

Court File Nos. 35-2466619 and 35-2466620
Estate File Nos. 35-2466619 and 35-2466620

ONTARIO

**SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
(COMMERCIAL LIST)**

IN THE MATTER OF NOTICES OF INTENTION TO MAKE A PROPOSAL OF
DONALDSON & JAMES LTD. AND THE AGENCY EMPLOYMENT SERVICES LTD.

AFFIDAVIT

I, Margaret Bernat, of the City of Toronto, Province of Ontario, **MAKE OATH AND
SAY:**

Introduction

1. I am a Business Specialist, Special Accounts, with Business Development Bank of Canada ("BDC") and have knowledge of the matters to which I hereinafter depose, unless otherwise indicated. Where I do not have personal knowledge of the matters to which I depose, I have identified the source of my information and do verily believe same to be true.
2. BDC Capital Inc. ("BDC Capital") is a wholly owned subsidiary of BDC. BDC Capital is a secured creditor of the debtor companies, Agency Employment Services Ltd. ("AESL") and Donaldson & James Ltd. ("D&J", and together, the "Debtors"). The Debtors are indebted to BDC Capital for the principal sum of \$750,000, interest thereon, plus costs. Each of the Debtors have secured their indebtedness to BDC with a general security agreement covering all of their assets.

3. BDC Capital opposes approval of the sale by the Debtors of their assets and businesses free of BDC Capital's security interest as contemplated by the asset purchase agreement dated May 3, 2019 (the "APA") made between the Debtors, as vendor, and FundThrough Inc. ("FT"), as purchaser.

The sale transaction, if approved, will extinguish BDC Capital's secured claim over all of the Debtors assets, other than intellectual property, for no consideration. As explained below, the proposed transaction prejudices BDC Capital's right to receive the funds remaining after satisfaction of FT's secured claim.

The BDC Capital Security

4. Attached as Exhibit "A" to this my affidavit is a true copy of a general security agreement dated January 8, 2016 granted by AESL in favour of BDC Capital.
5. Attached as Exhibit "B" to this my affidavit is a true copy of a general security agreement dated January 8, 2016 granted by D&J in favour of BDC Capital.
6. The security interests granted to BDC Capital by the Debtors in the general security agreements were perfected by the registration of financing statements under the *Personal Property Security Act* ("PPSA"). Attached as Exhibit "C" to this my affidavit is a true copy of a search of registrations under the *PPSA* as against AESL as of May 12, 2019. Attached as Exhibit "D" to this my affidavit is a true copy of a search of registrations under the *PPSA* as against D&J as of May 12, 2019.
7. As reflected in the *PPSA* search results, The Toronto-Dominion Bank ("TD Bank") effected registrations against both Debtors which are prior in time to the registrations in favour of BDC Capital. BDC Capital and TD Bank are parties to a subordination

and priorities agreement dated January 8, 2016, a true copy of which is attached as Exhibit “E” to this my affidavit.

8. As also reflected in the *PPSA* search results, FT effected registrations against the Debtors which are subsequent in time to the registrations in favour of BDC Capital. BDC Capital and FT are parties to priority agreements dated November 27, 2018 with respect to AESL and D&J, true copies of which are attached as Exhibits “F” and “G”, respectively, to this my affidavit.
9. As a result of the general security agreements granted to it by the Debtors and the priority/subordination agreements entered into by BDC Capital with TD Bank and FT, it is my understanding that BDC Capital has a first ranking security interest in the intellectual property of the Debtors, a second ranking security interest behind the TD Bank security over all property and assets of the Debtors, other than accounts receivable, and a third ranking security interest behind the TD Bank security and the FT security with respect to accounts receivable.
10. As set out in the Debtors January 28, 2019 motion record, the TD Bank indebtedness and security has been assigned to FT. As such, it is my understanding that FT and BDC Capital are the only two secured creditors holding a general security over all of the assets of the Debtors.

Status of the Debtors’ Proposal

11. As set out in the affidavit of James Edward Gemmill sworn May 3, 2019 (the “Gemmill Affidavit”) and the third report dated May 8, 2019 of the proposal trustee (the “Trustee’s Report”), each of the Debtors filed a notice of intention to make a proposal (the “NOI’s”) under section 50.4 of the *Bankruptcy and Insolvency Act* (“*BIA*”) on

January 23, 2019. Since then, the date by which the Debtors must file a proposal was extended twice, with the Debtors now being required to file a proposal by May 17, 2019.

12. Neither the Gemmill Affidavit nor the Trustee's Report address the status of the Debtors' proposal or whether the Debtors even intend to file a proposal. Based on emails exchanged between the lawyer for BDC Capital and the lawyer for the proposal trustee, it is my belief that the Debtors will not be filing a proposal by May 17, 2019. A true copy of the e-mail exchange is attached as Exhibit "H" to this my affidavit. In that email exchange, in response to a question posed by the lawyer for BDC Capital, the lawyer for the proposal trustee responds as follows:

"Last, to date, the Companies have not approached the Proposal Trustee to assist in the preparation of a proposal, so the proposal trustee does not believe that the companies will be filing a proposal by May 17, 2019."

13. I am not aware of any steps having been taken by the Debtors since the filing of the NOI's to actually formulate a proposal. Since the filing of the NOI's there have been no communications between BDC Capital and the Debtors respecting the terms of any potential proposal to be filed by the Debtors.
14. Given the nature of the BDC Capital security and that its support would be required for any proposal made by the Debtors to succeed (both if the proposal was made to a class of which BDC was a member or, as a practical matter, if the proposal was to be made only to the Debtors' unsecured creditors), the lack of communication with BDC Capital throughout this process since the filing of the NOI's leads me to believe that the Debtors never intended to use this process to file a proposal. Instead, it is my

belief that the Debtors' intent from the outset was to complete a sale of their businesses and assets free of secured creditor claims, which the Debtors would have otherwise been unable to complete.

The Relationship between FT and the Debtors.

15. The relationship between FT and the Debtors appears to be more than an arms-length factoring arrangement, although the exact nature of the relationship and connection between FT and the Debtors is not known to me. Attached is Exhibit "I" to this my affidavit is a true copy of a page obtained on May 14, 2019 from the FT website. On that page, Graham McBride is shown as a co-founder of FT. Attached as Exhibit "J" to this my affidavit is a true copy of a page obtained on May 14, 2019 from the website for Centurion Asset Management Inc. On that page is a profile for Mr. McBride which indicates that he is "an active director of several businesses, including Donaldson & James Ltd..."
16. The TD Bank debt and security was assigned to FT pursuant to an assignment of debt and security agreement dated January 22, 2019, one day prior to the filing of the NOI's. A copy of the assignment agreement is found in the Debtors' January 28, 2019 motion record. I am not aware of what business purpose would be served by FT, in its role as a factoring provider, paying out and taking an assignment of the TD Bank security on the eve of the filing of the NOI's. The Debtors January 28, 2019 motion record does not provide any explanation for the transaction.

Prejudice to BDC Capital

17. As set out in the Debtors' motion record dated January 28, 2019, FT made demand on the Debtors and issued enforcement notices to the Debtors pursuant to s. 244 of

the *BIA* on or about January 11, 2019. As such, it is my belief that FT is not stayed from the enforcement of its security as a result of the filing of the NOIs and could, if it sees fit, take enforcement steps under its security through the appointment of a receiver in respect of the Debtors, or otherwise, to recover its secured debt. However, were FT to do so, FT would be entitled to recover its secured debt only, and would have to account to BDC Capital as the next ranking secured creditor for any amounts recovered in excess of its secured claim.

18. FT and the Debtors initially entered into a stalking horse agreement dated January 28, the particulars of which are contained in the Debtors motion record dated January 28, 2019. The stalking horse arrangement was ultimately abandoned after objections to same were raised by BDC Capital. It appeared to me that the stalking horse arrangement was nothing more than a thinly disguised attempt by the Debtors and FT to transfer to FT the full benefit of the Debtors' businesses and assets to the prejudice of BDC Capital's secured claim.
19. BDC Capital continues to have the same concerns with the APA.
20. As set out in the Trustee's Report, the value of the secured debt owed by the Debtors to FT as of April 26, 2019 was \$3,188,892. Based on information provided by FT's lawyer, it is my belief that the \$3,188,892 owed to FT is comprised of \$1,624,106 of indebtedness originally owed by the Debtors to TD Bank and assigned to FT and \$1,564,786 of indebtedness owed by the Debtors to FT under the accounts receivable factoring/financing arrangement.
21. As set out in the Trustee's Report, as at April 26, 2019, the Debtors' assets included the following assets over which FT holds the first ranking security interest:

- (a) accounts receivable of \$4,121,326 (excluding disputed, uncollectable and inter-company accounts);
 - (b) disputed and/or uncollectable accounts receivable of \$827,199;
 - (c) inter-company accounts of \$539,241; and
 - (d) office equipment having a book value of \$87,000 (and a liquidation value estimated by the Debtors of \$8,000 - \$16,000).
22. Under the terms of the APA, FT is to acquire all of the Debtors' accounts receivable and other assets, including the intellectual property in respect of which BDC Capital holds the first ranking security interest. The Trustee's Report states that "the collection of the accounts receivable and amounts due under the APA are expected to pay the [FT] secured debt in full, over time". However, there is no obligation on FT under the terms of the APA to account for any surplus recovered beyond its secured debt. To the contrary, if the sale is approved and completed, any surplus which would otherwise be available to BDC Capital in a liquidation/secured creditor enforcement will be retained by FT.
23. The transaction provided for in the APA includes the sale of the intellectual property over which BDC holds the first ranking security interest. In the APA the sum of \$25,000 from the purchase price is allocated to the intellectual property. There is nothing in the APA which provides that the sale proceeds attributable to the intellectual property are to be paid over to BDC as the first ranking secured creditor on that collateral.
24. I disagree with the proposal trustee's opinion that the transaction under the APA is more beneficial to the creditors than a sale or disposition under bankruptcy. The only

creditor (not creditors) assured of receiving any benefit under the proposed transaction is FT.

25. The Trustee's Report does not include a liquidation analysis. The Trustee's Report states that the realizable value of the accounts receivable would be "significantly impaired" in a bankruptcy, without any supporting analysis of the accounts receivable or the customer contracts. The Trustee's Report does not quantify the amount of the "impairment" which may occur or whether FT would suffer a shortfall in a liquidation.
26. I also disagree with the proposal trustee's assertion that greater value is likely to be achieved for the creditors through a going concern sale than a forced liquidation or bankruptcy. The sale transaction, if approved will result in a full recovery by FT of its secured claim, but no recovery for BDC Capital from the accounts receivable or other assets, other than what it may receive from the \$25,000 allocated to the intellectual property. To the extent there is greater value being realized through a going concern, it appears to be value in excess of the FT secured debt which would otherwise be available to BDC Capital, but under the terms of the APA accrues to the benefit of FT.
27. As of April 26, FT was owed \$3,188,892 against \$4,121,326 of undisputed and collectable accounts receivable and other assets. A court appointed receiver, with the usual borrowing borrowers, would have the ability to negotiate accommodation agreements with customers or take other similar measures (for example, continuing to provide employees during a transition period to a new service provider) to minimize set off claims and maximize recovery of the accounts receivable and other assets for the benefit of both FT and BDC Capital.

SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario, on
May 14, 2019



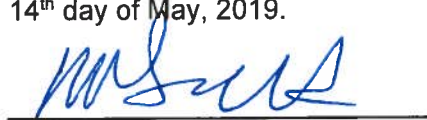
Commissioner for taking affidavits



Margaret Bernat

Maria Terri Gold, a Commissioner, etc.,
Province of Ontario, for the Business Development
Bank of Canada, expires August 29, 2020

Attached are Exhibits "A" to "J" to the
Affidavit of Margaret Bernat sworn the
14th day of May, 2019.



A Commissioner, Etc.

Marla Terri Gold, a Commissioner, etc.,
Province of Ontario, for the Business Development
Bank of Canada, expires August 29, 2020

Exhibit “A”



GENERAL SECURITY AGREEMENT

THIS AGREEMENT dated January 8th, ~~2015~~ ²⁰¹⁶.

BETWEEN:

THE AGENCY EMPLOYMENT SERVICES LTD.

(the "Borrower")

AND:

BDC CAPITAL INC., with a business centre at
148 Fullarton Street, Suite 1000, 10th Floor London, Ontario, N6A 5P3

(the "Bank")

1. SECURITY INTEREST

(You, as the Borrower, will grant to the Bank a charge, referred to as a security interest, over all personal property now held or in the future held or acquired by you. You will also grant a charge, referred to as a floating charge, over your complete undertaking. These charges are the security the Bank will hold in consideration of lending you funds or providing the credit facility to you.)

1.1 For consideration the Borrower hereby:

- (a) mortgages and charges as a fixed and specific charge, and assigns and transfers to the Bank, and grants to the Bank a general and continuing security interest in all of the Borrower's present and after acquired personal property including, without limitation:
 - (i) all office, trade, manufacturing and all other equipment and all goods, including, without limitation, machinery, tools, fixtures, computers, furniture, furnishings, chattels, motor vehicles and other tangible personal property that is not inventory, and all parts, components, attachments, accessories, accessions, replacements, substitutions, additions and improvements to any of the above (all of which is collectively called the "Equipment");
 - (ii) all inventory, including, without limitation, goods acquired or held for sale or lease or furnished or to be furnished under contracts of rental or service, all raw materials, work in process, finished goods, returned goods, repossessed goods, all livestock and their young after conception, all crops and timber, and all packaging materials, supplies and containers relating to or used or consumed in connection with any of the foregoing (all of which is collectively called the "Inventory");
 - (iii) all debts, accounts, claims, demands, moneys and choses in action which now are, or which may at any time be, due or owing to or owned by the Borrower and all books, records, documents, papers and electronically recorded data recording, evidencing or relating to the debts, accounts, claims, demands, moneys and choses in action (all of which is collectively called the "Accounts");
 - (iv) all documents of title, chattel paper, instruments, securities and money, and all other personal property, of the Borrower that is not Equipment, Inventory or Accounts;

- (v) all patents, trade-marks, copyrights, industrial designs, plant breeder's rights, integrated circuit topographies, trade-names, goodwill, confidential information, trade secrets and know-how, including without limitation, environmental technology and bio-technology, software and any registrations and applications for registration of the foregoing and all other intellectual and industrial property of the Borrower (all of which is collectively called the "Intellectual Property");
 - (vi) all the Borrower's contractual rights, licenses and all other choses in action of every kind which now are, or which may at any time be due or owing to or owned by the Borrower, and all other intangible property of the Borrower, that is not Accounts, chattel paper, instruments, documents of title, Intellectual Property, securities or money;
 - (vii) the personal property described in Schedule "A" attached to this Agreement and all additions thereto and replacements thereof; and
 - (viii) all proceeds of every nature and kind arising from the personal property referred to in this Security Agreement;
- (b) grants to the Bank a general and continuing security interest and charges by way of a floating charge:
- (i) all of the undertaking and assets of the Borrower, of every nature or kind and wherever situate, whether presently owned or hereafter acquired, and all their proceeds, other than its assets and undertakings that are otherwise validly and effectively subject to the charges and security interests in favour of the Bank created pursuant to this Clause 1.1.

1.2 The security interests, mortgages, transfers, assignments, charges, grants and conveyances created pursuant to Clause 1.1 shall be collectively called the "Security Interests", and the property subject to the Security Interests and all property, assets and undertaking charged, assigned or transferred or secured by any instruments supplemental to or in implementation of this Security Agreement are collectively called the "Collateral".

1.3 The schedules, including definitions, form part of this Security Agreement.

2. EXCEPTIONS

(With few exceptions, all of your personal property is subject to the security interests and charges described in Clause 1.1. Only the last day of any lease term and possibly your consumer goods are excepted. Corporations do not hold consumer goods.)

2.1 The last day of the term created by any lease or agreement is excepted out of any charge or the Security Interests but the Borrower shall stand possessed of the reversion and shall remain upon trust to assign and dispose of it to any third party as the Bank shall direct.

2.2 All the Borrower's consumer goods are excepted out of the Security Interests.

3. ATTACHMENT

(Value or consideration has flowed between you and the Bank and the Security Interests in your personal property are complete once you sign this Security Agreement.)

The Borrower agrees that the Security Interests attach upon the signing of this Security Agreement (or in the case of after acquired property, upon the date of acquisition), that value has been given, and that the Borrower has (or in the case of after acquired property, will have upon the date of acquisition) rights in the Collateral and the Borrower confirms that there has been no agreement between the Borrower and the Bank to postpone the time for attachment of the Security Interests and that it is the Borrower's understanding that the Bank intends the Security Interests to attach at the same time.

4. PURCHASE MONEY SECURITY INTEREST

(You state that the Bank helps you acquire an interest in any personal property, you grant a special security interest to the Bank over that personal property. The special security interest is known as a "Purchase Money Security Interest".)

The Borrower acknowledges and agrees that the Security Interests constitute and are intended to create Purchase Money Security Interests in Collateral to the extent that moneys advanced by the Bank, including all future advances and re-advances, are used or are to be used, in whole or in part, to purchase or otherwise to acquire rights in Collateral.

