutchinson Director		

For Ministry use only

Company Number:

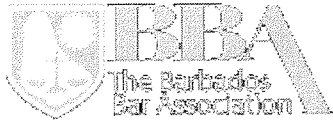
Filed:



This is Exhibit "GG" referred to in the Affidavit of Don Bent,
sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)


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Attorneys-at-Law

Ms. Avenel Yolanda Hinkson-Forde

Year Admitted To Bar: 1991

 Areas of Specialty - Conveyancing, Debt Collections, Mortgages, Personal injuries negotiation and Settlement, Succession
 LawLaw School Attended - Hugh Wooding

Specialties

 Civil Litigation
 Conveyancing
 Debt Collections
 Mortgage Finance
 Personal Injury
 Succession

Contact Information

 Golf Club Road, Rockley
 St. Michael
 Barbados

Tel: (246) 436-2153 Fax: (246) 436-2155

 E-mail: ahinkson-forde@trinitylawchambers.com

Law Firm

Trinity Law Chambers

 Golf Club Road, Rockley
 Christ Church
 Barbados

Tel: 246- 436-2153 Fax: 246- 436-2155

Tel: 246- 436-2154

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Barbados Bar Association
 "Leeton", Perry Gap, Roebuck Street, Bridgetown, St. Michael, Barbados
 Phone No. (246) 437-7316 Fax No. (246) 228-1739 E-mail: bar@caribsurf.com

This is Exhibit "HH" referred to in the Affidavit of Don Bent,
sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

Duncan, Tim

From: Duncan, Tim
Sent: Thursday, December 17, 2020 3:47 PM
To: Duncan, Tim
Subject: FW: Beacon Holdings Limited

From: Avenel Hinkson-Forde <ahinkson-forde@trinitylawchambers.com>
Sent: December 11, 2020 10:02 AM
To: Don Bent <dbent@frasermackenzie.com>; Joel Alleyne <jalleyne@crucible.net>
Cc: bmckay@crucible.net; Jacinta Khan <jlkh@crucible.net>; dbowen@crucible.net
Subject: RE: Beacon Holdings Limited

Good morning

You are most welcome.

Kindly be advised that a correction is to be made to the email below so that it reads "there is **no** Notice of Appointment of Secretary on file".

Please accept our sincere apologies for this oversight.

Regards

Avenel Hinkson-Forde | Attorney at Law

Trinity Law Chambers
Attorneys-at-Law

"Casa Moderna", Golf Club Road
 Rockley, Christ Church, Barbados

Tel: (246) 436-2153
 (246) 436-2154
 Fax: (246) 436-2155
 Email: ahinkson-forde@trinitylawchambers.com



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Whilst we have taken reasonable precautions to ensure that any attachments to this email have been swept for viruses, we cannot accept liability for any damage sustained as a result of software viruses and would advise that you carry out your own virus check before opening any attachments.

From: Don Bent <dbent@frasermackenzie.com>
Sent: Friday, December 11, 2020 10:55 AM

To: Avenel Hinkson-Forde <ahinkson-forde@trinitylawchambers.com>; Joel Alleyne <jalleyne@crucible.net>
Cc: bmckay@crucible.net; Jacinta Khan <jlkhan@crucible.net>; dbowen@crucible.net
Subject: Re: Beacon Holdings Limited

Hello Avenel!

Many thanks for your help with this. I do truly appreciate it. This is exactly what I was looking for.

And Joel - thanks so much for making the connection with Avenel.

Kind regards,

Don

Sent from my BlackBerry — the most secure mobile device — via the Bell Network

From: ahinkson-forde@trinitylawchambers.com
Sent: December 11, 2020 9:47 AM
To: jalleyne@crucible.net
Cc: bmckay@crucible.net; dbent@frasermackenzie.com; jlkhan@crucible.net; dbowen@crucible.net
Subject: RE: Beacon Holdings Limited

Good morning

We trust that you, your family and colleagues are all doing well.

Please take note of the information below which is detailed in the corporate register:

Directors:

- Sharon Dunn – 65 Crank Coar, Tromade Park, Douglas, Isle of Man IM2 514
- James Edmund Russell - 6 Villa Court Apartments, Castle Mona Avenue, Douglas, Isle of Man IM1 517
- Mark Jonathan Lewin – Ballawle Bungalow, Angneash Lonan, Isle of Man IM4 7VP
- Christopher Michael McKernan/Alternate Director for Mark Jonathan Lewin – White Rock 20 The Laurels, Douglas, Isle of Man IM2 7DN

Registered Office:

Suite 1 Ground Floor, The Financial Services Centre, Bishop Court Hill, St. Michael, Barbados BB 14004.

The records indicate that Trident Corporate Services (Barbados) Limited (Trident) was previously the Secretary of the subject Company and that there is Notice of Appointment of Secretary on file.

Do note that the address for Trident is the same as the Registered Office address for Beacon Holdings Limited.

We reached out to Ms. Gayle Hutchinson at Trident but she is not in office today.

Please feel free to contact the undersigned should you have any further queries.

Regards

Avenel Hinkson-Forde | Attorney at Law

**Trinity Law Chambers
Attorneys-at-Law**

"Casa Moderna", Golf Club Road
Rockley, Christ Church, Barbados

Tel: (246) 436-2153

(246) 436-2154

Fax: (246) 436-2155

Email: ahinkson-forde@trinitylawchambers.com



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Whilst we have taken reasonable precautions to ensure that any attachments to this email have been swept for viruses, we cannot accept liability for any damage sustained as a result of software viruses and would advise that you carry out your own virus check before opening any attachments.

From: Avenel Hinkson-Forde

Sent: Friday, December 4, 2020 5:30 PM

To: Joel Alleyne <jalleyne@crucible.net>

Cc: bmckay@crucible.net; Don Bent <dbent@frasermackenzie.com>; Jacinta Khan <jlkh@crucible.net>; dbowen@crucible.net

Subject: RE: Beacon Holdings Limited

Good evening

We acknowledge receipt of and thank you for your email, the details of which have been duly noted.

We will have our Legal Clerk conduct a Company search and revert to you.

Regards

Avenel Hinkson-Forde | Attorney at Law

**Trinity Law Chambers
Attorneys-at-Law**

"Casa Moderna", Golf Club Road
Rockley, Christ Church, Barbados

Tel: (246) 436-2153

(246) 436-2154

Fax: (246) 436-2155

Email: ahinkson-forde@trinitylawchambers.com



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action with regard to it. If you have received this message in error please advise us by replying (or telephone the sender) and delete all copies on your system. 442

Whilst we have taken reasonable precautions to ensure that any attachments to this email have been swept for viruses, we cannot accept liability for any damage sustained as a result of software viruses and would advise that you carry out your own virus check before opening any attachments.

From: Joel Alleyne <jalleyne@crucible.net>
Sent: Friday, December 4, 2020 12:20 PM
To: Avenel Hinkson-Forde <ahinkson-forde@trinitylawchambers.com>
Cc: bmckay@crucible.net; Don Bent <dbent@frasermackenzie.com>; Jacinta Khan <jlkh@crucible.net>; dbowen@crucible.net
Subject: Beacon Holdings Limited

Good day Avenel,

Further to your conversation with Bobbi, could find out if this company is registered and active in Barbados and their corporate address. If there is a fess to get details, you will be reimbursed.