5. OBLIGATIONS SECURED

(The Security Interests and charges you have granted to the Bank secure all indebtedness and all obligations to the Bank.)

This Security Agreement is in addition to and not in substitution for any other security interest or charge now or in the future held by the Bank from the Borrower or from any other person and shall be general and continuing security for the payment and performance of all indebtedness, liabilities and obligations of the Borrower to the Bank (including interest thereon), whether incurred prior to, at the time of or after the signing of this Security Agreement including extensions and renewals, and all other liabilities of the Borrower to the Bank, present and future, absolute or contingent, joint or several, direct or indirect, matured or not, extended or renewed, wherever and however incurred, including all advances on current or running account, future advances and re-advances of any loans or credit by the Bank and the Borrower's obligation and liability under any contract or guarantee now or in the future in existence whereby the Borrower guarantees payment of the debts, liabilities and/or obligations of a third party to the Bank, and for the performance of all obligations of the Borrower to the Bank, whether or not contained in this Security Agreement (all of which indebtedness, liabilities and obligations are collectively called the "Obligations").

6. REPRESENTATIONS AND WARRANTIES

(You state that you are able to legally grant this Security Agreement to the Bank, it will be binding and the Collateral is not subject to any encumbrances that have not been approved by the Bank. You own the Collateral and nothing prevents you from granting the Security Interests and charges in favour of the Bank. The Bank will rely on all of the following representations and warranties.)

6.1 The Borrower represents and warrants to the Bank that:

- (a) if a corporation, it is a corporation incorporated and organised and validly existing and in good standing under the laws of the jurisdiction of its incorporation; it has the corporate power to own or lease its property and to carry on the business conducted by it; it is qualified as a corporation to carry on the business conducted by it and to own or lease its property and is in good standing under the laws of each jurisdiction in which the nature of its business or the property owned or leased by it makes such qualification necessary; and the execution, delivery and performance of this Security Agreement are within its corporate powers, have been authorised and do not contravene, violate or conflict with any law or the terms and provisions of its constituting documents or its by-laws or any shareholders agreement or any other agreement, indenture or undertaking to which the Borrower is a party or by which it is bound;
- (b) if it is a corporation, its name as set forth on page 1 of this Security Agreement is its full, true and correct name as stated in its constituting documents and if such name is in English, it does not have or use a French language form of its name or a combined English language and French language form of its name and vice versa, and the Borrower has provided a written memorandum to the Bank accurately setting forth all prior names under which the Borrower has operated;
- (c) if it is a partnership, its name as set forth on page 1 is its full, true and correct, and where required or voluntarily registered its registered name; it is a partnership validly created and organised and validly existing under the laws of the jurisdiction of its creation; it has the power to carry on the business conducted by it; it is qualified as a partnership to carry on the business conducted by it and is in good standing under the laws of each jurisdiction in which the nature of its business makes such qualification necessary; and the execution, delivery and performance of this Agreement are within its powers, have been authorised, and do not contravene, violate or conflict with any law or the terms of its partnership agreement or any other agreement, indenture or undertaking to which the Borrower is a party or by which it is bound, and a complete list of the names, addresses and (if individuals) the dates of birth of the partners of the partnership are set forth on a Schedule attached to this Security Agreement;

- (d) if the Borrower is an individual, that individual's full name and address provided to the Bank are the individual's full and correct name and address and the individual's date of birth as described on the individual's birth certificate a true copy of which has been provided to the Bank or, if no birth certificate issued from any jurisdiction in Canada exists, as described on the documents provided to the Bank is the individual's correct birth date;
- (e) there is no litigation or governmental proceedings commenced or pending against or affecting the Collateral or the Borrower, in which a decision adverse to the Borrower would constitute or result in a material adverse change in the business, operations, properties or assets or in the condition, financial or otherwise, of the Borrower; and the Borrower agrees to promptly notify the Bank of any such future litigation or governmental proceeding;
- (f) it does not have any information or knowledge of any facts relating to its business, operations, property or assets or to its condition, financial or otherwise, which it has not disclosed to the Bank in writing and which, if known to the Bank, might reasonably be expected to deter the Bank from extending credit or advancing funds to the Borrower;
- (g) it has good title and lawfully owns and possesses all presently held Collateral, free from all security interests, charges, encumbrances, liens and claims, save only the Security Interests and the charges or security interests consented to in writing by the Bank, and it has not granted any licenses in or of its Intellectual Property other than as disclosed and consented to by the Bank;
- (h) to the extent that any of the Collateral includes serial numbered goods and motor vehicles which require serial number registration by virtue of the Act and its regulations including motor vehicles, trailers, manufactured homes, mobile homes, boats, outboard motors for boats or aircraft, the Borrower has given the full and correct serial numbers and any Ministry of Transport designation marks or other relevant licensing authority marks of all such Collateral to the Bank;
- (i) the Collateral is and/or will be located at the place(s) described in Schedule "A" and will not be removed from such location(s) without the prior written consent of the Bank;
- (j) this Security Agreement is granted in accordance with resolutions of the directors (and of the shareholders as applicable) of the Borrower, if the Borrower is a corporation, or, if the Borrower is a partnership, of the partners of the Borrower, and all other requirements have been fulfilled to authorise and make the execution and delivery of this Security Agreement, and the performance of the Borrower's obligations valid and there is no restriction contained in the constituting documents of the Borrower or in any shareholders agreement or partnership agreement which restricts the powers of the authorised signatories of the Borrower to borrow money or give security; and
- (k) the Borrower's place(s) of business and chief executive office have been correctly provided to the Bank.

7. COVENANTS OF THE BORROWER

(The Security Interests and the Collateral must be protected while the Security Agreement remains in effect. These covenants are your promises to the Bank describing how the Bank's Security Interests will be attended to. You will also covenant to maintain accurate books and records and allow the Bank's inspection. Your promises are found in the Security Agreement and Schedules.)

7.1 The Borrower covenants with the Bank that while this Security Agreement remains in effect the Borrower will:

- (a) promptly pay and satisfy the Obligations as they become due or are demanded;
- (b) defend the title to the Collateral for the Bank's benefit, against the claims and demands of all persons;
- (c) fully and effectually maintain and ensure that the Security Interests are and continue to be valid and effective;

- (d) maintain the Collateral in good condition and repair and provide adequate storage facilities to protect the Collateral and not permit the value of the Collateral to be impaired;
- (e) observe and conform to all valid requirements of any governmental authority relative to any of the Collateral and all covenants, terms and conditions upon or under which the Collateral is held;
- (f) forthwith pay and satisfy:
 - (i) all taxes, assessments, rates, duties, levies, government fees, claims and dues lawfully levied, assessed or imposed upon it or the Collateral when due, unless the Borrower shall in good faith contest its obligations so to pay and shall furnish to the Bank such security as the Bank may require;
 - (ii) all security interests, charges, encumbrances, liens and claims which rank or could rank in priority to, or on an equal basis with, any of the Security Interests; and
 - (iii) all fees from time to time chargeable by the Bank arising out of any term of the commitment letter between the Bank and the Borrower including, without limitation, inspection, administration and returned cheque handling fees;
- (g) forthwith pay and satisfy all costs, charges, expenses and legal fees and disbursements (on a solicitor and its own client basis) which may be incurred by the Bank in connection with granting loans or credit to the Borrower, including for:
 - (i) inspecting the Collateral;
 - (ii) negotiating, preparing, perfecting, registering or renewing the registration of this Security Agreement and the Security Interests, any Financing or Financing Change Statement, any modification or amending agreement and other documents relating to the Borrower's obligations, whether or not relating to this Security Agreement;
 - (iii) complying with any disclosure requirements under the Act;
 - (iv) investigating title to the Collateral;
 - (v) taking, recovering, keeping possession and disposing of the Collateral;
 - (vi) maintaining the Collateral in good repair, storing the Collateral and preparing the Collateral for disposition;
 - (vii) any inspection, appraisal, investigation or environmental audit of the Collateral and the cost of any environmental rehabilitation, treatment, removal or repair necessary to protect, preserve or remedy the Collateral including any fine or penalty the Bank becomes obligated to pay by reason of any statute, order or direction of competent authority;
 - (viii) all other actions and proceedings taken to preserve the Collateral, enforce this Security Agreement and of any other security interest held by the Bank as security for the Obligations, protect the Bank from liability in connection with the Security Interests or assist the Bank in its loan and credit granting or realization of the Security Interest, including any actions under the Bankruptcy and Insolvency Act (Canada) and all remuneration of any Receiver (as defined in Article 15 hereof) or appointed pursuant to the Bankruptcy and Insolvency Act (Canada);
 - (ix) any sums the Bank pays as fines, or as clean up costs because of contamination of or from your assets. Further, you will indemnify the Bank and its employees and agents from any liability or costs incurred including legal defense costs. Your obligation under this paragraph continues even after the Obligations are repaid and this agreement is terminated.
- (h) at the Bank's request, execute and deliver further documents and instruments and do all acts as the

Bank in its absolute discretion requires to confirm, register and perfect, and maintain the registration and perfection of, the Security Interests;

- (l) notify the Bank promptly of:
 - (i) any change in the information contained in this Security Agreement relating to the Borrower, its business or the Collateral, including, without limitation, any change of name or address (including any change of trade name, proprietor or partner) and any change in the present location of any Collateral;
 - (ii) the details of any material acquisition of Collateral, including the acquisition of any motor vehicles, trailers, manufactured homes, boats or aircraft;
 - (iii) any material loss or damage to the Collateral;
 - (iv) any material default by any account debtor in the payment or other performance of its obligations to the Borrower respecting any Accounts;
 - (v) any claims against the Borrower including claims in respect of the Intellectual Property or of any actions taken by the Borrower to defend the registration of or the validity of or any infringement of the Intellectual Property;
 - (vi) the return to or repossession by the Borrower of Collateral that was disposed of by the Borrower; and
 - (vii) all additional places of business and any changes in its place(s) of business or chief executive office;
- (j) prevent the Collateral, other than Inventory sold, leased, or otherwise disposed of as permitted by this Security Agreement, from being or becoming an accession to property not covered by this Security Agreement;
- (k) carry on and conduct its business and undertaking in a proper and businesslike manner so as to preserve and protect the Collateral and the earnings, income, rents, issues and profits of the Collateral, including maintenance of proper and accurate books of account and records;
- (l) permit the Bank and its representatives, at all reasonable times, access to the Collateral including all of the Borrower's property, assets and undertakings and to all its books of account and records for the purpose of inspection and the taking of extracts and copies, whether at the Borrower's premises or otherwise, and the Borrower will render all assistance necessary;
- (m) observe and perform all its obligations under:
 - (i) leases, licences, undertakings, and any other agreements to which it is a party;
 - (ii) any statute or regulation, federal, provincial, territorial, or municipal, to which it is subject;
- (n) deliver to the Bank from time to time promptly upon request:
 - (i) any documents of title, instruments, securities and chattel paper constituting, representing or relating to the Collateral;
 - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral to allow the Bank to inspect, audit or copy them;
 - (iii) all financial statements prepared by or for the Borrower regarding the Borrower's business;

- (iv) such information concerning the Collateral, the Borrower and the Borrower's business and affairs as the Bank may reasonably require;
- (o) with respect to the Intellectual Property, take all necessary steps and initiate all necessary proceedings, to maintain the registration or recording of the Intellectual Property, to defend the Intellectual Property from infringement and to prevent any licensed or permitted user from doing anything that may invalidate or otherwise impair the Intellectual Property;
- (p) with respect to copyright forming part of the Intellectual Property, provide to the Bank waivers of the moral rights thereto executed by all contributors or authors of the copyrighted work;
- (q) receive and hold in trust on behalf of and for the benefit of the Bank all proceeds from the sale or other disposition of any Collateral;
- (r) consent to the Bank contacting and making enquiries of the Borrower's lessors, as well as municipal or other government officials or assessors; and
- (s) observe and perform the additional covenants and agreements set out in any schedules to this Security Agreement.

7.2 Any amounts required to be paid to the Bank by the Borrower under this Clause 7 shall be immediately payable with interest at the highest rate borne by any of the Obligations until all amounts have been paid.

7.3 This Security Agreement shall remain in effect until it has been terminated by the Bank by notice of termination to the Borrower and all registrations relating to the Security Agreement have been discharged.

8. INSURANCE

(It is your obligation to thoroughly insure the Collateral in order to protect your interests and those of the Bank. You will follow the specific requirements of the insurance coverage described in this Clause.)

8.1 The Borrower covenants that while this Security Agreement is in effect the Borrower shall:

- (a) maintain or cause to be maintained insurance on the Collateral with a reputable insurer, of kinds, for amounts and payable to such person or persons, all as the Bank may require, and in particular maintain insurance on the Collateral to its full insurable value against loss or damage by fire and all other risks of damage, including an extended coverage endorsement and in the case of motor vehicles, insurance against theft;
- (b) cause the insurance policy or policies required by this Security Agreement to be assigned to the Bank, including a standard mortgage clause or a mortgage endorsement, as the Bank may require;
- (c) pay all premiums respecting such insurance, and deliver all policies to the Bank, if it so requires.

8.2 If proceeds of any required insurance becomes payable, the Bank may, in its absolute discretion, apply these proceeds to the Obligations as the Bank sees fit or release any insurance proceeds to the Borrower to repair, replace or rebuild, but any release of insurance proceeds to the Borrower shall not operate as a payment on account of the Obligations or in any way affect this Security Agreement or the Security Interests.

8.3 The Borrower will forthwith, on the happening of loss or damage to the Collateral, notify the Bank and furnish to the Bank at the Borrower's expense any necessary proof and do any necessary act to enable the Bank to obtain payment of the insurance proceeds, but nothing shall limit the Bank's right to submit to the insurer a proof of loss on its own behalf.

8.4 The Borrower hereby authorizes and directs the insurer under any required policy of insurance to include the name of the Bank as loss payee on any policy of insurance and on any cheque or draft which may be issued respecting a claim settlement under and by virtue of such insurance, and the production by the Bank to any insurer of a notarial or certified copy of this Security Agreement (notarized or certified by a notary public or solicitor) shall be the insurer's complete authority for so doing.

8.5 If the Borrower fails to maintain Insurance as required, the Bank may, but shall not be obliged to, maintain or effect such insurance coverage, or so much insurance coverage as the Bank may wish to maintain.

9. OTHER PROHIBITIONS

(You agree to not encumber your property so as to interfere with the security interests or charges granted to the Bank and you will not dispose of any of the Collateral except inventory disposed of in the ordinary course of your business.)

Without the prior written consent of the Bank the Borrower will not:

- (a) create or permit to exist any security interest in, charge, encumbrance or lien over, or claim against any of its property, assets, undertakings including without limitation the Collateral which ranks or could in any event rank in priority to or on an equal basis with any of the Security Interests created by this Security Agreement;
- (b) grant, sell, or otherwise assign any of its chattel paper or any of the Collateral except only inventory that is disposed of in accordance with Clause 10.2; or
- (c) where the Borrower is a corporation
 - (i) repay or reduce any shareholders loans or other debts due to its shareholders; or
 - (ii) change its name, merge with or amalgamate with any other entity;

10. RESTRICTIONS ON SALE OR DISPOSAL OF COLLATERAL

(You will preserve and protect all of the Collateral and not dispose of it without the consent of the Bank. Any sales or other disposition will result in you holding the proceeds in trust for the Bank. Your responsibilities towards the Collateral and any trust proceeds are important to the Bank.)

10.1 Except as provided by this Security Agreement, without the Bank's prior written consent the Borrower will not:

- (a) sell, lease, license or otherwise dispose of the Collateral;
- (b) release, surrender or abandon possession of the Collateral; or
- (c) move or transfer the Collateral from the jurisdictions in which the Security Interests have been perfected.

10.2 Provided that the Borrower is not in default under this Security Agreement, the Borrower may lease, sell, license, consign or otherwise deal with items of inventory only in the ordinary course of its business and for the purposes of carrying on its business.

10.3 Any disposition of any Collateral, excepting sales of inventory in the ordinary course, shall result in the Borrower holding the proceeds in trust for and on behalf of the Bank and subject to the Bank's exclusive direction and control. Nothing restricts the Bank's rights to attach, seize or otherwise enforce its Security Interests in any Collateral sold or disposed, unless it is sold or disposed with the Bank's prior written consent.

11. PERFORMANCE OF OBLIGATIONS

(If you do not strictly do all those things that you have agreed to do in this Security Agreement, the Bank may perform those obligations but you will be required to pay for them.)

If the Borrower fails to perform its covenants and agreements under this Security Agreement, the Bank may, but shall not be obliged to, perform any or all of such covenants and agreements without prejudice to any other rights and remedies of the Bank, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor and its own client basis) incurred by the Bank shall be immediately payable by the Borrower to the Bank with interest at the highest rate borne by any of the Obligations and shall be secured by the Security Interests, until all such amounts have been paid.

12. ACCOUNTS

(Any dealing with the Collateral that results in an account being created, or proceeds arising, is of particular importance to the Bank. The account, or proceeds, acts in substitution for the Collateral that has been sold, usually inventory. You will protect the account or proceeds in favour of the Bank.)

Notwithstanding any other provision of this Security Agreement, the Bank may collect, realize, sell or otherwise deal with all or a portion of the Accounts in such manner, upon such terms and conditions and at any time, whether before or after default, as may seem to it advisable, and without notice to the Borrower, except in the case of disposition after default and then subject to the applicable provisions of the Act, if any. All forms of payment received by the Borrower in payment of any Account, or as proceeds, shall be subject to the Security Interests and shall be received and held by the Borrower in trust for the Bank.

13. APPROPRIATION OF PAYMENTS

(The Bank has the right to determine how funds it receives will be applied in relation to your loan facility.)

Any and all payments made respecting the Obligations and monies realized from any Security Interests (including monies collected in accordance with or realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Bank sees fit, and the Bank may at any time change any appropriation as the Bank sees fit.

14. DEFAULT

(You must comply with the payment and other obligations that you have made in favour of the Bank. You must also strictly satisfy the covenants and agreements that you have made in this Security Agreement. Failure to do so will be considered a default and the Bank will consider its legal remedies and possibly pursue them. This Clause defines the defaults and outlines your obligations.)

14.1 Unless waived by the Bank, the Borrower shall be in default under this Security Agreement and shall be deemed to be in default under all other agreements between the Borrower and the Bank in any of the following events:

- (a) the Borrower defaults, or threatens to default, in payments when due of any of the Obligations; or
- (b) the Borrower is in breach of, or threatens to breach, any term, condition, obligation or covenant made by it to or with the Bank, or any representation or warranty of the Borrower to the Bank is untrue or ceases to be accurate, whether or not contained in this Security Agreement; or
- (c) the Borrower or a guarantor of the Borrower declares itself to be insolvent or admits in writing its inability to pay its debts generally as they become due, or makes an assignment for the benefit of its creditors, is declared bankrupt, makes a proposal or otherwise takes advantage of any provisions for relief under the Bankruptcy and Insolvency Act (Canada), the Companies Creditors' Arrangement Act (Canada) or similar legislation in any jurisdiction, or makes an authorized assignment; or
- (d) a receiver, manager, receiver and manager or receiver-manager of all or a part of the Collateral is appointed; or
- (e) an order is made or a resolution is passed for the winding up of the Borrower or a guarantor of the Borrower; or
- (f) the Borrower or a guarantor of the Borrower ceases or threatens to cease to carry on all or a substantial part of its business or makes or threatens to make a sale of all or substantially all of its assets; or
- (g) distress or execution is levied or issued against all or any part of the Collateral; or
- (h) If the Borrower is a corporation and any member or shareholder:
 - (i) commences an action against the Borrower; or
 - (ii) gives a notice of dissent to the Borrower in accordance with the provisions of any governing legislation; or

- (l) if the Borrower is a corporation and its voting control changes without the Bank's prior written consent; or
- (j) the Borrower uses any monies advanced to it by the Bank for any purpose other than as agreed upon by the Bank; or
- (k) without the Bank's prior written consent, the Borrower creates or permits to exist any security interest, charge, encumbrance, lien or claim against any of the Collateral which ranks or could in any event rank in priority to or on an equal basis with any of the Security Interests; or
- (l) the holder of any other security interest, charge, encumbrance, lien or claim against any of the Collateral does anything to enforce or realize on such security interest, charge, encumbrance, lien or claim; or
- (m) the Borrower enters into an amalgamation, a merger or other similar arrangement with any other person without the Bank's prior written consent or, if the Borrower is a corporation, it is continued or registered in a different jurisdiction without the Bank's prior written consent; or
- (n) the Bank in good faith and on commercially reasonable grounds believes that the prospect of payment or performance of any of the Obligations is impaired or that any of the Collateral is or is about to be placed in jeopardy or removed from the jurisdiction in which this Security Agreement has been registered; or
- (o) the lessor under any lease to the Borrower of any real or personal property takes any steps to or threatens to terminate such lease or otherwise exercise any of its remedies under such lease as a result of any default by the Borrower; or
- (p) the Borrower causes or allows hazardous materials to be brought upon any lands or premises occupied by the Borrower or to be incorporated into any of its assets, or the Borrower causes, permits, or fails to remedy any environmental contamination upon, in or under any of its lands or assets, or fails to comply with any abatement or remediation order given by a responsible authority; or
- (q) any permit, license, certification, quota or order granted to or held by the Borrower is cancelled, revoked or reduced, as the case may be, or any order against the Borrower is enforced, preventing the business of the Borrower from being carried on for more than 5 days or materially adversely changing the condition (financial or otherwise) of the Borrower's business; or
- (r) if an individual, the Borrower dies or is declared incompetent by a court of competent jurisdiction.

15. ENFORCEMENT

(If a default occurs, the Bank has numerous remedies and legal rights, including enforcement of the Security Agreement according to this Clause. You also have rights, provided by the *Personal Property Security Act* and the common law in your jurisdiction.)

15.1 Upon any default under this Security Agreement the Bank may declare any or all of the Obligations whether or not payable on demand to become immediately due and payable and the Security Interests will immediately become enforceable. To enforce and realize on the Security Interests the Bank may take any action permitted by law or in equity as it may deem expedient and in particular, without limitation, the Bank may do any of the following:

- (a) appoint by instrument a receiver, manager, receiver and manager or receiver-manager (the "Receiver") of all or any part of the Collateral, with or without bond as the Bank may determine, and in its absolute discretion remove such Receiver and appoint another in its stead;
- (b) enter upon any of the Borrower's premises at any time and take possession of the Collateral with power to exclude the Borrower, its agents and its servants, without becoming liable as a mortgagee in possession;

- (c) preserve, protect and maintain the Collateral and make such replacements and repairs and additions to the Collateral as the Bank deems advisable;
- (d) dispose of all or part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Bank may seem reasonable, provided that if any sale, lease or other disposition is on credit the Borrower will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies are actually received;
- (e) register assignments of the Intellectual Property, and use sell, assign, license or sub-license any of the Intellectual Property; and
- (f) exercise all of the rights and remedies of a secured party under the Act and any other applicable laws.

15.2 A Receiver appointed pursuant to this Security Agreement insofar as responsibility for its actions is concerned shall be the agent of the Borrower and not of the Bank and, to the extent permitted by law or to such lesser extent permitted by its appointment, shall have all the powers of the Bank under this Security Agreement, and in addition shall have power to:

- (a) carry on the Borrower's business and for such purpose from time to time to borrow money either secured or unsecured, and if secured by granting a security interest on the Collateral, such security interest may rank before or on an equal basis with or behind any of the Security Interests and if it does not so specify such security interest shall rank in priority to the Security Interests; and
- (b) make an assignment for the benefit of the Borrower's creditors or a proposal on behalf of the Borrower under the Bankruptcy and Insolvency Act (Canada); and
- (c) commence, continue or defend proceedings in the name of the Receiver or in the name of the Borrower for the purpose of protecting, seizing, collecting, realizing or obtaining possession of or payment for the Collateral; and
- (d) make any arrangement or compromise that the Receiver deems expedient.

15.3 Subject to the claims, if any, of the creditors of the Borrower ranking in priority to this Security Agreement, all amounts realized from the disposition of the Collateral pursuant to this Security Agreement will be applied as the Bank, in its absolute discretion and to the full extent permitted by law, may direct as follows:

- (a) in payment of all costs, charges and expenses (including legal fees and disbursements on a solicitor and its own client basis) incurred by the Bank respecting or incidental to:
 - (i) the exercise by the Bank of the rights and powers granted to it by this Security Agreement; and
 - (ii) the appointment of the Receiver and the exercise by the Receiver of the powers granted to it by this Security Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver;
- (b) in or toward payment to the Bank of all principal and other monies (except interest) due in respect of the Obligations;
- (c) in or toward payment to the Bank of all interest remaining unpaid respecting the Obligations; and
- (d) in payment to those parties entitled thereto under the Act.

16. GENERAL PROVISIONS PROTECTING THE BANK

(You have granted this Security Agreement to the Bank in consideration by the Bank advancing funds or providing credit or a credit facility to you. The Bank will not be responsible for debts or liabilities that may arise except to the extent that it agrees to be responsible or liable in this Security Agreement. If enforcement becomes necessary, the Bank will act in good faith and in a commercially reasonable manner.)

16.1 To the full extent permitted by law, the Bank shall not be liable for any debts contracted by it during enforcement of this Security Agreement, for damages to persons or property or for salaries or non-fulfillment of contracts during any period when the Bank shall manage the Collateral upon entry or seizure, nor shall the Bank be liable to account as a mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any default or omission for which a mortgagee in possession may be liable. The Bank shall not be bound to do, observe or perform or to see to the observance or performance by the Borrower of any obligations or covenants imposed upon the Borrower nor shall the Bank, in the case of securities, instruments or chattel paper, be obliged to preserve rights against other persons, nor shall the Bank be obliged to keep any of the Collateral identifiable. To the full extent permitted by law, the Borrower waives any provision of law permitted to be waived by it which imposes greater obligations upon the Bank than described above.

16.2 Neither the Bank nor any Receiver appointed by it shall be liable or accountable for any failure to seize, collect, realize, sell or obtain payments for the Collateral nor shall they be bound to institute proceedings for the purposes of seizing, collecting, realizing or obtaining payment or possession of the Collateral or the preserving of any right of the Bank, the Borrower or any other party respecting the Collateral. The Bank shall also not be liable for any misconduct, negligence, misfeasance by the Bank, the Receiver or any employee or agent of the Bank or the Receiver, or for the exercise of the rights and remedies conferred upon the Bank or the Receiver by this Security Agreement.

16.3 The Bank or any Receiver appointed by it may grant extensions of time and other indulgences, take and give securities, accept compromises, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the debtors of the Borrower, co-obligants, guarantors and others and with the Collateral and other securities as the Bank may see fit without liability to the Bank and without prejudice to the Bank's rights respecting the Obligations or the Bank's right to hold and realize the Collateral.

16.4 The Bank in its sole discretion may realize upon any other security provided by the Borrower in any order or concurrently with the realization under this Security Agreement whether such security is held by it at the date of this Security Agreement or is provided at any time in the future. No realization or exercise of any power or right under this Security Agreement or under any other security shall prejudice any further realization or exercise until all Obligations have been fully paid and satisfied.

16.5 Any right of the Bank and any obligation of the Borrower arising under any other agreements between the Bank and the Borrower shall survive the signing, registration and advancement of any money under this Security Agreement, and no merger respecting any such right or obligation shall occur by reason of this Security Agreement. The obligation, if any, of the Borrower to pay legal fees, a commitment fee, a standby fee or administration fees, under the terms of the Bank's commitment letter with the Borrower shall survive the signing and registration of this Security Agreement and the Bank's advancement of any money to the Borrower and any legal fees, commitment fees, standby fees or administration fees owing by the Borrower shall be secured by the Collateral.

16.6 In the event that the Bank registers a notice of assignment of Intellectual Property the Borrower shall be responsible for and shall indemnify the Bank against all maintenance and renewal costs in respect thereof, and any costs of initiating or defending litigation, together with all costs, liabilities and damages related thereto.

16.7 Notwithstanding any taking of possession of the Collateral, or any other action which the Bank or the Receiver may take, the Borrower now covenants and agrees with the Bank that if the money realized upon any disposition of the Collateral is insufficient to pay and satisfy the whole of the Obligations due to the Bank at the time of such disposition, the Borrower shall immediately pay to the Bank an amount equal to the deficiency between the amount of the Obligations and the sum of money realized upon the disposition of the Collateral, and the Borrower agrees that the Bank may bring action against the Borrower for payment of the deficiency, notwithstanding any defects or irregularities of the Bank or the Receiver in enforcing its rights under this Security Agreement.

17. APPOINTMENT OF ATTORNEY

(You appoint the Bank your attorney for specific matters.)

The Borrower hereby irrevocably appoints the Bank or the Receiver, as the case may be, with full power of substitution, as the attorney of the Borrower for and in the name of the Borrower to do, make, sign, endorse or execute under seal or otherwise all deeds, documents, transfers, cheques, instruments, demands, assignments, assurances or consents that the Borrower is obliged to sign, endorse or execute and generally to use the name of the Borrower and to do everything necessary or incidental to the exercise of all or any of the powers conferred on the Bank, or the Receiver, as the case may be, pursuant to this Security Agreement. This grant and authority shall continue and survive any mental infirmity or legal incapacity of the Borrower subsequent to the execution hereof.

18. CONSOLIDATION

(Should you wish to redeem the Security Interest, the Bank may require you to also pay other obligations to it before discharging its Security Interests.)

For the purposes of the laws of all jurisdictions in Canada, the doctrine of consolidation applies to this Security Agreement.

19. NO OBLIGATION TO ADVANCE

(The Bank determines, in the end, whether any advances or further advances under the loan facility will be made.)

Neither the preparation and execution of this Security Agreement nor the perfection of the Security Interests or the advance of any monies by the Bank shall bind the Bank to make any advance or loan or further advance or loan, or extend any time for payment of any indebtedness or liability of the Borrower to the Bank.

20. WAIVER

(Indulgences granted by the Bank should not be taken for granted.)

The Bank may permit the Borrower to remedy any default without waiving the default so remedied. The Bank may from time to time and at any time partially or completely waive any right, benefit or default under this Security Agreement but such waiver shall not be a bar to or a waiver of any such right, benefit or default thereafter, or of any other right, benefit or default under this Security Agreement. No waiver shall be effective unless it is in writing and signed by the Bank. No delay or omission on the part of the Bank in exercising any right shall operate as a waiver of such right or any other right.

21. NOTICE

(This Clause describes how the various notices referred to in this Security Agreement may be given.)

Notice may be given to either party by prepaid mail or delivered to the party for whom it is intended, at the principal address of such party provided in this Security Agreement or at such other address as may be given in writing by one party to the other, and any notice if mailed shall be deemed to have been given at the expiration of three business days after mailing and if delivered, on delivery.

22. EXTENSIONS

(Your duties and responsibilities to the Bank remain in place regardless of any concerns you may have about the loan facility or the Bank's actions.)

The Bank may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of security interests, and otherwise deal with the Borrower, the Borrower's account debtors, sureties and others and with the Collateral and other security interests as the Bank may see fit without prejudice to the Borrower's liability or the Bank's right to hold and realize on the Security Interests.

23. NO MERGER

(Except as agreed upon in the Security Agreement or another contract specifically discussing this point, this Security Agreement is an independent obligation on your part.)

This Security Agreement shall not create any merger or discharge of any of the Obligations, or any assignment, transfer, guarantee, lien, contract, promissory note, bill of exchange or security interest of any form held

or which may be held by the Bank now or in the future from the Borrower or from any other person. The taking of a judgement respecting any of the Obligations will not operate as a merger of any of the covenants contained in this Security Agreement.

24. RIGHTS CUMULATIVE

(This Agreement describes some rights and remedies of the Bank. The Bank also is entitled to rely on all other rights and remedies available to it in law and in any other agreements it has entered into with you.)

The Bank's rights and remedies set out in this Security Agreement, and in any other security agreement held by the Bank from the Borrower or any other person to secure payment and performance of the Obligations, are cumulative and no right or remedy contained in this Security Agreement or any other security agreements is intended to be exclusive but each will be in addition to every other right or remedy now or hereafter existing at law, in equity or by statute, or pursuant to any other agreement between the Borrower and the Bank that may be in effect from time to time.

25. ASSIGNMENT

(Should the Bank assign or transfer or otherwise deal with this Security Agreement on its own behalf, you agree that the Security Agreement shall remain binding and effective upon you.)

The Bank may, without notice to the Borrower, at any time assign or transfer, or grant a security interest in, all or any of the Obligations, this Security Agreement and the Security Interests. The Borrower agrees that the assignee, transferee or secured party, as the case may be, shall have all of the Bank's rights and remedies under this Security Agreement and the Borrower will not assert as a defence, counterclaim, right of set-off or otherwise any claim which it now has or may acquire in the future against the Bank in respect of any claim made or any action commenced by such assignee, transferee or secured party, as the case may be, and will pay the assigned Obligations to the assignee, transferee or secured party, as the case may be, as the said Obligations become due.

26. SATISFACTION AND DISCHARGE

(Until this Security Agreement is terminated and any registrations relating to it are discharged, the Security Agreement will remain effective even though the indebtedness to the Bank may have been paid.)

Any partial payment or satisfaction of the Obligations, or any ceasing by the Borrower to be indebted to the Bank shall not be a redemption or discharge of this Security Agreement. The Borrower shall be entitled to a release and discharge of this Security Agreement upon full payment and satisfaction of all Obligations, and upon written request by the Borrower and, subject to applicable law, payment to the Bank of an administrative fee to be fixed by the Bank and payment of all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred by the Bank in connection with the Obligations and such release and discharge. The Borrower shall, subject to applicable law, pay an administrative fee, to be fixed by the Bank, for the preparation or execution of any full or partial release or discharge by the Bank of any security it holds, of the Borrower, or of any guarantor or covenantor with respect to any Obligations.