Beacon Holdings Limited
The Phoenix Centre
George Street
Belleville (St. Michael), Barbados

Neil at Invest Barbados sent me to the CAIPO registry and I found this:

Name BEACON HOLDINGS LIMITED
Number 36968
Category INTERNATIONAL BUSINESS COMPANY
Date Registered /Incorporated 2013-04-30

We need to find out if this company is still active and their corporate address. We need to serve them documents.

Joel Alleyne

This is Exhibit "II" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

Duncan, Tim

From: Edward Furtak <efurtak@aileroncapital.com>
Sent: Wednesday, July 19, 2017 11:19 PM
To: Don Bent; Brent Pickard
Cc: Mark Wilson
Subject: Re: 2 paragraphs amendment

Agreement sent ...

On Thu, Jul 20, 2017 at 12:13 AM, Edward Furtak <efurtak@aileroncapital.com> wrote:
Don,

I will send it to Brent now to be held in escrow and released upon the execution of the Amendment as we have reviewed and agreed.

Kind Regards,

Edward

On Wed, Jul 19, 2017 at 8:54 PM, Don Bent <dbent@frasermackenzie.com> wrote:

Thanks Ed. Logistics-wise, are you forwarding the signed cooperation agreement to Brent to hold in escrow pending execution of the amendment, or are you just sending it directly to me?

Kind regards,

Don

Sent from my BlackBerry - the most secure mobile device - via the Bell Network

From: efurtak@aileroncapital.com
Sent: July 19, 2017 5:12 PM
To: dbent@frasermackenzie.com
Cc: mwilson@advantagewon.com
Subject: Re: 2 paragraphs amendment

Hi Don

Thanks for sending this.

Both Greg and I are Ok with the proposed wording.

It just means Mark will have to be on his A-Game from a timing perspective, which we all know he is more than capable of!

-E-

On Wed, Jul 19, 2017 at 3:28 PM, Don Bent <dbent@frasermackenzie.com> wrote:

Hi Ed – further to our conversation this am:

These are the “2 paragraphs” we had been referring to which will be an amendment to the final credit agreement that will be formalized in conjunction with receiving the executed Beacon-FMMC cooperation

agreement. This is where Mark is undertaking to get us the 6 business days we are looking for in a manner that can get you the 2 business days you are seeking from us. 445

They will sit in front of the existing (unchanged) final paragraph of Section 3.3 of the credit agreement such that the entire Section 3.3 including the unchanged final paragraph will read as follows:

For all proposed Beacon Sales, the Borrower shall provide to the Lender at least six (6) Business Days in advance of the proposed sale date the list of receivables offered for sale to Beacon (in electronic format with sufficient detail as the Lender may reasonably require) and related Beacon Sale Compliance Certificate, with such certificate showing compliance with the covenants of this Agreement on a post-sale basis assuming that Beacon shall purchase 100% of the loans offered for sale (the "Initial Submission"). Beacon shall provide the Lender at least two (2) Business Days in advance of the proposed sale date a Beacon Purchase Letter showing the final list of loans to be purchased, all of which shall have been included in the initial list provided by the Borrower in the prior sentence hereto. In the event that less than 100% of the receivables offered for sale in the Initial Submission are desired to be purchased by Beacon, The Borrower shall, upon delivery of the relevant Beacon Purchase Letter, re-submit to the Lender in electronic form details of the actual final list of loans to be sold on a basis consistent with the details provided on the initial list (collectively with the Beacon Purchase Letter, the "Final Submission")

For all Beacon Sales made in compliance with the provisions of this Agreement including Section 6.3(3)(e), the Lender shall provide a Beacon No-Interest Letter in form attached hereto as Schedule 1.1(p) forthwith upon demand and in any event within the later of: (i) six (6) Business Days following receipt of the Initial Submission from the Borrower; or (ii) two (2) Business Days following receipt of the Final Submission.

In the event of any other proposed Beacon Sale where the Borrower is not in breach of any covenant and is in compliance with the terms of this Agreement prior to such sale but delivers a duly executed Beacon Sale Compliance Certificate showing non-compliance after the closing of such sale, then upon delivery to the Lender by the Borrower of such certificate and request for approval of the related Beacon Sale, the Lender shall have 6 Business Days following receipt of same to provide an executed Beacon No-Interest Letter in form attached hereto as Schedule 1.1 (p), failing which then, notwithstanding the provisions of Section 2.6 above, within 120 days of the expiry of the 6 Business Day period referred to above, the Borrower may prepay all and not less than all of the Obligations outstanding under this Agreement without any Minimum Interest (provided in each case that interest shall otherwise be payable in accordance with this Agreement until and including the date of such prepayment).

I have also included the final credit agreement executed by us and 240 for your interest.

Kind regards,

Don

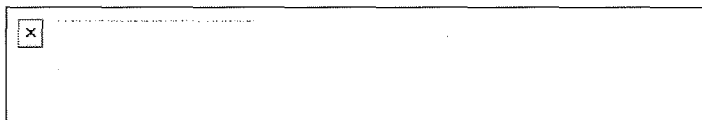
Don Bent

Managing Partner

FMMC

dbent@fmmc.ca

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Duncan, Tim

From: Edward Furtak <efurtak@aileroncapital.com>
Sent: Wednesday, July 12, 2017 4:44 PM
To: Don Bent
Cc: Hielema, Edgar; Mark Wilson; Brent Pickard
Subject: Re: Paragraphs

Thanks Don
Has the transaction now closed?
-E-

On Wed, Jul 12, 2017 at 5:29 PM, Don Bent <dbent@frasermackenzie.com> wrote:

Hi Ed – I spoke with Edgar and I think we are going to be fine with the paragraphs as previously discussed. I will need to do up a side letter to make it official, which I will try to do tomorrow. At the same time, we should get a signed copy of the Beacon-FMMC cooperation agreement which Mark had indicated you had signed, but which I don't think ever made its way over to us.

Does that work for you?

Kind regards,

Don

Don Bent

Managing Partner

FMMC

dbent@fmmc.ca

Tel: [416-682-4213](tel:416-682-4213)

FMMC  **Fraser Mackenzie
MERCHANT CAPITAL**

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From: Edward Furtak [mailto:efurtak@aileroncapital.com]
Sent: July-05-17 3:59 PM
To: Don Bent
Cc: Hielema, Edgar; Mark Wilson; Brent Pickard
Subject: Re: Paragraphs

Hey guys

Hope you all had a great long weekend.

Just wondering where we are on this?

E

On Jun 30, 2017 8:16 PM, "Edward Furtak" <efurtak@aileroncapital.com> wrote:

Wasn't here some urgency on this today?

Mark are you OK to wait to sign until Tuesday?

On Fri, Jun 30, 2017 at 2:17 PM, Don Bent <dbent@frasermackenzie.com> wrote:

hi Ed - currently tied up - I'll give you a buzz tuesday.

D

Sent from my BlackBerry - the most secure mobile device - via the Bell Network

From: efurtak@aileroncapital.com

Sent: June 30, 2017 2:11 PM

To: bpickard@smglaw.ca

Cc: EHIELEMA@grllp.com; mwilson@advantagewon.com; dbent@frasermackenzie.com

Subject: Re: Paragraphs

Don,

Just left you a second vmail.

E

On Fri, Jun 30, 2017 at 1:39 PM, Edward Furtak <efurtak@aileroncapital.com> wrote:

Brent

I agree re: the proposed changes.

However, the 6 days will not work for our closing process. This is not a negotiating item. It's just mathematically impossible. We have dealt with three other lenders who never had a problem with the process. We can walk you through it on the phone.