27. ENVIRONMENT

The Borrower represents and agrees that:

- (a) it operates and will continue to operate in conformity with all applicable environmental laws, regulations, standards, codes, ordinances and other requirements of any jurisdiction in which it carries on business and will ensure its staff is trained as required for that purpose;
- (b) it has an environmental emergency response plan and all officers and employees are familiar with that plan and their duties under it;
- (c) it possesses and will maintain all environmental licences, permits and other governmental approvals as may be necessary to conduct its business and maintain the Collateral;
- (d) there has been no complaint, prosecution, investigation or proceeding, environmental or otherwise, respecting the Borrower's business or assets including without limitation the Collateral;

- (f) it will advise the Bank immediately upon becoming aware of any environmental problems relating to its business or the Collateral;
- (g) it will provide the Bank with copies of all communications with environmental officials and all environmental studies or assessments prepared for the Borrower and it consents to the Bank contacting and making enquiries of environmental officials or assessors;
- (h) it will from time to time when requested by the Bank provide to the Bank evidence of its full compliance with the Borrower's obligations in this Clause 27.

28. ENUREMENT

This Security Agreement shall enure to the benefit of the Bank and its successors and assigns, and shall be binding upon the Borrowers and its heirs, executors, administrators, successors and any assigns permitted by the Bank, as the case may be.

29. INTERPRETATION

29.1 In this Security Agreement:

- (a) "Collateral" has the meaning set out in Clause 1 and any reference to the Collateral shall, unless the context otherwise requires, be deemed to be a reference to the Collateral in whole or in part;
- (b) "the Act" means the *Personal Property Security Act* of the province in which the business centre of the Bank is located, as described on page 1 of this Security Agreement, and all regulations under the Act, as amended from time to time.

29.2 Words and expressions used in this Security Agreement that have been defined in the Act shall be interpreted in accordance with their respective meanings given in the Act unless otherwise defined in this Security Agreement or unless the context otherwise requires.

29.3 The invalidity or unenforceability of the whole or any part of any clause of this Security Agreement shall not affect the validity or enforceability of any other clause or the remainder of such clause of this Security Agreement.

29.4 The headings used in this Security Agreement have been inserted for convenience of reference only and shall not define, limit, alter or enlarge the meaning of any provision of this Security Agreement.

29.5 This Security Agreement shall be governed by the laws of the province referred to in subclause 29.1(b). For enforcement purposes, the Borrower hereby attorns to the jurisdiction of the courts and laws of any province, state, territory or country in which the Bank enforces its rights and remedies hereunder.

30. COPY OF AGREEMENT AND FINANCING STATEMENT

The Borrower:

- (a) acknowledges receiving a copy of this Security Agreement; and
- (b) if the Act so permits, waives all rights to receive from the Bank a copy of any financing statement or financing change statement filed, or any verification statement or other document received at any time respecting this Security Agreement.

31. TIME

Time shall in all respects be of the essence.

32. INDEPENDENT ADVICE

The Borrower acknowledges having received, or having had the opportunity to receive, independent legal and accounting advice respecting this Security Agreement and its effect.

33. PARENTHETICAL COMMENTS

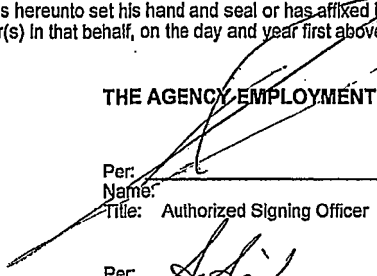
The Borrower acknowledges and agrees that the comments in parentheses are intended to provide a brief but not thorough indication of the intent of the legal provisions that follow in each subsequent clause, and do not form part of this Security Agreement.

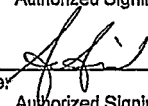
34. THE COMMITMENT LETTER

The Bank has extended an offer of financing or a commitment letter to the Borrower relating to the loan facilities secured by this Security Agreement. The Borrower acknowledges and agrees that in the event of any discrepancy between any term of this Security Agreement and any term of the commitment letter, the terms of the commitment letter shall apply and take precedence over the terms of this Security Agreement.

IN WITNESS WHEREOF the Borrower has hereunto set his hand and seal or has affixed its corporate seal duly attested by the hand(s) of its proper officer(s) in that behalf, on the day and year first above written.

THE AGENCY EMPLOYMENT SERVICES LTD.

Per: 
 Name: _____
 Title: Authorized Signing Officer

Per: 
 Name: _____
 Title: Authorized Signing Officer

I/We have the authority to bind the Corporation.

2478079

SCHEDULE "A"**Subclause 1.1(a):**

1. the following specific items, even though they may be included within the descriptions of Collateral (insert description by item or kind):

All assets of the borrower from time to time.

2. the following serial numbered goods:

Serial No. (re motor vehicles & trailers, etc.)

Year

Make and Model

3. Location(s) of the Collateral:

125 Wallace Avenue N., Listowel, Ontario, N4W 1K8, and any other location from time to time.

Exhibit “B”



GENERAL SECURITY AGREEMENT

THIS AGREEMENT dated January 8th, 2016, 2015.

BETWEEN:

DONALDSON & JAMES LTD.

(the "Borrower")

AND:

BDC CAPITAL INC., with a business centre at
148 Fullarton Street, Suite 1000, 10th Floor London, Ontario, N6A 5P3

(the "Bank")

1. SECURITY INTEREST

(You, as the Borrower, will grant to the Bank a charge, referred to as a security interest, over all personal property now held or in the future held or acquired by you. You will also grant a charge, referred to as a floating charge, over your complete undertaking. These charges are the security the Bank will hold in consideration of lending you funds or providing the credit facility to you.)

1.1 For consideration the Borrower hereby:

- (a) mortgages and charges as a fixed and specific charge, and assigns and transfers to the Bank, and grants to the Bank a general and continuing security interest in all of the Borrower's present and after acquired personal property including, without limitation:
 - (i) all office, trade, manufacturing and all other equipment and all goods, including, without limitation, machinery, tools, fixtures, computers, furniture, furnishings, chattels, motor vehicles and other tangible personal property that is not inventory, and all parts, components, attachments, accessories, accessions, replacements, substitutions, additions and improvements to any of the above (all of which is collectively called the "Equipment");
 - (ii) all inventory, including, without limitation, goods acquired or held for sale or lease or furnished or to be furnished under contracts of rental or service, all raw materials, work in process, finished goods, returned goods, repossessed goods, all livestock and their young after conception, all crops and timber, and all packaging materials, supplies and containers relating to or used or consumed in connection with any of the foregoing (all of which is collectively called the "Inventory");
 - (iii) all debts, accounts, claims, demands, moneys and choses in action which now are, or which may at any time be, due or owing to or owned by the Borrower and all books, records, documents, papers and electronically recorded data recording, evidencing or relating to the debts, accounts, claims, demands, moneys and choses in action (all of which is collectively called the "Accounts");
 - (iv) all documents of title, chattel paper, instruments, securities and money, and all other personal property, of the Borrower that is not Equipment, Inventory or Accounts;

- (v) all patents, trade-marks, copyrights, industrial designs, plant breeder's rights, integrated circuit topographies, trade-names, goodwill, confidential information, trade secrets and know-how, including without limitation, environmental technology and bio-technology, software and any registrations and applications for registration of the foregoing and all other Intellectual and Industrial property of the Borrower (all of which is collectively called the "Intellectual Property");
 - (vi) all the Borrower's contractual rights, licenses and all other choses in action of every kind which now are, or which may at any time be due or owing to or owned by the Borrower, and all other intangible property of the Borrower, that is not Accounts, chattel paper, instruments, documents of title, Intellectual Property, securities or money;
 - (vii) the personal property described in Schedule "A" attached to this Agreement and all additions thereto and replacements thereof; and
 - (viii) all proceeds of every nature and kind arising from the personal property referred to in this Security Agreement;
- (b) grants to the Bank a general and continuing security interest and charges by way of a floating charge:
- (i) all of the undertaking and assets of the Borrower, of every nature or kind and wherever situate, whether presently owned or hereafter acquired, and all their proceeds, other than its assets and undertakings that are otherwise validly and effectively subject to the charges and security interests in favour of the Bank created pursuant to this Clause 1.1.

1.2 The security interests, mortgages, transfers, assignments, charges, grants and conveyances created pursuant to Clause 1.1 shall be collectively called the "Security Interests", and the property subject to the Security Interests and all property, assets and undertaking charged, assigned or transferred or secured by any instruments supplemental to or in implementation of this Security Agreement are collectively called the "Collateral".

1.3 The schedules, including definitions, form part of this Security Agreement.

2. EXCEPTIONS

(With few exceptions, all of your personal property is subject to the security interests and charges described in Clause 1.1. Only the last day of any lease term and possibly your consumer goods are excepted. Corporations do not hold consumer goods.)

2.1 The last day of the term created by any lease or agreement is excepted out of any charge or the Security Interests but the Borrower shall stand possessed of the reversion and shall remain upon trust to assign and dispose of it to any third party as the Bank shall direct.

2.2 All the Borrower's consumer goods are excepted out of the Security Interests.

3. ATTACHMENT

(Value or consideration has flowed between you and the Bank and the Security Interests in your personal property are complete once you sign this Security Agreement.)

The Borrower agrees that the Security Interests attach upon the signing of this Security Agreement (or in the case of after acquired property, upon the date of acquisition), that value has been given, and that the Borrower has (or in the case of after acquired property, will have upon the date of acquisition) rights in the Collateral and the Borrower confirms that there has been no agreement between the Borrower and the Bank to postpone the time for attachment of the Security Interests and that it is the Borrower's understanding that the Bank intends the Security Interests to attach at the same time.

4. PURCHASE MONEY SECURITY INTEREST

(To the extent that the Bank helps you acquire an interest in any personal property, you grant a special security interest to the Bank over that personal property. The special security interest is known as a "Purchase Money Security Interest".)

The Borrower acknowledges and agrees that the Security Interests constitute and are intended to create Purchase Money Security Interests in Collateral to the extent that moneys advanced by the Bank, including all future advances and re-advances, are used or are to be used, in whole or in part, to purchase or otherwise to acquire rights in Collateral.

5. OBLIGATIONS SECURED

(The Security Interests and charges you have granted to the Bank secure all indebtedness and all obligations to the Bank.)

This Security Agreement is in addition to and not in substitution for any other security interest or charge now or in the future held by the Bank from the Borrower or from any other person and shall be general and continuing security for the payment and performance of all indebtedness, liabilities and obligations of the Borrower to the Bank (including interest thereon), whether incurred prior to, at the time of or after the signing of this Security Agreement including extensions and renewals, and all other liabilities of the Borrower to the Bank, present and future, absolute or contingent, joint or several, direct or indirect, matured or not, extended or renewed, wherever and however incurred, including all advances on current or running account, future advances and re-advances of any loans or credit by the Bank and the Borrower's obligation and liability under any contract or guarantee now or in the future in existence whereby the Borrower guarantees payment of the debts, liabilities and/or obligations of a third party to the Bank, and for the performance of all obligations of the Borrower to the Bank, whether or not contained in this Security Agreement (all of which indebtedness, liabilities and obligations are collectively called the "Obligations").

6. REPRESENTATIONS AND WARRANTIES

(You state that you are able to legally grant this Security Agreement to the Bank, it will be binding and the Collateral is not subject to any encumbrances that have not been approved by the Bank. You own the Collateral and nothing prevents you from granting the Security Interests and charges in favour of the Bank. The Bank will rely on all of the following representations and warranties.)

6.1 The Borrower represents and warrants to the Bank that:

- (a) if a corporation, it is a corporation incorporated and organised and validly existing and in good standing under the laws of the jurisdiction of its incorporation; it has the corporate power to own or lease its property and to carry on the business conducted by it; it is qualified as a corporation to carry on the business conducted by it and to own or lease its property and is in good standing under the laws of each jurisdiction in which the nature of its business or the property owned or leased by it makes such qualification necessary; and the execution, delivery and performance of this Security Agreement are within its corporate powers, have been authorised and do not contravene, violate or conflict with any law or the terms and provisions of its constating documents or its by-laws or any shareholders agreement or any other agreement, indenture or undertaking to which the Borrower is a party or by which it is bound;
- (b) if it is a corporation, its name as set forth on page 1 of this Security Agreement is its full, true and correct name as stated in its constating documents and if such name is in English, it does not have or use a French language form of its name or a combined English language and French language form of its name and vice versa, and the Borrower has provided a written memorandum to the Bank accurately setting forth all prior names under which the Borrower has operated;
- (c) if it is a partnership, its name as set forth on page 1 is its full, true and correct, and where required or voluntarily registered its registered, name; it is a partnership validly created and organised and validly existing under the laws of the jurisdiction of its creation; it has the power to carry on the business conducted by it; it is qualified as a partnership to carry on the business conducted by it and is in good standing under the laws of each jurisdiction in which the nature of its business makes such qualification necessary; and the execution, delivery and performance of this Agreement are within its powers, have been authorised, and do not contravene, violate or conflict with any law or the terms of its partnership agreement or any other agreement, indenture or undertaking to which the Borrower is a party or by which it is bound, and a complete list of the names, addresses and (if individuals) the dates of birth of the partners of the partnership are set forth on a Schedule attached to this Security Agreement;

- (d) if the Borrower is an individual, that individual's full name and address provided to the Bank are the individual's full and correct name and address and the individual's date of birth as described on the individual's birth certificate a true copy of which has been provided to the Bank or, if no birth certificate issued from any jurisdiction in Canada exists, as described on the documents provided to the Bank is the individual's correct birth date;
- (e) there is no litigation or governmental proceedings commenced or pending against or affecting the Collateral or the Borrower, in which a decision adverse to the Borrower would constitute or result in a material adverse change in the business, operations, properties or assets or in the condition, financial or otherwise, of the Borrower; and the Borrower agrees to promptly notify the Bank of any such future litigation or governmental proceeding;
- (f) it does not have any information or knowledge of any facts relating to its business, operations, property or assets or to its condition, financial or otherwise, which it has not disclosed to the Bank in writing and which, if known to the Bank, might reasonably be expected to deter the Bank from extending credit or advancing funds to the Borrower;
- (g) it has good title and lawfully owns and possesses all presently held Collateral, free from all security interests, charges, encumbrances, liens and claims, save only the Security Interests and the charges or security interests consented to in writing by the Bank, and it has not granted any licenses in or of its Intellectual Property other than as disclosed and consented to by the Bank;
- (h) to the extent that any of the Collateral includes serial numbered goods and motor vehicles which require serial number registration by virtue of the Act and its regulations including motor vehicles, trailers, manufactured homes, mobile homes, boats, outboard motors for boats or aircraft, the Borrower has given the full and correct serial numbers and any Ministry of Transport designation marks or other relevant licensing authority marks of all such Collateral to the Bank;
- (i) the Collateral is and/or will be located at the place(s) described in Schedule "A" and will not be removed from such location(s) without the prior written consent of the Bank;
- (j) this Security Agreement is granted in accordance with resolutions of the directors (and of the shareholders as applicable) of the Borrower, if the Borrower is a corporation, or, if the Borrower is a partnership, of the partners of the Borrower, and all other requirements have been fulfilled to authorise and make the execution and delivery of this Security Agreement, and the performance of the Borrower's obligations valid and there is no restriction contained in the constating documents of the Borrower or in any shareholders agreement or partnership agreement which restricts the powers of the authorised signatories of the Borrower to borrow money or give security; and
- (k) the Borrower's place(s) of business and chief executive office have been correctly provided to the Bank.

7. COVENANTS OF THE BORROWER

(The Security Interests and the Collateral must be protected while the Security Agreement remains in effect. These covenants are your promises to the Bank describing how the Bank's Security Interests will be attended to. You will also covenant to maintain accurate books and records and allow the Bank's inspection. Your promises are found in the Security Agreement and Schedules.)

7.1 The Borrower covenants with the Bank that while this Security Agreement remains in effect the Borrower will:

- (a) promptly pay and satisfy the Obligations as they become due or are demanded;
- (b) defend the title to the Collateral for the Bank's benefit, against the claims and demands of all persons;
- (c) fully and effectually maintain and ensure that the Security Interests are and continue to be valid and effective;

- (d) maintain the Collateral in good condition and repair and provide adequate storage facilities to protect the Collateral and not permit the value of the Collateral to be impaired;
- (e) observe and conform to all valid requirements of any governmental authority relative to any of the Collateral and all covenants, terms and conditions upon or under which the Collateral is held;
- (f) forthwith pay and satisfy:
 - (i) all taxes, assessments, rates, duties, levies, government fees, claims and dues lawfully levied, assessed or imposed upon it or the Collateral when due, unless the Borrower shall in good faith contest its obligations so to pay and shall furnish to the Bank such security as the Bank may require;
 - (ii) all security interests, charges, encumbrances, liens and claims which rank or could rank in priority to, or on an equal basis with, any of the Security Interests; and
 - (iii) all fees from time to time chargeable by the Bank arising out of any term of the commitment letter between the Bank and the Borrower including, without limitation, inspection, administration and returned cheque handling fees;
- (g) forthwith pay and satisfy all costs, charges, expenses and legal fees and disbursements (on a solicitor and its own client basis) which may be incurred by the Bank in connection with granting loans or credit to the Borrower, including for:
 - (i) inspecting the Collateral;
 - (ii) negotiating, preparing, perfecting, registering or renewing the registration of this Security Agreement and the Security Interests, any Financing or Financing Change Statement, any modification or amending agreement and other documents relating to the Borrower's obligations, whether or not relating to this Security Agreement;
 - (iii) complying with any disclosure requirements under the Act;
 - (iv) Investigating title to the Collateral;
 - (v) taking, recovering, keeping possession and disposing of the Collateral;
 - (vi) maintaining the Collateral in good repair, storing the Collateral and preparing the Collateral for disposition;
 - (vii) any inspection, appraisal, investigation or environmental audit of the Collateral and the cost of any environmental rehabilitation, treatment, removal or repair necessary to protect, preserve or remedy the Collateral including any fine or penalty the Bank becomes obligated to pay by reason of any statute, order or direction of competent authority;
 - (viii) all other actions and proceedings taken to preserve the Collateral, enforce this Security Agreement and of any other security interest held by the Bank as security for the Obligations, protect the Bank from liability in connection with the Security Interests or assist the Bank in its loan and credit granting or realization of the Security Interest, including any actions under the Bankruptcy and Insolvency Act (Canada) and all remuneration of any Receiver (as defined in Article 15 hereof) or appointed pursuant to the Bankruptcy and Insolvency Act (Canada);
 - (ix) any sums the Bank pays as fines, or as clean up costs because of contamination of or from your assets. Further, you will indemnify the Bank and its employees and agents from any liability or costs incurred including legal defense costs. Your obligation under this paragraph continues even after the Obligations are repaid and this agreement is terminated;

- (h) at the Bank's request, execute and deliver further documents and instruments and do all acts as the

Bank in its absolute discretion requires to confirm, register and perfect, and maintain the registration and perfection of, the Security Interests;

- (l) notify the Bank promptly of:
 - (i) any change in the information contained in this Security Agreement relating to the Borrower, its business or the Collateral, including, without limitation, any change of name or address (including any change of trade name, proprietor or partner) and any change in the present location of any Collateral;
 - (ii) the details of any material acquisition of Collateral, including the acquisition of any motor vehicles, trailers, manufactured homes, boats or aircraft;
 - (iii) any material loss or damage to the Collateral;
 - (iv) any material default by any account debtor in the payment or other performance of its obligations to the Borrower respecting any Accounts;
 - (v) any claims against the Borrower including claims in respect of the Intellectual Property or of any actions taken by the Borrower to defend the registration of or the validity of or any infringement of the Intellectual Property;
 - (vi) the return to or repossession by the Borrower of Collateral that was disposed of by the Borrower; and
 - (vii) all additional places of business and any changes in its place(s) of business or chief executive office;
- (j) prevent the Collateral, other than Inventory sold, leased, or otherwise disposed of as permitted by this Security Agreement, from being or becoming an accession to property not covered by this Security Agreement;
- (k) carry on and conduct its business and undertaking in a proper and businesslike manner so as to preserve and protect the Collateral and the earnings, income, rents, issues and profits of the Collateral, including maintenance of proper and accurate books of account and records;
- (l) permit the Bank and its representatives, at all reasonable times, access to the Collateral including all of the Borrower's property, assets and undertakings and to all its books of account and records for the purpose of inspection and the taking of extracts and copies, whether at the Borrower's premises or otherwise, and the Borrower will render all assistance necessary;
- (m) observe and perform all its obligations under:
 - (i) leases, licences, undertakings, and any other agreements to which it is a party;
 - (ii) any statute or regulation, federal, provincial, territorial, or municipal, to which it is subject;
- (n) deliver to the Bank from time to time promptly upon request:
 - (i) any documents of title, instruments, securities and chattel paper constituting, representing or relating to the Collateral;
 - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral to allow the Bank to inspect, audit or copy them;
 - (iii) all financial statements prepared by or for the Borrower regarding the Borrower's business;

- (iv) such information concerning the Collateral, the Borrower and the Borrower's business and affairs as the Bank may reasonably require;
- (o) with respect to the Intellectual Property, take all necessary steps and initiate all necessary proceedings, to maintain the registration or recording of the Intellectual Property, to defend the Intellectual Property from infringement and to prevent any licensed or permitted user from doing anything that may invalidate or otherwise impair the Intellectual Property;
- (p) with respect to copyright forming part of the Intellectual Property, provide to the Bank waivers of the moral rights thereto executed by all contributors or authors of the copyrighted work;
- (q) receive and hold in trust on behalf of and for the benefit of the Bank all proceeds from the sale or other disposition of any Collateral;
- (r) consent to the Bank contacting and making enquiries of the Borrower's lessors, as well as municipal or other government officials or assessors; and
- (s) observe and perform the additional covenants and agreements set out in any schedules to this Security Agreement.

7.2 Any amounts required to be paid to the Bank by the Borrower under this Clause 7 shall be immediately payable with interest at the highest rate borne by any of the Obligations until all amounts have been paid.

7.3 This Security Agreement shall remain in effect until it has been terminated by the Bank by notice of termination to the Borrower and all registrations relating to the Security Agreement have been discharged.

8. INSURANCE

(It is your obligation to thoroughly insure the Collateral in order to protect your interests and those of the Bank. You will follow the specific requirements of the insurance coverage described in this Clause.)

8.1 The Borrower covenants that while this Security Agreement is in effect the Borrower shall:

- (a) maintain or cause to be maintained insurance on the Collateral with a reputable insurer, of kinds, for amounts and payable to such person or persons, all as the Bank may require, and in particular maintain insurance on the Collateral to its full insurable value against loss or damage by fire and all other risks of damage, including an extended coverage endorsement and in the case of motor vehicles, insurance against theft;
- (b) cause the insurance policy or policies required by this Security Agreement to be assigned to the Bank, including a standard mortgage clause or a mortgage endorsement, as the Bank may require;
- (c) pay all premiums respecting such insurance, and deliver all policies to the Bank, if it so requires.

8.2 If proceeds of any required insurance becomes payable, the Bank may, in its absolute discretion, apply these proceeds to the Obligations as the Bank sees fit or release any insurance proceeds to the Borrower to repair, replace or rebuild, but any release of insurance proceeds to the Borrower shall not operate as a payment on account of the Obligations or in any way affect this Security Agreement or the Security Interests.

8.3 The Borrower will forthwith, on the happening of loss or damage to the Collateral, notify the Bank and furnish to the Bank at the Borrower's expense any necessary proof and do any necessary act to enable the Bank to obtain payment of the insurance proceeds, but nothing shall limit the Bank's right to submit to the insurer a proof of loss on its own behalf.

8.4 The Borrower hereby authorizes and directs the insurer under any required policy of insurance to include the name of the Bank as loss payee on any policy of insurance and on any cheque or draft which may be issued respecting a claim settlement under and by virtue of such insurance, and the production by the Bank to any insurer of a notarial or certified copy of this Security Agreement (notarized or certified by a notary public or solicitor) shall be the insurer's complete authority for so doing.

8.5 If the Borrower fails to maintain insurance as required, the Bank may, but shall not be obliged to, maintain or effect such insurance coverage, or so much insurance coverage as the Bank may wish to maintain.

9. OTHER PROHIBITIONS

(You agree to not encumber your property so as to interfere with the security interests or charges granted to the Bank and you will not dispose of any of the Collateral except inventory disposed of in the ordinary course of your business.)

Without the prior written consent of the Bank the Borrower will not:

- (a) create or permit to exist any security interest in, charge, encumbrance or lien over, or claim against any of its property, assets, undertakings including without limitation the Collateral which ranks or could in any event rank in priority to or on an equal basis with any of the Security Interests created by this Security Agreement;
- (b) grant, sell, or otherwise assign any of its chattel paper or any of the Collateral except only inventory that is disposed of in accordance with Clause 10.2; or
- (c) where the Borrower is a corporation
 - (i) repay or reduce any shareholders loans or other debts due to its shareholders; or
 - (ii) change its name, merge with or amalgamate with any other entity;

10. RESTRICTIONS ON SALE OR DISPOSAL OF COLLATERAL

(You will preserve and protect all of the Collateral and not dispose of it without the consent of the Bank. Any sales or other disposition will result in you holding the proceeds in trust for the Bank. Your responsibilities towards the Collateral and any trust proceeds are important to the Bank.)

10.1 Except as provided by this Security Agreement, without the Bank's prior written consent the Borrower will not:

- (a) sell, lease, license or otherwise dispose of the Collateral;
- (b) release, surrender or abandon possession of the Collateral; or
- (c) move or transfer the Collateral from the jurisdictions in which the Security Interests have been perfected.

10.2 Provided that the Borrower is not in default under this Security Agreement, the Borrower may lease, sell, license, consign or otherwise deal with items of inventory only in the ordinary course of its business and for the purposes of carrying on its business.

10.3 Any disposition of any Collateral, excepting sales of inventory in the ordinary course, shall result in the Borrower holding the proceeds in trust for and on behalf of the Bank and subject to the Bank's exclusive direction and control. Nothing restricts the Bank's rights to attach, seize or otherwise enforce its Security Interests in any Collateral sold or disposed, unless it is sold or disposed with the Bank's prior written consent.

11. PERFORMANCE OF OBLIGATIONS

(If you do not strictly do all those things that you have agreed to do in this Security Agreement, the Bank may perform those obligations but you will be required to pay for them.)

If the Borrower fails to perform its covenants and agreements under this Security Agreement, the Bank may, but shall not be obliged to, perform any or all of such covenants and agreements without prejudice to any other rights and remedies of the Bank, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor and its own client basis) incurred by the Bank shall be immediately payable by the Borrower to the Bank with interest at the highest rate borne by any of the Obligations and shall be secured by the Security Interests, until all such amounts have been paid.

12. ACCOUNTS

(Any dealing with the Collateral that results in an account being created, or proceeds arising, is of particular importance to the Bank. The account, or proceeds, acts in substitution for the Collateral that has been sold, usually inventory. You will protect the account or proceeds in favour of the Bank.)

Notwithstanding any other provision of this Security Agreement, the Bank may collect, realize, sell or otherwise deal with all or a portion of the Accounts in such manner, upon such terms and conditions and at any time, whether before or after default, as may seem to it advisable, and without notice to the Borrower, except in the case of disposition after default and then subject to the applicable provisions of the Act, if any. All forms of payment received by the Borrower in payment of any Account, or as proceeds, shall be subject to the Security Interests and shall be received and held by the Borrower in trust for the Bank.

13. APPROPRIATION OF PAYMENTS

(The Bank has the right to determine how funds it receives will be applied in relation to your loan facility.)

Any and all payments made respecting the Obligations and monies realized from any Security Interests (including monies collected in accordance with or realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Bank sees fit, and the Bank may at any time change any appropriation as the Bank sees fit.

14. DEFAULT

(You must comply with the payment and other obligations that you have made in favour of the Bank. You must also strictly satisfy the covenants and agreements that you have made in this Security Agreement. Failure to do so will be considered a default and the Bank will consider its legal remedies and possibly pursue them. This Clause defines the defaults and outlines your obligations.)

14.1 Unless waived by the Bank, the Borrower shall be in default under this Security Agreement and shall be deemed to be in default under all other agreements between the Borrower and the Bank in any of the following events:

- (a) the Borrower defaults, or threatens to default, in payments when due of any of the Obligations; or
- (b) the Borrower is in breach of, or threatens to breach, any term, condition, obligation or covenant made by it to or with the Bank, or any representation or warranty of the Borrower to the Bank is untrue or ceases to be accurate, whether or not contained in this Security Agreement; or
- (c) the Borrower or a guarantor of the Borrower declares itself to be insolvent or admits in writing its inability to pay its debts generally as they become due, or makes an assignment for the benefit of its creditors, is declared bankrupt, makes a proposal or otherwise takes advantage of any provisions for relief under the Bankruptcy and Insolvency Act (Canada), the Companies Creditors' Arrangement Act (Canada) or similar legislation in any jurisdiction, or makes an authorized assignment; or
- (d) a receiver, manager, receiver and manager or receiver-manager of all or a part of the Collateral is appointed; or
- (e) an order is made or a resolution is passed for the winding up of the Borrower or a guarantor of the Borrower; or
- (f) the Borrower or a guarantor of the Borrower ceases or threatens to cease to carry on all or a substantial part of its business or makes or threatens to make a sale of all or substantially all of its assets; or
- (g) distress or execution is levied or issued against all or any part of the Collateral; or
- (h) if the Borrower is a corporation and any member or shareholder:
 - (i) commences an action against the Borrower; or
 - (ii) gives a notice of dissent to the Borrower in accordance with the provisions of any governing legislation; or

- (l) if the Borrower is a corporation and its voting control changes without the Bank's prior written consent; or
- (j) the Borrower uses any monies advanced to it by the Bank for any purpose other than as agreed upon by the Bank; or
- (k) without the Bank's prior written consent, the Borrower creates or permits to exist any security interest, charge, encumbrance, lien or claim against any of the Collateral which ranks or could in any event rank in priority to or on an equal basis with any of the Security Interests; or
- (l) the holder of any other security interest, charge, encumbrance, lien or claim against any of the Collateral does anything to enforce or realize on such security interest, charge, encumbrance, lien or claim; or
- (m) the Borrower enters into an amalgamation, a merger or other similar arrangement with any other person without the Bank's prior written consent or, if the Borrower is a corporation, it is continued or registered in a different jurisdiction without the Bank's prior written consent; or
- (n) the Bank in good faith and on commercially reasonable grounds believes that the prospect of payment or performance of any of the Obligations is impaired or that any of the Collateral is or is about to be placed in jeopardy or removed from the jurisdiction in which this Security Agreement has been registered; or
- (o) the lessor under any lease to the Borrower of any real or personal property takes any steps to or threatens to terminate such lease or otherwise exercise any of its remedies under such lease as a result of any default by the Borrower; or
- (p) the Borrower causes or allows hazardous materials to be brought upon any lands or premises occupied by the Borrower or to be incorporated into any of its assets, or the Borrower causes, permits, or fails to remedy any environmental contamination upon, in or under any of its lands or assets, or fails to comply with any abatement or remediation order given by a responsible authority; or
- (q) any permit, license, certification, quota or order granted to or held by the Borrower is cancelled, revoked or reduced, as the case may be, or any order against the Borrower is enforced, preventing the business of the Borrower from being carried on for more than 5 days or materially adversely changing the condition (financial or otherwise) of the Borrower's business; or
- (r) if an individual, the Borrower dies or is declared incompetent by a court of competent jurisdiction.

15. ENFORCEMENT

(If a default occurs, the Bank has numerous remedies and legal rights, including enforcement of the Security Agreement according to this Clause. You also have rights, provided by the *Personal Property Security Act* and the common law in your jurisdiction.)

15.1 Upon any default under this Security Agreement the Bank may declare any or all of the Obligations whether or not payable on demand to become immediately due and payable and the Security Interests will immediately become enforceable. To enforce and realize on the Security Interests the Bank may take any action permitted by law or in equity as it may deem expedient and in particular, without limitation, the Bank may do any of the following:

- (a) appoint by instrument a receiver, manager, receiver and manager or receiver-manager (the "Receiver") of all or any part of the Collateral, with or without bond as the Bank may determine, and in its absolute discretion remove such Receiver and appoint another in its stead;
- (b) enter upon any of the Borrower's premises at any time and take possession of the Collateral with power to exclude the Borrower, its agents and its servants, without becoming liable as a mortgagee in possession;

- (c) preserve, protect and maintain the Collateral and make such replacements and repairs and additions to the Collateral as the Bank deems advisable;
- (d) dispose of all or part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Bank may seem reasonable, provided that if any sale, lease or other disposition is on credit the Borrower will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the monies are actually received;
- (e) register assignments of the Intellectual Property, and use sell, assign, license or sub-license any of the Intellectual Property; and
- (f) exercise all of the rights and remedies of a secured party under the Act and any other applicable laws.

15.2 A Receiver appointed pursuant to this Security Agreement insofar as responsibility for its actions is concerned shall be the agent of the Borrower and not of the Bank and, to the extent permitted by law or to such lesser extent permitted by its appointment, shall have all the powers of the Bank under this Security Agreement, and in addition shall have power to:

- (a) carry on the Borrower's business and for such purpose from time to time to borrow money either secured or unsecured, and if secured by granting a security interest on the Collateral, such security interest may rank before or on an equal basis with or behind any of the Security Interests and if it does not so specify such security interest shall rank in priority to the Security Interests; and
- (b) make an assignment for the benefit of the Borrower's creditors or a proposal on behalf of the Borrower under the *Bankruptcy and Insolvency Act* (Canada); and
- (c) commence, continue or defend proceedings in the name of the Receiver or in the name of the Borrower for the purpose of protecting, seizing, collecting, realizing or obtaining possession of or payment for the Collateral; and
- (d) make any arrangement or compromise that the Receiver deems expedient.