Don, I am standing by on +1 (647) 280-8442 for you and I to discuss with Greg Nelson.

Kind Regards,
Edward

On Fri, Jun 30, 2017 at 8:00 AM, Brent Pickard <bpickard@smglaw.ca> wrote:

Thank you Edgar,

I believe these changes accurately reflect the discussion that was had last night.

Regards,

Brent

Brent Pickard | SMG Law Firm LLP | bpickard@smglaw.ca | tel 519.433.8155 ext 317 | fax 519.660.4857 |

376 Richmond Street, London | Ontario, N6A 3C7 | www.smglaw.ca



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From: Hielema, Edgar [mailto:EHIELEMA@grllp.com]

Sent: Thursday, June 29, 2017 8:17 PM

To: efurtak@aileroncapital.com; mwilson@advantagewon.com; Brent Pickard

Cc: Don Bent

Subject: Paragraphs

Group – thanks for the call tonight. As discussed, we are circulating our response just in the body of an email as follows:

(a) “**Acceptable Warehousing Facility**” means a debt facility which:

(i) is a revolving receivables short-term purchase facility and not a term facility, and

(ii) after giving effect to the funding of any given draw of such revolving receivables short-term purchase facility, does not result in a breach of any covenant of this Agreement and also would not result in the breach of any financial covenant of this Agreement if such financial covenant were to be measured on the funding date of such facility.

(b) “**Beacon Documents**” means that certain purchase agreement entered into between the Borrower and Beacon dated the 18th day of May, 2017, as same may be (i) amended or (ii) replaced, in both cases by a materially similar agreement or agreements with respect to the same subject matter, and all other documents delivered by the Lender and/or Beacon ancillary thereto or in conjunction therewith. 450

Section 3.3:

For all Beacon Sales made in compliance with the provisions of this Agreement including Section 6.3(3)(e), the Lender shall provide a Beacon No-Interest Letter in form attached hereto as Schedule 1.1(p) forthwith upon demand and in any event within six (6) Business Days.

In the event the Lender does not provide such requested No-Interest Letter referred to in the immediately preceding paragraph within six (6) Business Days, then, within one hundred and twenty (120) days of the expiry of the six (6) Business Day period referred to above, the Borrower may prepay all and not less than all of the Obligations outstanding under this Agreement without any Minimum Interest (provided in each case that interest shall otherwise be payable in accordance with this Agreement until and including the date of such prepayment).

[Existing portion to be retained.]

Best regards,

Edgar D. Hielema

Partner

d 416 865 6622

EHIELEMA@grllp.com

GARDINER ROBERTS LLP

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Toronto, Ontario M5H 4E3

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Duncan, Tim

From: Edward Furtak <efurtak@aileroncapital.com>
Sent: Thursday, June 29, 2017 6:30 PM
To: Don Bent; Greg Nelson
Cc: Mark Wilson; Bpickard@smglaw.ca
Subject: Re: Beacon

Don,

It's the one Greg Nelson gave me yesterday as the final template

Conference call in coordinates for our 7pm call:

Dial-in: +1 416-933-3854

Participant access: 8455423#

Speak to you soon,

-E-

On Thu, Jun 29, 2017 at 6:08 PM, Don Bent <dbent@frasermackenzie.com> wrote:

Hi Ed - is the no interest letter you just sent the same as your markup received over the last 48 hours?

Kind regards,

Don

Sent from my BlackBerry - the most secure mobile device - via the Bell Network

From: efurtak@aileroncapital.com
Sent: June 29, 2017 6:05 PM
To: mwilson@advantagewon.com
Cc: dbent@frasermackenzie.com; Bpickard@smglaw.ca
Subject: Re: Beacon

Gentlemen

Mark

Attached is a black line version of the most recent Credit Agreement.

We are not sure what the now deleted second paragraph in 3.3 was trying to accomplish but our newly inserted paragraph is quite clear.

If there is another business point contained in that now deleted paragraph, we will need to see a redraft in order to ascertain its purpose.

I also have included a final Beacon *No-Interest Letter* for SCHEDULE 1.1(P)

I am available any time this evening or tomorrow morning to discuss.

Kind Regards,

Edward

On Thu, Jun 29, 2017 at 5:53 PM, Mark Wilson <mwilson@advantagewon.com> wrote:

Gentlemen, it seems Beacon has issues with wording of our credit agreement. Could you set up a call with Ed Furtak to discuss. I inadvertently accepted wording that could effect our go forward relationship with Beacon. Ed's direct number is [647-280-8442](tel:647-280-8442).

He has graciously offered to speak tonight if you would like to take advantage of that to help reach a close.

Thanks to all,
Mark

From: Don Bent [dbent@frasermackenzie.com]

Sent: Thursday, June 29, 2017 10:30 AM

To: Greg Nelson

Cc: Mark Wilson; Edward Furtak; Brent Pickard; Edgar Hielema; Lori Mark

Subject: Re: Beacon

OK thanks for the clarification Greg.

Ed - is my prior email fine with you? If so Brent can send you the execution copy.

Kind regards,

Don

Sent from my BlackBerry - the most secure mobile device - via the Bell Network

From: gnelson@beaconfsa.com

Sent: June 29, 2017 10:00 AM

To: dbent@frasermackenzie.com

Cc: mwilson@advantagewon.com; efurtak@aileroncapital.com; bpickard@smglaw.ca; ehielema@gardiner-roberts.com; LMARK@grllp.com

Subject: Re: Beacon

You need to coordinate signature through Ed Furtak. I cannot sign on behalf of BHL.

Greg

From: Don Bent <dbent@frasermackenzie.com>

Date: Thursday, June 29, 2017 at 9:59 AM

To: Greg Nelson <gnelson@beaconfsa.com>

Cc: Mark Wilson <mwilson@advantagewon.com>, Edward Furtak <efurtak@aileroncapital.com>, Brent Pickard <bpickard@smglaw.ca>, "Edgar Hielema (ehielema@gardiner-roberts.com)" <ehielema@gardiner-roberts.com>, "Mark, Lori" <LMARK@grllp.com>

Subject: RE: Beacon

Thanks Greg. If all is ok on your end, can I have Mark's lawyer Brent (cc'ed) send you the execution version and hold your signature in escrow until closing?

Kind regards,

Don

Don Bent
Managing Partner
FMMC
dbent@fmmc.ca<<mailto:dbent@fmmc.ca>>
Tel: [416-682-4213](tel:416-682-4213)

[MMC_logoFinal]

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From: Greg Nelson [<mailto:gnelson@beaconfsa.com>]
Sent: June-28-17 7:46 PM
To: Don Bent
Cc: Mark Wilson; Edward Furtak
Subject: Re: Beacon

OK.

Greg

From: Don Bent <dbent@frasermackenzie.com<<mailto:dbent@frasermackenzie.com>>>
Date: Wednesday, June 28, 2017 at 5:40 PM
To: Greg Nelson <gnelson@beaconfsa.com<<mailto:gnelson@beaconfsa.com>>>
Cc: Mark Wilson <mwilson@advantagewon.com<<mailto:mwilson@advantagewon.com>>>
Subject: FW: Beacon

Hi Greg – further to our conversation this morning, I am attaching a 3rd attempt to word the agreement in a manner which serves both your and my needs:

- Wording that makes it clear that FMMC is not today giving a blanket release of all of its security for the future in advance of us/the company running the covenant compliance calculations for each future Beacon purchase of receivables, but also
- lays out in a manner that shows Beacon that when we deliver a no interest letter in future that it will clearly meet the needs of Beacon.