15.3 Subject to the claims, if any, of the creditors of the Borrower ranking in priority to this Security Agreement, all amounts realized from the disposition of the Collateral pursuant to this Security Agreement will be applied as the Bank, in its absolute discretion and to the full extent permitted by law, may direct as follows:

- (a) In payment of all costs, charges and expenses (including legal fees and disbursements on a solicitor and its own client basis) incurred by the Bank respecting or incidental to:
 - (i) the exercise by the Bank of the rights and powers granted to it by this Security Agreement; and
 - (ii) the appointment of the Receiver and the exercise by the Receiver of the powers granted to it by this Security Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver;
- (b) In or toward payment to the Bank of all principal and other monies (except interest) due in respect of the Obligations;
- (c) In or toward payment to the Bank of all interest remaining unpaid respecting the Obligations; and
- (d) In payment to those parties entitled thereto under the Act.

16. GENERAL PROVISIONS PROTECTING THE BANK

(You have granted this Security Agreement to the Bank in consideration by the Bank advancing funds or providing credit or a credit facility to you. The Bank will not be responsible for debts or liabilities that may arise except to the extent that it agrees to be responsible or liable in this Security Agreement. If enforcement becomes necessary, the Bank will act in good faith and in a commercially reasonable manner.)

16.1 To the full extent permitted by law, the Bank shall not be liable for any debts contracted by it during enforcement of this Security Agreement, for damages to persons or property or for salaries or non-fulfilment of contracts during any period when the Bank shall manage the Collateral upon entry or seizure, nor shall the Bank be liable to account as a mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any default or omission for which a mortgagee in possession may be liable. The Bank shall not be bound to do, observe or perform or to see to the observance or performance by the Borrower of any obligations or covenants imposed upon the Borrower nor shall the Bank, in the case of securities, instruments or chattel paper, be obliged to preserve rights against other persons, nor shall the Bank be obliged to keep any of the Collateral identifiable. To the full extent permitted by law, the Borrower waives any provision of law permitted to be waived by it which imposes greater obligations upon the Bank than described above.

16.2 Neither the Bank nor any Receiver appointed by it shall be liable or accountable for any failure to seize, collect, realize, sell or obtain payments for the Collateral nor shall they be bound to institute proceedings for the purposes of seizing, collecting, realizing or obtaining payment or possession of the Collateral or the preserving of any right of the Bank, the Borrower or any other party respecting the Collateral. The Bank shall also not be liable for any misconduct, negligence, misfeasance by the Bank, the Receiver or any employee or agent of the Bank or the Receiver, or for the exercise of the rights and remedies conferred upon the Bank or the Receiver by this Security Agreement.

16.3 The Bank or any Receiver appointed by it may grant extensions of time and other indulgences, take and give securities, accept compromises, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the debtors of the Borrower, co-obligants, guarantors and others and with the Collateral and other securities as the Bank may see fit without liability to the Bank and without prejudice to the Bank's rights respecting the Obligations or the Bank's right to hold and realize the Collateral.

16.4 The Bank in its sole discretion may realize upon any other security provided by the Borrower in any order or concurrently with the realization under this Security Agreement whether such security is held by it at the date of this Security Agreement or is provided at any time in the future. No realization or exercise of any power or right under this Security Agreement or under any other security shall prejudice any further realization or exercise until all Obligations have been fully paid and satisfied.

16.5 Any right of the Bank and any obligation of the Borrower arising under any other agreements between the Bank and the Borrower shall survive the signing, registration and advancement of any money under this Security Agreement, and no merger respecting any such right or obligation shall occur by reason of this Security Agreement. The obligation, if any, of the Borrower to pay legal fees, a commitment fee, a standby fee or administration fees, under the terms of the Bank's commitment letter with the Borrower shall survive the signing and registration of this Security Agreement and the Bank's advancement of any money to the Borrower and any legal fees, commitment fees, standby fees or administration fees owing by the Borrower shall be secured by the Collateral.

16.6 In the event that the Bank registers a notice of assignment of Intellectual Property the Borrower shall be responsible for and shall indemnify the Bank against all maintenance and renewal costs in respect thereof, and any costs of initiating or defending litigation, together with all costs, liabilities and damages related thereto.

16.7 Notwithstanding any taking of possession of the Collateral, or any other action which the Bank or the Receiver may take, the Borrower now covenants and agrees with the Bank that if the money realized upon any disposition of the Collateral is insufficient to pay and satisfy the whole of the Obligations due to the Bank at the time of such disposition, the Borrower shall immediately pay to the Bank an amount equal to the deficiency between the amount of the Obligations and the sum of money realized upon the disposition of the Collateral, and the Borrower agrees that the Bank may bring action against the Borrower for payment of the deficiency, notwithstanding any defects or irregularities of the Bank or the Receiver in enforcing its rights under this Security Agreement.

17. APPOINTMENT OF ATTORNEY

(You appoint the Bank your attorney for specific matters.)

The Borrower hereby irrevocably appoints the Bank or the Receiver, as the case may be, with full power of substitution, as the attorney of the Borrower for and in the name of the Borrower to do, make, sign, endorse or execute under seal or otherwise all deeds, documents, transfers, cheques, instruments, demands, assignments, assurances or consents that the Borrower is obliged to sign, endorse or execute and generally to use the name of the Borrower and to do everything necessary or incidental to the exercise of all or any of the powers conferred on the Bank, or the Receiver, as the case may be, pursuant to this Security Agreement. This grant and authority shall continue and survive any mental infirmity or legal incapacity of the Borrower subsequent to the execution hereof.

18. CONSOLIDATION

(Should you wish to redeem the Security Interest, the Bank may require you to also pay other obligations to it before discharging its Security Interests.)

For the purposes of the laws of all jurisdictions in Canada, the doctrine of consolidation applies to this Security Agreement.

19. NO OBLIGATION TO ADVANCE

(The Bank determines, in the end, whether any advances or further advances under the loan facility will be made.)

Neither the preparation and execution of this Security Agreement nor the perfection of the Security Interests or the advance of any monies by the Bank shall bind the Bank to make any advance or loan or further advance or loan, or extend any time for payment of any indebtedness or liability of the Borrower to the Bank.

20. WAIVER

(Indulgences granted by the Bank should not be taken for granted.)

The Bank may permit the Borrower to remedy any default without waiving the default so remedied. The Bank may from time to time and at any time partially or completely waive any right, benefit or default under this Security Agreement but such waiver shall not be a bar to or a waiver of any such right, benefit or default thereafter, or of any other right, benefit or default under this Security Agreement. No waiver shall be effective unless it is in writing and signed by the Bank. No delay or omission on the part of the Bank in exercising any right shall operate as a waiver of such right or any other right.

21. NOTICE

(This Clause describes how the various notices referred to in this Security Agreement may be given.)

Notice may be given to either party by prepaid mail or delivered to the party for whom it is intended, at the principal address of such party provided in this Security Agreement or at such other address as may be given in writing by one party to the other, and any notice if mailed shall be deemed to have been given at the expiration of three business days after mailing and if delivered, on delivery.

22. EXTENSIONS

(Your duties and responsibilities to the Bank remain in place regardless of any concerns you may have about the loan facility or the Bank's actions.)

The Bank may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of security interests, and otherwise deal with the Borrower, the Borrower's account debtors, sureties and others and with the Collateral and other security interests as the Bank may see fit without prejudice to the Borrower's liability or the Bank's right to hold and realize on the Security Interests.

23. NO MERGER

(Except as agreed upon in the Security Agreement or another contract specifically discussing this point, this Security Agreement is an independent obligation on your part.)

This Security Agreement shall not create any merger or discharge of any of the Obligations, or any assignment, transfer, guarantee, lien, contract, promissory note, bill of exchange or security interest of any form held

or which may be held by the Bank now or in the future from the Borrower or from any other person. The taking of a judgement respecting any of the Obligations will not operate as a merger of any of the covenants contained in this Security Agreement.

24. RIGHTS CUMULATIVE

(This Agreement describes some rights and remedies of the Bank. The Bank also is entitled to rely on all other rights and remedies available to it in law and in any other agreements it has entered into with you.)

The Bank's rights and remedies set out in this Security Agreement, and in any other security agreement held by the Bank from the Borrower or any other person to secure payment and performance of the Obligations, are cumulative and no right or remedy contained in this Security Agreement or any other security agreements is intended to be exclusive but each will be in addition to every other right or remedy now or hereafter existing at law, in equity or by statute, or pursuant to any other agreement between the Borrower and the Bank that may be in effect from time to time.

25. ASSIGNMENT

(Should the Bank assign or transfer or otherwise deal with this Security Agreement on its own behalf, you agree that the Security Agreement shall remain binding and effective upon you.)

The Bank may, without notice to the Borrower, at any time assign or transfer, or grant a security interest in, all or any of the Obligations, this Security Agreement and the Security Interests. The Borrower agrees that the assignee, transferee or secured party, as the case may be, shall have all of the Bank's rights and remedies under this Security Agreement and the Borrower will not assert as a defence, counterclaim, right of set-off or otherwise any claim which it now has or may acquire in the future against the Bank in respect of any claim made or any action commenced by such assignee, transferee or secured party, as the case may be, and will pay the assigned Obligations to the assignee, transferee or secured party, as the case may be, as the said Obligations become due.

26. SATISFACTION AND DISCHARGE

(Until this Security Agreement is terminated and any registrations relating to it are discharged, the Security Agreement will remain effective even though the indebtedness to the Bank may have been paid.)

Any partial payment or satisfaction of the Obligations, or any ceasing by the Borrower to be indebted to the Bank shall not be a redemption or discharge of this Security Agreement. The Borrower shall be entitled to a release and discharge of this Security Agreement upon full payment and satisfaction of all Obligations, and upon written request by the Borrower and, subject to applicable law, payment to the Bank of an administrative fee to be fixed by the Bank and payment of all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred by the Bank in connection with the Obligations and such release and discharge. The Borrower shall, subject to applicable law, pay an administrative fee, to be fixed by the Bank, for the preparation or execution of any full or partial release or discharge by the Bank of any security it holds, of the Borrower, or of any guarantor or covenantor with respect to any Obligations.

27. ENVIRONMENT

The Borrower represents and agrees that:

- (a) it operates and will continue to operate in conformity with all applicable environmental laws, regulations, standards, codes, ordinances and other requirements of any jurisdiction in which it carries on business and will ensure its staff is trained as required for that purpose;
- (b) it has an environmental emergency response plan and all officers and employees are familiar with that plan and their duties under it;
- (c) it possesses and will maintain all environmental licences, permits and other governmental approvals as may be necessary to conduct its business and maintain the Collateral;
- (d) there has been no complaint, prosecution, investigation or proceeding, environmental or otherwise, respecting the Borrower's business or assets including without limitation the Collateral;

- (f) it will advise the Bank immediately upon becoming aware of any environmental problems relating to its business or the Collateral;
- (g) it will provide the Bank with copies of all communications with environmental officials and all environmental studies or assessments prepared for the Borrower and it consents to the Bank contacting and making enquiries of environmental officials or assessors;
- (h) it will from time to time when requested by the Bank provide to the Bank evidence of its full compliance with the Borrower's obligations in this Clause 27.

28. ENUREMENT

This Security Agreement shall enure to the benefit of the Bank and its successors and assigns, and shall be binding upon the Borrowers and its heirs, executors, administrators, successors and any assigns permitted by the Bank, as the case may be.

29. INTERPRETATION

29.1 In this Security Agreement:

- (a) "Collateral" has the meaning set out in Clause 1 and any reference to the Collateral shall, unless the context otherwise requires, be deemed to be a reference to the Collateral in whole or in part;
- (b) "the Act" means the *Personal Property Security Act* of the province in which the business centre of the Bank is located, as described on page 1 of this Security Agreement, and all regulations under the Act, as amended from time to time.

29.2 Words and expressions used in this Security Agreement that have been defined in the Act shall be interpreted in accordance with their respective meanings given in the Act unless otherwise defined in this Security Agreement or unless the context otherwise requires.

29.3 The invalidity or unenforceability of the whole or any part of any clause of this Security Agreement shall not affect the validity or enforceability of any other clause or the remainder of such clause of this Security Agreement.

29.4 The headings used in this Security Agreement have been inserted for convenience of reference only and shall not define, limit, alter or enlarge the meaning of any provision of this Security Agreement.

29.5 This Security Agreement shall be governed by the laws of the province referred to in subclause 29.1(b). For enforcement purposes, the Borrower hereby attorns to the jurisdiction of the courts and laws of any province, state, territory or country in which the Bank enforces its rights and remedies hereunder.

30. COPY OF AGREEMENT AND FINANCING STATEMENT

The Borrower:

- (a) acknowledges receiving a copy of this Security Agreement; and
- (b) if the Act so permits, waives all rights to receive from the Bank a copy of any financing statement or financing change statement filed, or any verification statement or other document received at any time respecting this Security Agreement.

31. TIME

Time shall in all respects be of the essence.

32. INDEPENDENT ADVICE

The Borrower acknowledges having received, or having had the opportunity to receive, independent legal and accounting advice respecting this Security Agreement and its effect.

33. PARENTHETICAL COMMENTS

The Borrower acknowledges and agrees that the comments in parentheses are intended to provide a brief but not thorough indication of the intent of the legal provisions that follow in each subsequent clause, and do not form part of this Security Agreement.

34. THE COMMITMENT LETTER

The Bank has extended an offer of financing or a commitment letter to the Borrower relating to the loan facilities secured by this Security Agreement. The Borrower acknowledges and agrees that in the event of any discrepancy between any term of this Security Agreement and any term of the commitment letter, the terms of the commitment letter shall apply and take precedence over the terms of this Security Agreement.

IN WITNESS WHEREOF the Borrower has hereunto set his hand and seal or has affixed its corporate seal duly attested by the hand(s) of its proper officer(s) in that behalf, on the day and year first above written.

DONALDSON & JAMES LTD.

Per: _____
 Name: _____
 Title: Authorized Signing Officer

Per: _____
 Name: _____
 Title: Authorized Signing Officer

I/We have the authority to bind the Corporation.

2478086

SCHEDULE "A"

Subclause 1.1(a):

1. the following specific items, even though they may be included within the descriptions of Collateral (insert description by item or kind):

All assets of the borrower from time to time.

2. the following serial numbered goods:

Serial No. (re motor vehicles & trailers, etc.)

Year

Make and Model

3. Location(s) of the Collateral:

125 Wallace Avenue N., Listowel, Ontario, N4W 1K8, and any other location from time to time.

Exhibit “C”

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
SEARCH RESULTS

Date Search Conducted: 5/13/2019
File Currency Date: 05/12/2019
Family(ies): 11
Page(s): 36

SEARCH : Business Debtor : AGENCY EMPLOYMENT SERVICES LTD.

The attached report has been created based on the data received by Cyberbahn, a Thomson Reuters business from the Province of Ontario, Ministry of Government Services. No liability is assumed by Cyberbahn regarding its correctness, timeliness, completeness or the interpretation and use of the report. Use of the Cyberbahn service, including this report is subject to the terms and conditions of Cyberbahn's subscription agreement.

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
SEARCH RESULTS

Date Search Conducted: 5/13/2019
File Currency Date: 05/12/2019
Family(ies): 11
Page(s): 36

SEARCH : Business Debtor : AGENCY EMPLOYMENT SERVICES LTD.

FAMILY : 1 OF 11 ENQUIRY PAGE : 1 OF 36
SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

00 FILE NUMBER : 604827225 EXPIRY DATE : 22APR 2025 STATUS :
01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
REG NUM : 20040422 1455 1530 9926 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD OCN :
04 ADDRESS : 965 2ND AVE W
CITY : OWEN SOUND PROV: ON POSTAL CODE: N4K 4M8
05 IND DOB : IND NAME:
06 BUS NAME: OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
THE TORONTO-DOMINION BANK - OWEN SOUND 33762 CAS 3471
09 ADDRESS : 901-2ND AVE E & 9TH ST E POB 308
CITY : OWEN SOUND PROV: ON POSTAL CODE: N4K 5P5
CONS. MV DATE OF OR NO FIXED
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YEAR MAKE MODEL V.I.N.
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GENERAL COLLATERAL DESCRIPTION
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16 AGENT: CANADIAN SECURITIES REGISTRATION SYSTEMS
17 ADDRESS : SUITE 180-13571 COMMERCE PARKWAY
CITY : RICHMOND PROV: BC POSTAL CODE: V6V2L1

FAMILY : 1 OF 11 ENQUIRY PAGE : 2 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

FILE NUMBER 604827225
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 01 OF 001 MV SCHED: 20090213 1447 1530 3932
 21 REFERENCE FILE NUMBER : 604827225
 22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 1 CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
 CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS
 17 ADDRESS : 4126 NORLAND AVENUE
 CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

FAMILY : 1 OF 11 ENQUIRY PAGE : 3 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

FILE NUMBER 604827225
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 01 OF 001 MV SCHED: 20100208 1452 1530 4306
 21 REFERENCE FILE NUMBER : 604827225
 22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 3 CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

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 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
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 CONS. MV DATE OF NO FIXED
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16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS
 17 ADDRESS : 4126 NORLAND AVENUE
 CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

FAMILY : 1 OF 11 ENQUIRY PAGE : 4 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

FILE NUMBER 604827225
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 01 OF 001 MV SCHED: 20130226 1947 1531 3786
 21 REFERENCE FILE NUMBER : 604827225
 22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 3 CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD

25 OTHER CHANGE:
 26 REASON:
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 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
 CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
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16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS
 17 ADDRESS : 4126 NORLAND AVENUE
 CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

FAMILY : 1 OF 11 ENQUIRY PAGE : 5 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

FILE NUMBER 604827225
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 01 OF 001 MV SCHED: 20151027 1731 1590 6230
 21 REFERENCE FILE NUMBER : 604827225
 22 AMEND PAGE: NO PAGE: CHANGE: B RENEWAL REN YEARS: 6 CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
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 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
 CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : GOWLING LAFLEUR HENDERSON LLP (HEATHER)
 17 ADDRESS : 1020 - 50 QUEEN ST. N., P.O. BOX 2248
 CITY : KITCHENER PROV : ON POSTAL CODE : N2H 6M2

FAMILY : 1 OF 11 ENQUIRY PAGE : 6 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

FILE NUMBER 604827225
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 01 OF 001 MV SCHED: 20160217 1439 1530 6668
 21 REFERENCE FILE NUMBER : 604827225
 22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 3 CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
 CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS
 17 ADDRESS : 4126 NORLAND AVENUE
 CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

FAMILY : 1 OF 11 ENQUIRY PAGE : 7 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

FILE NUMBER 604827225
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 001 OF 1 MV SCHED: 20190123 1120 1590 8434
 21 REFERENCE FILE NUMBER : 604827225
 22 AMEND PAGE: NO PAGE: CHANGE: D ASSGNMT REN YEARS: CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:
 THE TORONTO-DOMINION BANK
 08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :
 FUNDTHROUGH INC.
 09 ADDRESS : 260 SPADINA AVENUE
 CITY : TORONTO PROV : ON POSTAL CODE : M5T 2E4
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
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 15

16 NAME : CHAITONS LLP (LL/32269)
 17 ADDRESS : 5000 YONGE STREET, 10TH FLOOR
 CITY : TORONTO PROV : ON POSTAL CODE : M2N 7E9

FAMILY : 2 OF 11 ENQUIRY PAGE : 8 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

00 FILE NUMBER : 641723769 EXPIRY DATE : 02JAN 2027 STATUS :
 01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
 REG NUM : 20080102 1445 1530 6725 REG TYP: P PPSA REG PERIOD: 5
 02 IND DOB : 18JUL1958 IND NAME: JAMES E GEMMILL
 03 BUS NAME:

OCN :

04 ADDRESS : 555 CLAIR CREEK BLVD
 CITY : WATERLOO PROV: ON POSTAL CODE: N2T 2B8
 05 IND DOB : IND NAME:
 06 BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD

OCN :

07 ADDRESS : 125 WALLACE AVENUE NORTH
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K7

08 SECURED PARTY/LIEN CLAIMANT :
 THE TORONTO-DOMINION BANK - 33762
 09 ADDRESS : 901 2ND AVENUE E P.O.BOX 308
 CITY : OWEN SOUND PROV: ON POSTAL CODE: N4K 5P5
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
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 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : SUITE 200 - 4126 NORLAND AVENUE
 CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

FAMILY : 2 OF 11 ENQUIRY PAGE : 9 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

FILE NUMBER 641723769
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 01 OF 001 MV SCHED: 20121115 1446 1530 0712
 21 REFERENCE FILE NUMBER : 641723769
 22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 5 CORR PER:
 23 REFERENCE DEBTOR/ IND NAME: JAMES E GEMMILL
 24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
 CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : 4126 NORLAND AVENUE

CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

FAMILY : 2 OF 11 ENQUIRY PAGE : 10 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

FILE NUMBER 641723769
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 01 OF 001 MV SCHED: 20151027 1731 1590 6231
 21 REFERENCE FILE NUMBER : 641723769
 22 AMEND PAGE: NO PAGE: CHANGE: B RENEWAL REN YEARS: 4 CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
 CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : GOWLING LAFLEUR HENDERSON LLP (HEATHER)
 17 ADDRESS : 1020 - 50 QUEEN ST. N., P.O. BOX 2248
 CITY : KITCHENER PROV : ON POSTAL CODE : N2H 6M2

FAMILY : 2 OF 11 ENQUIRY PAGE : 11 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

FILE NUMBER 641723769
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 01 OF 001 MV SCHED: 20171127 1442 1530 1682
 21 REFERENCE FILE NUMBER : 641723769
 22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 5 CORR PER:
 23 REFERENCE DEBTOR/ IND NAME: JAMES E GEMMILL
 24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
 CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS
 17 ADDRESS : 4126 NORLAND AVENUE
 CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

FAMILY : 2 OF 11 ENQUIRY PAGE : 12 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

FILE NUMBER 641723769
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 001 OF 1 MV SCHED: 20190123 1121 1590 8435
 21 REFERENCE FILE NUMBER : 641723769
 22 AMEND PAGE: NO PAGE: CHANGE: D ASSGNMT REN YEARS: CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:

THE TORONTO-DOMINION BANK
 08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :
 FUNDTHROUGH INC.

09 ADDRESS : 260 SPADINA AVENUE
 CITY : TORONTO PROV : ON POSTAL CODE : M5T 2E4
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CHAITONS LLP (LL/32269)
 17 ADDRESS : 5000 YONGE STREET, 10TH FLOOR
 CITY : TORONTO PROV : ON POSTAL CODE : M2N 7E9

FAMILY : 3 OF 11 ENQUIRY PAGE : 13 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

00 FILE NUMBER : 662694858 EXPIRY DATE : 06JUL 2022 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
 REG NUM : 20100706 1349 5042 0209 REG TYP: P PPSA REG PERIOD: 05
 02 IND DOB : IND NAME:
 03 BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

OCN : 2040323

04 ADDRESS : 965 SECOND AVENUE WEST
 CITY : OWEN SOUND PROV: ONT POSTAL CODE: N4K 4M8
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 THE TORONTO-DOMINION BANK - TRANSIT 3376

09 ADDRESS : 901 2ND AVENUE EAST
 CITY : OWEN SOUND PROV: ONT POSTAL CODE: N4K 5P5
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X X X X
 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: KIRBY, ROBINSON, TRESLAN, CONLAN PROFESSIONAL CORPORATION
 17 ADDRESS : 930 FIRST AVENUE W., P. O. BOX 730
 CITY : OWEN SOUND PROV: ONT POSTAL CODE: N4K 5W9

FAMILY : 3 OF 11 ENQUIRY PAGE : 14 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

FILE NUMBER 662694858
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 01 OF 001 MV SCHED: 20150520 1441 1530 8564
 21 REFERENCE FILE NUMBER : 662694858
 22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 5 CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
 CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS
 17 ADDRESS : 4126 NORLAND AVENUE
 CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

FAMILY : 3 OF 11 ENQUIRY PAGE : 15 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

FILE NUMBER 662694858
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 01 OF 001 MV SCHED: 20151027 1731 1590 6233
 21 REFERENCE FILE NUMBER : 662694858
 22 AMEND PAGE: NO PAGE: CHANGE: B RENEWAL REN YEARS: 2 CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
 CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : GOWLING LAFLEUR HENDERSON LLP (HEATHER)
 17 ADDRESS : 1020 - 50 QUEEN ST. N., P.O. BOX 2248
 CITY : KITCHENER PROV : ON POSTAL CODE : N2H 6M2

FAMILY : 3 OF 11 ENQUIRY PAGE : 16 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

FILE NUMBER 662694858
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 001 OF 1 MV SCHED: 20190123 1121 1590 8436
 21 REFERENCE FILE NUMBER : 662694858
 22 AMEND PAGE: NO PAGE: CHANGE: D ASSGNMT REN YEARS: CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:
 THE TORONTO-DOMINON BANK
 08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :
 FUNDTHROUGH INC.
 09 ADDRESS : 260 SPADINA AVENUE
 CITY : TORONTO PROV : ON POSTAL CODE : M5T 2E4
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CHAITONS LLP (LL/32269)
 17 ADDRESS : 5000 YONGE STREET, 10TH FLOOR
 CITY : TORONTO PROV : ON POSTAL CODE : M2N 7E9

FAMILY : 4 OF 11 ENQUIRY PAGE : 17 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

00 FILE NUMBER : 686042694 EXPIRY DATE : 12APR 2027 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
 REG NUM : 20130412 1557 1793 9883 REG TYP: P PPSA REG PERIOD: 5
 02 IND DOB : IND NAME:
 03 BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

OCN : 002040323

04 ADDRESS : 103 BAUER PLACE, SUITE 4
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L6B5
 05 IND DOB : IND NAME:
 06 BUS NAME: 2247165 ONTARIO INC.

OCN : 2247165

07 ADDRESS : 103 BAUER PLACE, SUITE 4
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L6B5

08 SECURED PARTY/LIEN CLAIMANT :
 THE TORONTO-DOMINION BANK

09 ADDRESS : 901 2ND AVENUE TRANSIT #3376
 CITY : OWEN SOUND PROV: ON POSTAL CODE: N4K5P5
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X X
 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: OTTEWELL & LYNN

17 ADDRESS : 22 NELSON STREET
 CITY : GODERICH PROV: ON POSTAL CODE: N7A1R6

FAMILY : 4 OF 11 ENQUIRY PAGE : 18 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

FILE NUMBER 686042694
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 01 OF 001 MV SCHED: 20151027 1731 1590 6228
 21 REFERENCE FILE NUMBER : 686042694
 22 AMEND PAGE: NO PAGE: CHANGE: B RENEWAL REN YEARS: 4 CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: 2247165 ONTARIO INC.

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
 CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : GOWLING LAFLEUR HENDERSON LLP (HEATHER)
 17 ADDRESS : 1020 - 50 QUEEN ST. N., P.O. BOX 2248
 CITY : KITCHENER PROV : ON POSTAL CODE : N2H 6M2

FAMILY : 4 OF 11 ENQUIRY PAGE : 19 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

FILE NUMBER 686042694
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 01 OF 001 MV SCHED: 20180305 1937 1531 9422
 21 REFERENCE FILE NUMBER : 686042694
 22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 5 CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
 CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS
 17 ADDRESS : 4126 NORLAND AVENUE
 CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

FAMILY : 4 OF 11 ENQUIRY PAGE : 20 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

FILE NUMBER 686042694
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 001 OF 1 MV SCHED: 20190123 1122 1590 8437
 21 REFERENCE FILE NUMBER : 686042694
 22 AMEND PAGE: NO PAGE: CHANGE: D ASSGNMT REN YEARS: CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:
 THE TORONTO-DOMINION BANK
 08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :
 FUNDTHROUGH INC.
 09 ADDRESS : 260 SPADINA AVENUE
 CITY : TORONTO PROV : ON POSTAL CODE : M5T 2E4
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CHAITONS LLP (LL/32269)
 17 ADDRESS : 5000 YONGE STREET, 10TH FLOOR
 CITY : TORONTO PROV : ON POSTAL CODE : M2N 7E9

FAMILY : 5 OF 11 ENQUIRY PAGE : 21 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

00 FILE NUMBER : 712610091 EXPIRY DATE : 14DEC 2026 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 002 MV SCHEDULE ATTACHED :
 REG NUM : 20151214 1218 1862 5101 REG TYP: P PPSA REG PERIOD: 11
 02 IND DOB : IND NAME:
 03 BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

OCN :

04 ADDRESS : 125 WALLACE AVE. N.
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8
 05 IND DOB : IND NAME:
 06 BUS NAME: DONALDSON & JAMES LTD.

OCN :

07 ADDRESS : 125 WALLACE AVE. N.
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8

08 SECURED PARTY/LIEN CLAIMANT :
 BDC CAPITAL INC.

09 ADDRESS : C/O BUSINESS DEVELOPMENT BANK OF CANADA,
 CITY : LONDON PROV: ON POSTAL CODE: N6A 5P3
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X X X X X X X
 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: HARRISON PENSA LLP (163500/LMM)

17 ADDRESS : 450 TALBOT STREET
 CITY : LONDON PROV: ON POSTAL CODE: N6A 5J6

FAMILY : 5 OF 11 ENQUIRY PAGE : 22 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

00 FILE NUMBER : 712610091 EXPIRY DATE : 14DEC 2026 STATUS :
 01 CAUTION FILING : PAGE : 002 OF 002 MV SCHEDULE ATTACHED :
 REG NUM : 20151214 1218 1862 5101 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME: 2247165 ONTARIO INC.

OCN :

04 ADDRESS : 125 WALLACE AVE. N.
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8
 05 IND DOB : IND NAME:
 06 BUS NAME: D & J AGENCY HOLDINGS INC.

OCN :

07 ADDRESS : 125 WALLACE AVE. N.
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS : 148 FULLARTON STREET, SUITE 1000
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT:

17 ADDRESS :
 CITY : PROV: POSTAL CODE:

FAMILY : 6 OF 11 ENQUIRY PAGE : 23 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

00 FILE NUMBER : 715450383 EXPIRY DATE : 07APR 2021 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20160407 1246 6005 6952 REG TYP: P PPSA REG PERIOD: 05
 02 IND DOB : IND NAME:
 03 BUS NAME: DONALDSON & JAMES LTD.

OCN :

04 ADDRESS : 4-103 BAUER PLACE
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5
 05 IND DOB : IND NAME:
 06 BUS NAME: THE AGENCY EMPLOYMENT SERVICES

OCN :

07 ADDRESS : 4-103 BAUER PLACE
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5

08 SECURED PARTY/LIEN CLAIMANT :
 NATIONAL LEASING GROUP INC.

09 ADDRESS : 1525 BUFFALO PLACE
 CITY : WINNIPEG PROV: MB POSTAL CODE: R3T 1L9
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

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 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

13 ALL COMPUTER-SOFTWARE OF EVERY NATURE OR KIND DESCRIBED IN AGREEMENT
 14 NUMBER 2761501, BETWEEN THE SECURED PARTY AND THE DEBTOR, AS AMENDED
 15 FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES AND
 16 AGENT:

17 ADDRESS :
 CITY : PROV: POSTAL CODE:

FAMILY : 6 OF 11 ENQUIRY PAGE : 24 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

00 FILE NUMBER : 715450383 EXPIRY DATE : 07APR 2021 STATUS :
 01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20160407 1246 6005 6952 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

OCN :
 04 ADDRESS : 4-103 BAUER PLACE
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 YEAR MAKE MODEL V.I.N.

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 GENERAL COLLATERAL DESCRIPTION
 13 SUBSTITUTIONS.

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 16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

FAMILY : 7 OF 11 ENQUIRY PAGE : 25 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

00 FILE NUMBER : 722726991 EXPIRY DATE : 22NOV 2021 STATUS :
 01 CAUTION FILING : PAGE : 01 OF 003 MV SCHEDULE ATTACHED :
 REG NUM : 20161122 1934 1531 7949 REG TYP: P PPSA REG PERIOD: 5
 02 IND DOB : 18JUL1958 IND NAME: JAMES GEMMILL
 03 BUS NAME:

OCN :

04 ADDRESS : 125 WALLACE AVE N
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8
 05 IND DOB : IND NAME:
 06 BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD

OCN :

07 ADDRESS : 125 WALLACE AVE N
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8

08 SECURED PARTY/LIEN CLAIMANT :
 THE TORONTO-DOMINION BANK - 33762
 09 ADDRESS : 901 2ND AVENUE E P.O.BOX 308
 CITY : OWEN SOUND PROV: ON POSTAL CODE: N4K 5P5
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X X
 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: D+H LIMITED PARTNERSHIP

17 ADDRESS : SUITE 200, 4126 NORLAND AVENUE
 CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

FAMILY : 7 OF 11 ENQUIRY PAGE : 26 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

00 FILE NUMBER : 722726991 EXPIRY DATE : 22NOV 2021 STATUS :
 01 CAUTION FILING : PAGE : 02 OF 003 MV SCHEDULE ATTACHED :
 REG NUM : 20161122 1934 1531 7949 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME: DONALDSON & JAMES LTD.

OCN :
 04 ADDRESS : 125 WALLACE AVE N
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8
 05 IND DOB : IND NAME:
 06 BUS NAME: 2247165 ONTARIO INC.

OCN :
 07 ADDRESS : 125 WALLACE AVE N
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 YEAR MAKE MODEL V.I.N.

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 GENERAL COLLATERAL DESCRIPTION
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 16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

FAMILY : 7 OF 11 ENQUIRY PAGE : 27 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

00 FILE NUMBER : 722726991 EXPIRY DATE : 22NOV 2021 STATUS :
 01 CAUTION FILING : PAGE : 03 OF 003 MV SCHEDULE ATTACHED :
 REG NUM : 20161122 1934 1531 7949 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME: D & J AGENCY HOLDINGS INC.