The revised no interest letter you sent this morning is fine with us and will replace the prior version as the attachment to this agreement. I see from Brent that the credit agreement has been updated to reflect the new

wording also so the no interest letter will be the same (updated version) in both agreements.

454

Please take a read of the revised opening sentence for paragraph 5 (the only sentence changed in the agreement vs what you sent back to me this morning) and let me know if this wording meets your needs. Third time's a charm, I hope!

Kind regards,

Don

Don Bent
Managing Partner
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From: Hielema, Edgar [<mailto:EHIELEMA@grllp.com>]
Sent: June-28-17 5:26 PM
To: Don Bent
Subject: Beacon

Enclosed please find as discussed.

Edgar D. Hielema
Partner
d [416 865 6622](tel:416-865-6622)
EHIELEMA@grllp.com<<mailto:EHIELEMA@grllp.com>>

GARDINER ROBERTS LLP
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t [416 865 6600](tel:416-865-6600) | f [416 865 6636](tel:416-865-6636)
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[cid:image003.png@01D2F0BE.40B85380]<<http://www.grllp.com/news/Gardiner-Roberts-LLP-named-as-one-of-the-Best-Workplaces-in-Canada-for-2017>>

Named one of the Best Workplaces in Canada for 2017

Duncan, Tim

From: Greg Nelson <gnelson@beaconfsa.com>
Sent: Monday, April 10, 2017 3:03 PM
To: Kalev Hess
Cc: Don Bent; Mark Wilson
Subject: Re: Beacon loan cash allocations modelled out - 1st cut

You have reflected the asset in the trust as a loan at 15%. That is not correct.

The trust owns the consumer receivable which has a purchase price equal to the loan amount you indicate but has an IRR (in your example at 41%). This is the rate that will determine the split of principal and interest – result is much more allocation to interest and less to principal. More cash for AW as a result.

Greg

From: Kalev Hess <khess@frasermackenzie.com>
Date: Monday, April 10, 2017 at 1:23 PM
To: Greg Nelson <gnelson@beaconfsa.com>
Cc: Don Bent <dbent@frasermackenzie.com>
Subject: RE: Beacon loan cash allocations modelled out - 1st cut

Hi Greg,

Thanks for taking the time and providing comments. The intent of the excel doc was simply to try to understand how the mechanics work, not necessarily to model out our expectations of reinvestment in new loans which presumably would be part of subsequent purchase + sale agreements (is my understanding correct there?). The tab titled '2 loans with 1 default', makes the simplistic assumption that Beacon makes a one-time purchase of 2 loans where one defaults midway through the first year.

With respect to the loan amortization, please see attached. The blue shaded box outlines the am schedule that ties into row 30 on the '2 loans incl 1 in default' tab.

Lastly, your point on loan loss reserve is understood. But can you perhaps elaborate on the second point specifically with respect to expenses – what possible items would be included here?

If you have any other questions or clarifying points, please give Don or me a shout. We'd happy to discuss further.

Many thanks,
 Kalev

Kalev Hess
 Associate
 FMMC
khess@fmmc.ca
 T: 416-955-4777 x4244
 M: 647-716-7779

3A King Street East, Suite 1100, Toronto, Ontario
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From: Greg Nelson [mailto:gnelson@beaconfsa.com]
Sent: Monday, April 10, 2017 10:10 AM
To: Don Bent <dbent@frasermackenzie.com>; Mark Wilson <mwilson@advantagewon.com>
Cc: David Darakjian <ddarakjian@fountainassetcorp.com>; Jason Ewart <jewart@fountainassetcorp.com>; Kalev Hess <khess@frasermackenzie.com>; Edward Furtak <efurtak@aileroncapital.com>
Subject: Re: Beacon loan cash allocations modelled out - 1st cut

I looked at the model over the weekend and have the following comments.

- Hard for me to review this in detail as the amortization is linked to an external spreadsheet that is not part of this spreadsheet
- Loss reserve is not a cash outflow each month. Whatever cash is collected is what is utilized to pay expenses or reinvested (if principal). If there were no losses then full cash above target excess spread would go back to AW.
- Model doesn't reflect the reinvestment of principal collections into new receivables each month (and all the related cash flows)
- Haven't looked at the AW accounting side other than at high level but appears to agree with MY understanding of AW's accounting.
- Otherwise looks ok.

Greg

From: Don Bent <dbent@frasermackenzie.com>
Date: Friday, April 7, 2017 at 5:00 PM
To: Mark Wilson <mwilson@advantagewon.com>, Greg Nelson <gnelson@beaconfsa.com>
Cc: David Darakjian <ddarakjian@fountainassetcorp.com>, Jason Ewart <jewart@fountainassetcorp.com>, Kalev Hess <khess@frasermackenzie.com>
Subject: Re: Beacon loan cash allocations modelled out - 1st cut

Many thanks Greg.

Kind regards,

Don

Sent from my BlackBerry - the most secure mobile device - via the Bell Network

From: gnelson@beaconfsa.com
Sent: April 7, 2017 4:27 PM
To: dbent@frasermackenzie.com; mwilson@advantagewon.com
Cc: ddarakjian@fountainassetcorp.com; jewart@fountainassetcorp.com; khess@frasermackenzie.com
Subject: Re: Beacon loan cash allocations modelled out - 1st cut

Thanks. I will review it and get back to you.

Greg

From: Don Bent <dbent@frasermackenzie.com>
Date: Friday, April 7, 2017 at 3:55 PM
To: Mark Wilson <mwilson@advantagewon.com>, Greg Nelson <gnelson@beaconfsa.com>
Cc: "David Darakjian (ddarakjian@fountainassetcorp.com)" <ddarakjian@fountainassetcorp.com>, "Jason Ewart (jewart@fountainassetcorp.com)" <jewart@fountainassetcorp.com>, Kalev Hess <khess@frasermackenzie.com>
Subject: Beacon loan cash allocations modelled out - 1st cut

Hi Greg,

We have taken a stab at modelling out what we understood from the various emails and conversations surrounding how the Beacon arrangement would work.

To keep things simple, we have created 1 tab with a single loan that meets all obligations as scheduled ("1 loan no default" tab) and then layered in a 2nd loan that defaults on its 6th monthly payment (so 1 performing loan plus 1 non-performing loan simultaneously, on the tab "2 loans incl 1 in default")

Can you take a look to see if this is in fact how your product works? To orient the Advantagewon folks, I have put their existing accounting treatment on the top table and then put what we think is the Beacon treatment and cashflow allocation below in a second table. (There is a 3rd table to the far left which simply spells out the "per loan" values.). Particularly, I wanted to be sure in the default scenario, we got how the cashflows to Advantagewon work, as we would obviously be relying on those to service our debt to a large extent. Rows 46:49.

Kalev and/or I can walk you through it quickly if that is useful.

Thanks in advance for your help.

Kind regards,

Don

Don Bent
 Managing Partner
 FMCC
dbent@fmcc.ca
 Tel: 416-682-4213

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Duncan, Tim

From: Greg Nelson <gnelson@beaconfsa.com>
Sent: Thursday, April 6, 2017 1:23 PM
To: Don Bent; Mark Wilson
Cc: Jason Ewart (jewart@fountainassetcorp.com); Kalev Hess; Edward Furtak
Subject: Re: follow on question e how the squaring up on loan losses works

My answers are below in CAPS.

Greg

From: Don Bent <dbent@frasermackenzie.com>
Date: Thursday, April 6, 2017 at 12:59 PM
To: Mark Wilson <mwilson@advantagewon.com>, Greg Nelson <gnelson@beaconfsa.com>
Cc: "Jason Ewart (jewart@fountainassetcorp.com)" <jewart@fountainassetcorp.com>, Kalev Hess <khess@frasermackenzie.com>
Subject: follow on question e how the squaring up on loan losses works

Hi Mark – 2 quick questions as an add-on to our conversation this am.

1. When squaring up on the loan losses at year end, am I right to assume that a loan loss would be calculated as:
 - Original principal on the loan purchased by Beacon
 - Less principal received by Beacon prior to the loan going non-current
 - plus costs expended by Beacon on recovery.

and that there would NOT be any make-whole on the uncollected interest & admin fees that Beacon would have earned had the loan not gone sour? CORRECT, I THINK. BY "ORIGINAL PRINCIPAL" I ASSUME YOU ARE REFERRING TO THE PURCHASE PRICE OF THE CONTRACT.

If I have that wrong please correct me so we can model out what the expected net recovery to 240 would be out of the 7% loan loss hold-back when squared up at year end.

2. 240 currently has several months of discharge fees paid prior to amortizing any principal of the loan. Does Beacon treat those months the same (i.e. no amortization on the loan so Beacon collects only their 15% interest + 1.5% net Admin fee), or does Beacon treat all months as if there is some implied principal portion (using the effective interest rate method or a mortgage calculator type approach applied to all payments)? WE WILL TREAT THINGS AS THE LATTER. PRINCIPAL COLLECTIONS ARE REINVESTED IN NEW RECEIVABLES. ACCOUNTING AT THE TRUST LEVEL MAY NOT (AND PROBABLY WOULD NOT) EQUATE TO GAAP ACCOUNTING.

Many thanks,

Don

Don Bent

Managing Partner
FMMC
dbent@fmmc.ca
Tel: 416-682-4213



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This is Exhibit "JJ" referred to in the Affidavit of Don Bent, sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

Request ID: 025404699
Transaction ID: 77509750
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2024/06/11
Time Report Produced: 10:35:59
Page: 1

462

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
2349438	BEACON FSA INC.	2012/11/09
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
Registered Office Address		Date Amalgamated
		NOT APPLICABLE
1455 LAKESHORE ROAD SUITE 205 SOUTH		New Amal. Number
		NOT APPLICABLE
BURLINGTON ONTARIO CANADA L7S 2J1		Notice Date
		Letter Date
Mailing Address		NOT APPLICABLE
		Revival Date
1455 LAKESHORE ROAD SUITE 205 SOUTH		NOT APPLICABLE
BURLINGTON ONTARIO CANADA L7S 2J1		Continuation Date
		NOT APPLICABLE
		Transferred Out Date
		NOT APPLICABLE
		EP Licence Eff.Date
		NOT APPLICABLE
		EP Licence Term.Date
		NOT APPLICABLE
	Number of Directors Minimum Maximum	Date Commenced in Ontario
	00001 00010	NOT APPLICABLE
Activity Classification		Date Ceased in Ontario
NOT AVAILABLE		NOT APPLICABLE

Request ID: 025404699
Transaction ID: 77509750
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2024-10-10
Time Report Produced: 10:35:59
Page: 2

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CORPORATION PROFILE REPORT

Ontario Corp Number

2349438

Corporation Name

BEACON FSA INC.

Corporate Name History

BEACON FSA INC.

Effective Date

2016/08/19

AILERON CAPITAL INC.

2012/12/20

2349438 ONTARIO INC.

2012/11/09

Current Business Name(s) Exist:

NO

Expired Business Name(s) Exist:

NO

Administrator:

Name (Individual / Corporation)

GREGORY

NELSON

Address

1455 LAKESHORE ROAD

Suite # 205, SOUTH
BURLINGTON
ONTARIO
CANADA L7S 2J1

Date Began

2012/11/09

First Director

NOT APPLICABLE

Designation

DIRECTOR

Officer Type

Resident Canadian

Y

Request ID: 025404699
Transaction ID: 77509750
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020-12-11
Time Report Produced: 10:35:59
Page: 3

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CORPORATION PROFILE REPORT

Ontario Corp Number

2349438

Corporation Name

BEACON FSA INC.

Administrator:
Name (Individual / Corporation)

GREGORY
NELSON

Address

1455 LAKESHORE ROAD
Suite # 205, SOUTH
BURLINGTON
ONTARIO
CANADA L7S 2J1

Date Began

2012/11/09

First Director

NOT APPLICABLE

Designation

OFFICER

Officer Type

PRESIDENT

Resident Canadian

Y

Request ID: 025404699
Transaction ID: 77509750
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/07/11
Time Report Produced: 10:35:59
Page: 4

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CORPORATION PROFILE REPORT

Ontario Corp Number

2349438

Corporation Name

BEACON FSA INC.

Last Document Recorded

Act/Code	Description	Form	Date
CIA	ANNUAL RETURN 2018	1C	2019/07/14 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

This is Exhibit "KK" referred to in the Affidavit of Don Bent,
sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

Duncan, Tim

From: Don Bent <dbent@frasermackenzie.com>
Sent: Wednesday, November 11, 2020 10:19 AM
To: Greg Nelson; Edward Furtak
Cc: sarah.jones@firstnames.com; Mark Wilson
Subject: Notice of Change of Address

Hi Greg, & Ed,
 Hope all is well with you both. We moved office this month, so our address for service under our cooperation agreement has changed to:

116 Eastbourne Avenue
 Toronto, Ontario
 M5P 2G3

Please update your records accordingly.

On a similar topic, I have 2 different addresses for Beacon Holdings Limited:

1455 Lakeshore Road Suite 205
 South Burlington ON L7S 2J1

and

First Names House
 Victoria Road, Douglas
 Isle of Man
 IM2 4DF

Is one or both of those still accurate? Which one is the official registered office of the company?

Kind regards,

Don

Don Bent

Managing Partner

FMMC

dbent@fmmc.ca

Tel: 416-817-1747

116 Eastbourne Avenue
 Toronto, Ontario
 M5P 2G3
www.fmmc.ca

If you do not wish to receive future electronic correspondence from FMMC please let us know by either responding to this email with the word "UNSUBSCRIBE" or contact us at the phone/address above and we will remove your address from future electronic mailings.

This is Exhibit "LL" referred to in the Affidavit of Don Bent,
sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

Duncan, Tim

From: Laura Barlow <Laura.Barlow@iqeq.com>
Sent: Monday, November 16, 2020 5:43 AM
To: Don Bent
Cc: Greg Nelson; Edward Furtak; mwilson@advantagewon.com
Subject: RE: Notice of Change of Address

Dear Don,

Further to your below email, the correspondence address for Beacon Holdings Limited is.

First Names House
Victoria Road, Douglas
Isle of Man
IM2 4DF

The Lakeshore address is the correspondence address for Beacon Trust Group.

Many thanks and kind regards

Laura Barlow
Senior Administrator

✉ laura.barlow@iqeq.com
☎ +44 1624 630611

IQ EQ (Isle of Man) Limited
Victoria Road
Douglas, Isle of Man IM2 4DF

www.iqq.com

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IQ-EQ group and its subsidiaries are strongly committed to ensuring personal data privacy. Copies of our Group Privacy Notices are available [here](#). Please ensure that you take the time to read the relevant Privacy Notice which explains how

we may use your personal information in the course of our business.

The sender of this email may not be acting on its own account and may be acting as agent of another party. If this email relates to matters pertaining to another party, the sender is sending this email in its appointed capacity for that third party.

For more information on IQ-EQ group, including details of the group's principal operating subsidiaries and their regulatory status, please visit www.iqeq.com/legal-and-compliance

From: Don Bent <dbent@frasermackenzie.com>

Sent: 11 November 2020 15:19

To: Greg Nelson <gnelson@beaconfsa.com>; Edward Furtak <efurtak@aileroncapital.com>

Cc: Jane Carty <Jane.Carty@iqeq.com>; Mark Wilson <mwilson@advantagewon.com>

Subject: Notice of Change of Address

Hi Greg, & Ed,

Hope all is well with you both. We moved office this month, so our address for service under our cooperation agreement has changed to:

116 Eastbourne Avenue
Toronto, Ontario
M5P 2G3

Please update your records accordingly.

On a similar topic, I have 2 different addresses for Beacon Holdings Limited:

1455 Lakeshore Road Suite 205
South Burlington ON L7S 2J1

and

First Names House
Victoria Road, Douglas
Isle of Man
IM2 4DF

Is one or both of those still accurate? Which one is the official registered office of the company?

Kind regards,

Don

Don Bent
Managing Partner
FMMC
dbent@fmmc.ca
Tel: 416-817-1747

116 Eastbourne Avenue
Toronto, Ontario
M5P 2G3
www.fmmc.ca

If you do not wish to receive future electronic correspondence from FMMC please let us know by either responding to this email with the word “UNSUBSCRIBE” or contact us at the phone/address above and we will remove your address from future electronic mailings.

This is Exhibit "MM" referred to in the Affidavit of Don Bent,
sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

Duncan, Tim

From: Don Bent <dbent@frasermackenzie.com>
Sent: Wednesday, November 25, 2020 3:43 PM
To: Edward Furtak; Greg Nelson
Subject: RE: Advantagewon

Hi Ed – yes absolutely. Tied up today but could chat tomorrow. How are you around 11:30am EST?

Just as a backdrop, we're watching things with interest, of course. We have hopes of how things will go but they haven't got there yet - lots of moving parts at the moment so nothing has been decided definitely. Once things do clarify sufficiently, if it ends up with us taking an action, rest assured we will send you written notice so you have a heads up as to what's happening.

Kind regards,

Don

Don Bent
Managing Partner
FMMC
dbent@fmmc.ca
Tel: 416-817-1747



116 Eastbourne Avenue
Toronto, Ontario
M5P 2G3
www.fmmc.ca

If you do not wish to receive future electronic correspondence from FMMC please let us know by either responding to this email with the word "UNSUBSCRIBE" or contact us at the phone/address above and we will remove your address from future electronic mailings.

From: Edward Furtak
Sent: November 25, 2020 2:08 PM
To: Don Bent ; Greg Nelson
Subject: Advantagewon

Hello Don,

Would you have some time to speak with Greg and I regarding the situation at Advantagewon ?

Greg and I have availability this afternoon and tomorrow...

474

Kind regards
Edward

This is Exhibit "NN" referred to in the Affidavit of Don Bent,
sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

Duncan, Tim

From: Don Bent <dbent@frasermackenzie.com>
Sent: Thursday, November 26, 2020 5:41 PM
To: Laura Barlow (Laura.Barlow@iqeq.com)
Cc: Edward Furtak; Greg Nelson
Subject: Agreement Between Secured Parties - Notice
Attachments: 26-Nov-20 Beacon notice - Agreement Between Secured Parties.pdf

Hi Laura,
I hope all is well with you. After chatting with Ed and Greg (cc'ed) earlier today about Advantagewon Capital Corp., I thought it would be a good idea to send you the attached letter notification pursuant to our mutual Agreement Between Secured Parties as there is becoming a more likely scenario where we initiate an enforcement action against Advantagewon. It still may not go down that route, but it is now the more probable path and we wanted to ensure that you were aware of that probability with some advance notice.
I am happy to chat with you at any time if you would like.
Kind regards,
Don
Don Bent
Managing Partner
FMMC
dbent@fmmc.ca
Tel: 416-817-1747

116 Esplanade Avenue
Toronto, Ontario
M5S 2B2
www.fmmc.ca

If you do not wish to receive future electronic correspondence from FMMC please let us know by either responding to this email with the word "UNSUBSCRIBE" or contact us at the phone/address above and we will remove your address from future electronic mailings.

This is Exhibit "OO" referred to in the Affidavit of Don Bent,
sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

Duncan, Tim

From: Don Bent <dbent@frasermackenzie.com>
Sent: Tuesday, December 1, 2020 9:36 AM
To: Edward Furtak; Greg Nelson
Subject: follow up

Hi Ed & Greg – hope you both had an enjoyable weekend. Ed, if you are still in Cosa Rica, I'm willing to bet yours was better than ours! Winter is definitely upon us.

Just following up on our conversation from last week – were you able to get the address of the registered head office of Beacon Holdings Limited?

Kind regards,

Don

Don Bent
Managing Partner
416-817-1747



This is Exhibit "PP" referred to in the Affidavit of Don Bent,
sworn December 31, 2020

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)



Government
of Canada

Gouvernement
du Canada

[Canada.ca](#) → [Innovation, Science and Economic Development Canada](#)

→ [Corporations Canada](#) → [Search for a Federal Corporation](#)

Federal Corporation Information - 908452-5

[Order copies of corporate documents](#)

i Note

This information is available to the public in accordance with legislation
(see [Public disclosure of corporate information](#)).

Corporation Number

908452-5

Business Number (BN)

824983589RC0001

Corporate Name

Echo Bay Strategic Yield Advisors Inc.

Status

Active

Governing Legislation

Canada Business Corporations Act - 2014-11-11

[Order a Corporate Profile](#) [\[View PDF Sample\]](#) [\[View HTML Sample\]](#).

[PDF Readers](#)

Registered Office Address

1 Toronto St.
Suite 200

Toronto ON M5C 2V6
Canada

i Note

Active CBCA corporations are required to update this information within 15 days of any change. A corporation key is required. If you are not authorized to update this information, you can either contact the corporation or contact Corporations Canada. We will inform the corporation of its reporting obligations.

Directors

Minimum 1
Maximum 10

Mike Svetkoff
1 Toronto Street
Suite 200
Toronto ON M5C 2V6
Canada

i Note

Active CBCA corporations are required to update director information (names, addresses, etc.) within 15 days of any change. A corporation key is required. If you are not authorized to update this information, you can either contact the corporation or contact Corporations Canada. We will inform the corporation of its reporting obligations.

Annual Filings

Anniversary Date (MM-DD)
11-11

Date of Last Annual Meeting
2019-11-11

Annual Filing Period (MM-DD)

11-11 to 01-10

Type of Corporation

Non-distributing corporation with 50 or fewer shareholders

Status of Annual Filings

2020 - Due to be filed

2019 - Filed

2018 - Filed

Corporate History**Corporate Name History**

2014-11-11 to 2015-01-06	Roadmap GP Limited
2015-01-06 to 2016-05-19	Roadmap Yield Ltd.
2016-05-19 to Present	Echo Bay Strategic Yield Advisors Inc.

Certificates and Filings**Certificate of Incorporation**

2014-11-11

Certificate of Amendment *

2015-01-06

Amendment details: Corporate name

Certificate of Amendment *

2016-05-19

Amendment details: Corporate name

483

* Amendment details are only available for amendments effected after 2010-03-20. Some certificates issued prior to 2000 may not be listed.
For more information, [contact Corporations Canada](#).

[Order copies of corporate documents](#)

[Start New Search](#)

[Return to Search Results](#)

Date Modified:

2020-12-08

This is Exhibit "QQ" referred to in the Affidavit of Don Bent,
sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

ECHO BAY STRATEGIC YIELD FUND

1 Toronto Street, Suite 200

Toronto, ON

M5C 2V6

TO: 2400918 Ontario Inc. (the "Borrower")

AND TO: Beacon Holdings Limited

AND TO: Beacon Trust

DATE: May 18, 2017

Re: Payout and Discharge

Dear Sirs and Mesdames:

Reference is made to each of the secured debentures described on Schedule A (collectively, the "Secured Debentures") entered into between the Borrower and Echo Bay Strategic Yield Fund (the "Lender").

The Lender has been advised that all outstanding indebtedness and other obligations owing by the Borrower to the Lender pursuant to the Secured Debentures are to be paid out in full and hereby confirms that, as of May 18, 2017 (the "Payoff Date"), the outstanding principal balance, interest, and other sums due to the Lender (collectively, the "Obligations") pursuant to the Secured Debentures and all associated loan and security documentation (collectively, the "Loan Documents") are as follows:

Loans

Aggregate outstanding principal balance under the Secured Debentures as of the Payoff Date:	\$1,050,000.00
---	----------------

Accrued and unpaid interest as of the Payoff Date:	\$5,178.08
--	------------

Commitment Fee	\$1,412.50
----------------	------------

TOTAL:	\$1,056,590.58
--------	-----------------------

The total of the Obligations as reflected above, being \$1,056,590.58, is referred to in this letter as the "Payoff Amount". The Lender hereby certifies that the Payoff Amount represents all indebtedness and other obligations owing under or pursuant to the Secured Debentures and the other Loan Documents.

The Payoff Amount shall be provided to the Lender in accordance with the wire instructions set forth on Schedule B. If the principal balance of the Obligations changes following the Payoff Date, the Lender agrees promptly to deliver to the addressees of this letter a substitute letter in substantially the same form as this letter revised to reflect the adjusted Payoff Amount.

Effective upon transfer by the Borrower to the Lender of immediately available funds equal to the Payoff Amount:

- (a) the Lender acknowledges and agrees that the Borrower has repaid all of the Obligations in full;
- (b) the Lender acknowledges and agrees that all credit and loan facilities under the Secured Debentures are terminated and the Borrower will not be permitted to make any further loans or advances under the Secured Debentures;
- (c) the Lender releases and forever discharges in full (without any further action by any person) the Borrower from any and all assignments, mortgages, charges, pledges, liens, hypothecs, encumbrances securing or in effect securing any obligation, conditional sale or title retention agreement or security interest whatsoever, howsoever created or arising, whether absolute or contingent, fixed or floating, legal or equitable, perfected or not (collectively the “Security”) held by or granted to the Lender with respect to any indebtedness or liability of the Borrower including, without limitation, on or over any of the assets of the Borrower of whatsoever nature and kind, securing the repayment of any indebtedness of or the performance of any obligations or liabilities of the Borrower to the Lender, and effective immediately such Security ceases to be of any further force or effect;
- (d) the Lender represents and warrants it has not sold, assigned or encumbered or parted with possession of or granted any interest in any of the Security; and
- (e) the Lender grants, releases, remises, reconveys, transfers, assigns, discharges and forever quitclaims and surrenders to the Borrower, without representation by or recourse to the Lender, all of the Borrower’s assets of whatsoever nature and kind now covered or intended to be covered by the Security, to have and to hold the said property and assets with all and singular the appurtenances thereto to the Borrower forever and absolutely freed, acquitted, discharged and released of and from the Security and from the obligations, principal money, interest and other money thereby secured and every trust, proviso, covenant, matter and thing therein contained. All agreements, documents or other instruments evidencing or comprising the Security or the indebtedness, liabilities and obligations thereby secured are hereby cancelled and terminated and are of no further force and effect.

The Lender agrees promptly to execute and deliver to the Borrower, as it may reasonably request, at the Borrower’s expense, registrable discharges and releases, of any Security now held by or in favour of the Lender or any caveat, financing statement, financing change statement or

notice in respect thereof held by or in favour of it as direct or indirect security for the Obligations. Further, the Lender specifically authorizes and directs Szemenyei MacKenzie Group LLP, counsel to the Borrower and McCarthy Tétrault LLP, counsel to Beacon Trust and their respective agents to discharge all security registrations made in favour of the Lender against the Borrower, including, without limitation, those listed in Schedule C attached hereto.

This Agreement will enure to the benefit of and be binding upon the respective successors and assigns of the parties.

Each of the parties will from time to time execute and deliver all such further documents and instruments and do all acts and things as the other party may reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement. Any such acts done by the Lender will be at the expense of the Borrower.

This Agreement is governed by and will be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Very truly yours,

ECHO BAY STRATEGIC YIELD FUND

By: 
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

Schedule A

Secured Debentures

1. Secured Debenture, dated August 3, 2016, in the principal amount of \$500,000, granted by the Borrower in favour of the Lender.
2. Secured Debenture, dated September 23, 2016, in the principal amount of \$150,000, granted by the Borrower in favour of the Lender.
3. Secured Debenture, dated September 27, 2016, in the principal amount of \$150,000, granted by the Borrower in favour of the Lender.
4. Secured Debenture, dated October 21, 2016, in the principal amount of \$125,000, granted by the Borrower in favour of the Lender.
5. Secured Debenture, dated November 1, 2016, in the principal amount of \$75,000, granted by the Borrower in favour of the Lender.
6. Secured Debenture, dated November 15, 2016, in the principal amount of \$50,000, granted by the Borrower in favour of the Lender.

Schedule B

Wire Instructions of the Lender

See attached.

ECHO BAY STRATEGIC YIELD FUND CUSTODY ACCOUNT

Wire instructions for RBC Custodian Account

Bank: Royal Bank of Canada 0003

Transit: 09591

Account: 188905001

CC: 000309591

CAD Dollar Payments:

Intermediary Bank	ROYCCAT2 (SWIFT code) (or use UID # 055253) Royal Bank of Canada 180 Wellington St. Toronto, ON CA M5J 1J1
Account with Bank (RBCI&TS – the receiving party)	ROTRCATT (SWIFT code) (or use account: transit 09591 account 1416031) RBC Investor Services 155 Wellington St W – 4 th Floor Toronto, ON CA M5V 3L3
Beneficiary Client (the client info, ie where the funds will be deposited to)	188905001 Echo Bay Strategic Yield Fund 155 Wellington St W Toronto, ON CA M5V 3L3
Details field	Attn: Maria Ortiz-Luis maria.ortiz-luis@rbc.com

Schedule C

Registrations*Personal Property Security Act (Ontario)*

Reference File No.	Registration No.	Secured Party	Debtor	Collateral Classifications
719110449	20160729 1458 1590 3895	Echo Bay Strategic Yield Fund	2400918 Ontario Inc.	Inventory, Equipment, Accounts, Other, Motor Vehicle Included

Duncan, Tim

From: Dylan Chochla <dchochla@fasken.com>
Sent: Wednesday, October 21, 2020 5:47 PM
To: Brent Pickard
Subject: Re: [EXT] Echo Bay and Advantagewon

Hi Brent, we confirm on behalf of Echo Bay you may discharge the PPSA registration. Thank you.

Dylan

On Oct 21, 2020, at 3:01 PM, Brent Pickard <bpickard@smglaw.ca> wrote:

Good afternoon Dylan,

Please find attached the Payout Letter and deposit in regards to the PPSA registration that we discussed. I have also included a copy of a PPSA search.

I just want to confirm that the registration is one and the same as the registration indicated in the payout so that we may discharge the registration.

Thank you,

Brent

Brent Pickard | SMG Law Firm LLP | bpickard@smglaw.ca | tel 519.433.8155 ext 317 | fax 519.660.4857 |
 376 Richmond Street, London | Ontario, N6A 3C7 | www.smglaw.ca

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<Payout Letter Echo Bay.pdf>
 <Echo Bay Deposit.pdf>
 <ADVANTAGEWON CAPITAL CORP. PPSA Search Summary.pdf>

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Fasken has a COVID-19 management plan in place. We prioritize maintaining a safe workplace; encourage social distancing and uphold privacy and confidentiality for those we work with. We have reduced the need to attend our offices to necessary visits, and are minimizing in-person meetings. We have enhanced digital communications with you through telephone & web conferencing, secure email, Fasken Edge, etc.

Please do not visit our offices without an appointment in advance; and please excuse us if we do not shake your hand. In the event the risk of COVID-19 increases and affects our ability to provide legal services or

representation, we will make the best arrangements within our power to obtain time extensions and/or adjournments. We appreciate your understanding.

> [COVID-19 Resource Centre for Businesses](#)

Ce message contient des renseignements confidentiels ou privilégiés et est destiné seulement à la personne à qui il est adressé. Si vous avez reçu ce courriel par erreur, S.V.P. le retourner à l'expéditeur et le détruire. Une version détaillée des modalités et conditions d'utilisation se retrouve à l'adresse suivante : <https://www.fasken.com/fr/ressources-covid-19>

Fasken dispose d'un plan de gestion de la situation en lien avec la COVID-19. Notre priorité est de maintenir un milieu de travail sécuritaire, d'encourager la distanciation sociale et d'assurer la protection des renseignements personnels et de la confidentialité au nom des personnes pour lesquelles nous travaillons. Nous avons réduit le nombre de visites nécessaires à nos bureaux et réduit au strict minimum les réunions en personne. Nous avons amélioré les communications numériques par téléphone, par vidéoconférence, par courrier électronique sécurisé, par l'intermédiaire de Fasken Plus, etc.

Nous vous prions de ne pas vous présenter au bureau sans rendez-vous et veuillez nous excuser d'avance si nous ne vous serrons pas la main. Si le risque de propagation du virus COVID-19 augmente et atteint notre capacité à fournir des services juridiques ou de représenter nos clients, nous ferons tout en notre pouvoir pour prendre les meilleures dispositions afin d'obtenir des reports et/ou des ajournements. Nous vous remercions pour votre compréhension.

> [Centre de ressources sur la COVID-19 pour les entreprises](#)

This is Exhibit "RR" referred to in the Affidavit of Don Bent,
sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
2312788	2312788 ONTARIO INC.	2012/01/11
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
Registered Office Address	Date Amalgamated	Amalgamation Ind.
MARK J WILSON 33875 FIFTH LINE	NOT APPLICABLE	NOT APPLICABLE
	New Amal. Number	Notice Date
IONA STATION ONTARIO CANADA N0L 1P0	NOT APPLICABLE	NOT APPLICABLE
		Letter Date
Mailing Address		NOT APPLICABLE
C/O MARK WILSON 188 TALBOT STREET WEST	Revival Date	Continuation Date
	NOT APPLICABLE	NOT APPLICABLE
AYLMER ONTARIO CANADA N5H 1K1	Transferred Out Date	Cancel/Inactive Date
	NOT APPLICABLE	NOT APPLICABLE
	EP Licence Eff.Date	EP Licence Term.Date
	NOT APPLICABLE	NOT APPLICABLE
	Number of Directors	Date Commenced
	Minimum Maximum	in Ontario
	00001 00010	Date Ceased
Activity Classification		in Ontario
NOT AVAILABLE		NOT APPLICABLE

CORPORATION PROFILE REPORT

Ontario Corp Number

2312788

Corporation Name

2312788 ONTARIO INC.

Corporate Name History

2312788 ONTARIO INC.

Effective Date

2012/01/11

Current Business Name(s) Exist:

YES

Expired Business Name(s) Exist:

NO

Administrator: Name (Individual / Corporation)

MARK
WILSON

Address

33875 FIFTH LINE

IONA STATION
ONTARIO
CANADA N0L 1P0

Date Began

2012/01/11

First Director

NOT APPLICABLE

Designation

DIRECTOR

Officer Type

Resident Canadian

Y

CORPORATION PROFILE REPORT

Ontario Corp Number

2312788

Corporation Name

2312788 ONTARIO INC.

Administrator:

Name (Individual / Corporation)

MARK
WILSON

Address

33875 FIFTH LINE

IONA STATION
ONTARIO
CANADA N0L 1P0

Date Began

2012/01/11

First Director

NOT APPLICABLE

Designation

OFFICER

Officer Type

PRESIDENT

Resident Canadian

Y

Administrator:

Name (Individual / Corporation)

MARK
WILSON

Address

33875 FIFTH LINE

IONA STATION
ONTARIO
CANADA N0L 1P0

Date Began

2012/01/11

First Director

NOT APPLICABLE

Designation

OFFICER

Officer Type

SECRETARY

Resident Canadian

Y

Request ID: 025410560
Transaction ID: 77523419
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/12/14
Time Report Produced: 09:35:34
Page: 4

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CORPORATION PROFILE REPORT

Ontario Corp Number

2312788

Corporation Name

2312788 ONTARIO INC.

Last Document Recorded

Act/Code	Description	Form	Date
CIA	ANNUAL RETURN 2019	1C	2020/08/09 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.

This is Exhibit "SS" referred to in the Affidavit of Don Bent,
sworn December 31, 2020.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a 'J' and a long horizontal stroke.

Commissioner for Taking Affidavits (or as may be)

2400918 Ontario Inc.

Vendor Aged Summary As at 11/30/2020

Name	Total	Current	31 to 60	61 to 90	91+
Fountain Asset Corp.	1,308,488.11	77,053.14	-	38,526.57	1,192,908.40
Prepaid Auto Service Ltd.	1,464.48	-	1,464.48	-	-
Western I.T. Group Inc.	18,279.28	1,436.63	16,842.65	-	-
Total outstanding:	1,328,231.87	78,489.77	18,307.13	38,526.57	1,192,908.40

FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I
Applicant

-and-

ADVANTAGEWON CAPITAL CORP.
Respondent

Court File No. 2003/20

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT
LONDON

AFFIDAVIT of DON BENT

FOGLER, RUBINOFF LLP

Lawyers

TD Centre, North Tower

77 King Street West, Suite 3000

Toronto ON M5K 1G8

Tim Duncan (61840S)

Tel: (416) 941-8817

tduncan@foglers.com

Tel: (416) 864-9700

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Lawyers for the Applicant,

FMMC Private Yield Fund Limited Partnership I

RCP-E 4C (May 1, 2016)

FMMC PRIVATE YIELD FUND LIMITED PARTNERSHIP I
Applicant

-and-

ADVANTAGEWON CAPITAL CORP.
Respondent

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ONTARIO
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PROCEEDING COMMENCED AT
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APPLICATION RECORD

FOGLER, RUBINOFF LLP

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