OCN :
 04 ADDRESS : 125 WALLACE AVE N
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.
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GENERAL COLLATERAL DESCRIPTION

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16 AGENT:

17 ADDRESS :
 CITY : PROV: POSTAL CODE:

FAMILY : 7 OF 11 ENQUIRY PAGE : 28 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

FILE NUMBER 722726991
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 001 OF 1 MV SCHED: 20190123 1122 1590 8438
 21 REFERENCE FILE NUMBER : 722726991
 22 AMEND PAGE: NO PAGE: CHANGE: D ASSGNMT REN YEARS: CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:
 THE TORONTO-DOMINION BANK
 08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :
 FUNDTHROUGH INC.
 09 ADDRESS : 260 SPADINA AVENUE
 CITY : TORONTO PROV : ON POSTAL CODE : M5T 2E4
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
 11
 12
 13
 14
 15

16 NAME : CHAITONS LLP (LL/32269)
 17 ADDRESS : 5000 YONGE STREET, 10TH FLOOR
 CITY : TORONTO PROV : ON POSTAL CODE : M2N 7E9

FAMILY : 8 OF 11 ENQUIRY PAGE : 29 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

00 FILE NUMBER : 730449468 EXPIRY DATE : 01AUG 2022 STATUS :
 01 CAUTION FILING : PAGE : 01 OF 003 MV SCHEDULE ATTACHED :
 REG NUM : 20170801 1437 1530 6061 REG TYP: P PPSA REG PERIOD: 5
 02 IND DOB : 02OCT1961 IND NAME: ERIC B FRIEDMAN
 03 BUS NAME:

OCN :

04 ADDRESS : 103 BAUER PL APT 4
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5
 05 IND DOB : IND NAME:
 06 BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD

OCN :

07 ADDRESS : 103 BAUER PL APT 4
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5

08 SECURED PARTY/LIEN CLAIMANT :
 THE TORONTO-DOMINION BANK - 33762
 09 ADDRESS : 901 2ND AVENUE E P.O.BOX 308
 CITY : OWEN SOUND PROV: ON POSTAL CODE: N4K 5P5
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X X
 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: D+H LIMITED PARTNERSHIP
 17 ADDRESS : SUITE 200, 4126 NORLAND AVENUE
 CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

FAMILY : 8 OF 11 ENQUIRY PAGE : 30 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

00 FILE NUMBER : 730449468 EXPIRY DATE : 01AUG 2022 STATUS :
 01 CAUTION FILING : PAGE : 02 OF 003 MV SCHEDULE ATTACHED :
 REG NUM : 20170801 1437 1530 6061 REG TYP: REG PERIOD:

02 IND DOB : IND NAME:
 03 BUS NAME: DONALDSON & JAMES LTD.,

OCN :

04 ADDRESS : 103 BAUER PL APT 4
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5
 05 IND DOB : IND NAME:
 06 BUS NAME: 2247165 ONTARIO INC.

OCN :

07 ADDRESS : 103 BAUER PL APT 4
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT:

17 ADDRESS :
 CITY : PROV: POSTAL CODE:

FAMILY : 8 OF 11 ENQUIRY PAGE : 31 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

00 FILE NUMBER : 730449468 EXPIRY DATE : 01AUG 2022 STATUS :
 01 CAUTION FILING : PAGE : 03 OF 003 MV SCHEDULE ATTACHED :
 REG NUM : 20170801 1437 1530 6061 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME: D & J AGENCY HOLDINGS INC.

OCN :
 04 ADDRESS : 103 BAUER PL APT 4
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.
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GENERAL COLLATERAL DESCRIPTION

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16 AGENT:

17 ADDRESS :
 CITY : PROV: POSTAL CODE:

FAMILY : 8 OF 11 ENQUIRY PAGE : 32 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

FILE NUMBER 730449468
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 001 OF 1 MV SCHED: 20190123 1122 1590 8439
 21 REFERENCE FILE NUMBER : 730449468
 22 AMEND PAGE: NO PAGE: CHANGE: D ASSGNMT REN YEARS: CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:
 THE TORONTO-DOMINION BANK
 08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :
 FUNDTHROUGH INC.
 09 ADDRESS : 260 SPADINA AVENUE
 CITY : TORONTO PROV : ON POSTAL CODE : M5T 2E4
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CHAITONS LLP(LL/32269)
 17 ADDRESS : 5000 YONGE STREET, 10TH FLOOR
 CITY : TORONTO PROV : ON POSTAL CODE : M2N 7E9

FAMILY : 9 OF 11 ENQUIRY PAGE : 33 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

00 FILE NUMBER : 734420178 EXPIRY DATE : 28NOV 2021 STATUS :
 01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
 REG NUM : 20171128 1438 1530 1982 REG TYP: P PPSA REG PERIOD: 4

02 IND DOB : IND NAME:
 03 BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD

OCN :

04 ADDRESS : 125 WALLACE AVENUE NORTH
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 GM FINANCIAL CANADA LEASING LTD.

09 ADDRESS : 2001 SHEPPARD AVE. STE 600
 CITY : TORONTO PROV: ON POSTAL CODE: M2J 4Z8

CONS.	GOODS	INVTRY.	EQUIP	ACCTS	OTHER	INCL	AMOUNT	MATURITY	MAT DATE
10 X		X			X	X	25340	24NOV2021	

YEAR	MAKE	MODEL	V.I.N.
11 2018	CHEVROLET	CRUZE LT AT	1G1BE5SM5J7114200

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 GENERAL COLLATERAL DESCRIPTION

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 16 AGENT: CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : 4126 NORLAND AVENUE
 CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

FAMILY : 10 OF 11 ENQUIRY PAGE : 34 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

00 FILE NUMBER : 738960408 EXPIRY DATE : 03MAY 2023 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20180503 1253 6005 1483 REG TYP: P PPSA REG PERIOD: 05
 02 IND DOB : IND NAME:
 03 BUS NAME: DONALDSON & JAMES LTD.

OCN :
 04 ADDRESS : 6 - 103 BAUER PLACE
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5
 05 IND DOB : IND NAME:
 06 BUS NAME: THE AGENCY EMPLOYMENT SERVICES

OCN :
 07 ADDRESS : 6 - 103 BAUER PLACE
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5

08 SECURED PARTY/LIEN CLAIMANT :
 NATIONAL LEASING GROUP INC.
 09 ADDRESS : 1525 BUFFALO PLACE (2866064)
 CITY : WINNIPEG PROV: MB POSTAL CODE: R3T 1L9
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X
 YEAR MAKE MODEL V.I.N.

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 12
 GENERAL COLLATERAL DESCRIPTION
 13 ALL PORTABLE COMPUTER EQUIPMENT OF EVERY NATURE OR KIND DESCRIBED IN
 14 AGREEMENT NUMBER 2866064, BETWEEN THE SECURED PARTY AND THE DEBTOR,
 15 AS AMENDED FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS,
 16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

FAMILY : 10 OF 11 ENQUIRY PAGE : 35 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

00 FILE NUMBER : 738960408 EXPIRY DATE : 03MAY 2023 STATUS :
 01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20180503 1253 6005 1483 REG TYP: REG PERIOD:

02 IND DOB : IND NAME:

03 BUS NAME:

OCN :

04 ADDRESS :

CITY :

PROV:

POSTAL CODE:

05 IND DOB :

IND NAME:

06 BUS NAME:

OCN :

07 ADDRESS :

CITY :

PROV:

POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :

CITY :

PROV:

POSTAL CODE:

CONS.

MV

DATE OF OR NO FIXED

GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

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YEAR MAKE

MODEL

V.I.N.

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GENERAL COLLATERAL DESCRIPTION

13 ACCESSORIES AND SUBSTITUTIONS.

14

15

16 AGENT:

17 ADDRESS :

CITY :

PROV:

POSTAL CODE:

FAMILY : 11 OF 11 ENQUIRY PAGE : 36 OF 36
 SEARCH : BD : AGENCY EMPLOYMENT SERVICES LTD.

00 FILE NUMBER : 746255709 EXPIRY DATE : 27NOV 2021 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
 REG NUM : 20181127 1603 1902 1263 REG TYP: P PPSA REG PERIOD: 03

02 IND DOB : IND NAME:
 03 BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD

OCN :

04 ADDRESS : 965 SECOND AVENUE WEST
 CITY : OWEN SOUND PROV: ON POSTAL CODE: N4K 4M8
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :

07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 FUNDTHROUGH

09 ADDRESS : 260 SPADINA AVE
 CITY : TORONTO PROV: ON POSTAL CODE: M5T 2E4
 CONS. MV DATE OF OR NO FIXED

GOODS	INVTY.	EQUIP	ACCTS	OTHER	INCL	AMOUNT	MATURITY	MAT DATE
10 X	X	X	X	X				X
YEAR MAKE					MODEL	V.I.N.		

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GENERAL COLLATERAL DESCRIPTION

13 ALL ASSETS, ACCOUNTS, INVENTORY, INTANGIBLES, OTHER

14

15

16 AGENT: ESC CORPORATE SERVICES LTD.

17 ADDRESS : 445 KING STREET WEST, SUITE 400
 CITY : TORONTO PROV: ON POSTAL CODE: M5V 1K4

Exhibit “D”

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
SEARCH RESULTS

Date Search Conducted: 5/13/2019
File Currency Date: 05/12/2019
Family(ies): 10
Page(s): 24

SEARCH : Business Debtor : DONALDSON & JAMES LTD.

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PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
SEARCH RESULTS

Date Search Conducted: 5/13/2019
File Currency Date: 05/12/2019
Family(ies): 10
Page(s): 24

SEARCH : Business Debtor : DONALDSON & JAMES LTD.

FAMILY : 1 OF 10 ENQUIRY PAGE : 1 OF 24
SEARCH : BD : DONALDSON & JAMES LTD.

00 FILE NUMBER : 680617665 EXPIRY DATE : 10AUG 2027 STATUS :
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
REG NUM : 20120810 1632 1793 9015 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: DONALDSON & JAMES LTD.

OCN : 1844472

04 ADDRESS : 20 ERB STREET W., SUITE 906
CITY : WATERLOO PROV: ON POSTAL CODE: N2L1T2
05 IND DOB : IND NAME:
06 BUS NAME:

OCN :

07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
THE TORONTO-DOMINION BANK

09 ADDRESS : 901 - 2ND AVENUE E.
CITY : OWEN SOUND

PROV: ON POSTAL CODE: N4K5P5

CONS.

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DATE OF OR NO FIXED

GOODS	INVTRY.	EQUIP	ACCTS	OTHER	INCL	AMOUNT	MATURITY	MAT DATE
10	X	X	X	X	X			X

YEAR MAKE

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V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: OTTEWELL & LYNN

17 ADDRESS : 22 NELSON ST. E

CITY : GODERICH

PROV: ON

POSTAL CODE: N7A1R6

FAMILY : 1 OF 10 ENQUIRY PAGE : 2 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

FILE NUMBER 680617665
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 01 OF 001 MV SCHED: 20151027 1731 1590 6229
 21 REFERENCE FILE NUMBER : 680617665
 22 AMEND PAGE: NO PAGE: CHANGE: B RENEWAL REN YEARS: 5 CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: DONALDSON & JAMES LTD.

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
 CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : GOWLING LAFLEUR HENDERSON LLP (HEATHER)
 17 ADDRESS : 1020 - 50 QUEEN ST. N., P.O. BOX 2248
 CITY : KITCHENER PROV : ON POSTAL CODE : N2H 6M2

FAMILY : 1 OF 10 ENQUIRY PAGE : 3 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

FILE NUMBER 680617665
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 01 OF 001 MV SCHED: 20170629 1439 1530 1849
 21 REFERENCE FILE NUMBER : 680617665
 22 AMEND PAGE: NO PAGE: X CHANGE: A AMNDMNT REN YEARS: CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: DONALDSON & JAMES LTD.

25 OTHER CHANGE:
 26 REASON: CHANGE DEBTOR'S ADDRESS
 27 /DESCR: FROM - 20 ERB STREET W SUITE 906, WATERLOO ON N2L 1T2
 28 : TO - 103 BAVER PLACE SUITE 4, WATERLOO, ON, N2L 6B5.
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE: DONALDSON & JAMES LTD.

OCN: 1844472

04/07 ADDRESS: 103 BAVER PLACE SUITE 4
 CITY: WATERLOO PROV: ON POSTAL CODE: N2L 6B5
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
 CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : 4126 NORLAND AVENUE

CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

FAMILY : 1 OF 10 ENQUIRY PAGE : 4 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

FILE NUMBER 680617665
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 01 OF 001 MV SCHED: 20170629 1439 1530 1850
 21 REFERENCE FILE NUMBER : 680617665
 22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 5 CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: DONALDSON & JAMES LTD.

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
 CITY : PROV : POSTAL CODE :
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS
 17 ADDRESS : 4126 NORLAND AVENUE
 CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

FAMILY : 1 OF 10 ENQUIRY PAGE : 5 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

FILE NUMBER 680617665
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 001 OF 1 MV SCHED: 20190123 1123 1590 8440
 21 REFERENCE FILE NUMBER : 680617665
 22 AMEND PAGE: NO PAGE: CHANGE: D ASSGNMT REN YEARS: CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: DONALDSON & JAMES LTD.

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:
 THE TORONTO-DOMINON BANK
 08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :
 FUNDTHROUGH INC.
 09 ADDRESS : 260 SPADINA AVENUE
 CITY : TORONTO PROV : ON POSTAL CODE : M5T 2E4
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

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16 NAME : CHAITONS LLP (LL/32269)
 17 ADDRESS : 5000 YONGE STREET, 10TH FLOOR
 CITY : TORONTO PROV : ON POSTAL CODE : M2N 7E9

FAMILY : 2 OF 10 ENQUIRY PAGE : 6 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

00 FILE NUMBER : 712610091 EXPIRY DATE : 14DEC 2026 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 002 MV SCHEDULE ATTACHED :
 REG NUM : 20151214 1218 1862 5101 REG TYP: P PPSA REG PERIOD: 11
 02 IND DOB : IND NAME:
 03 BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

OCN :

04 ADDRESS : 125 WALLACE AVE. N.
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8
 05 IND DOB : IND NAME:
 06 BUS NAME: DONALDSON & JAMES LTD.

OCN :

07 ADDRESS : 125 WALLACE AVE. N.
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8

08 SECURED PARTY/LIEN CLAIMANT :
 BDC CAPITAL INC.

09 ADDRESS : C/O BUSINESS DEVELOPMENT BANK OF CANADA,
 CITY : LONDON PROV: ON POSTAL CODE: N6A 5P3
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X X X X X X X
 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: HARRISON PENSA LLP (163500/LMM)

17 ADDRESS : 450 TALBOT STREET
 CITY : LONDON PROV: ON POSTAL CODE: N6A 5J6

FAMILY : 2 OF 10 ENQUIRY PAGE : 7 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

00 FILE NUMBER : 712610091 EXPIRY DATE : 14DEC 2026 STATUS :
 01 CAUTION FILING : PAGE : 002 OF 002 MV SCHEDULE ATTACHED :
 REG NUM : 20151214 1218 1862 5101 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME: 2247165 ONTARIO INC.

OCN :

04 ADDRESS : 125 WALLACE AVE. N.
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8
 05 IND DOB : IND NAME:
 06 BUS NAME: D & J AGENCY HOLDINGS INC.

OCN :

07 ADDRESS : 125 WALLACE AVE. N.
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS : 148 FULLARTON STREET, SUITE 1000
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 YEAR MAKE MODEL V.I.N.

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 13 GENERAL COLLATERAL DESCRIPTION
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16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

FAMILY : 3 OF 10 ENQUIRY PAGE : 8 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

00 FILE NUMBER : 715450383 EXPIRY DATE : 07APR 2021 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20160407 1246 6005 6952 REG TYP: P PPSA REG PERIOD: 05
 02 IND DOB : IND NAME:
 03 BUS NAME: DONALDSON & JAMES LTD.

OCN :

04 ADDRESS : 4-103 BAUER PLACE
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5
 05 IND DOB : IND NAME:
 06 BUS NAME: THE AGENCY EMPLOYMENT SERVICES

OCN :

07 ADDRESS : 4-103 BAUER PLACE
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5

08 SECURED PARTY/LIEN CLAIMANT :
 NATIONAL LEASING GROUP INC.

09 ADDRESS : 1525 BUFFALO PLACE
 CITY : WINNIPEG PROV: MB POSTAL CODE: R3T 1L9
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 X
 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

13 ALL COMPUTER-SOFTWARE OF EVERY NATURE OR KIND DESCRIBED IN AGREEMENT
 14 NUMBER 2761501, BETWEEN THE SECURED PARTY AND THE DEBTOR, AS AMENDED
 15 FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES AND
 16 AGENT:

17 ADDRESS :
 CITY : PROV: POSTAL CODE:

FAMILY : 3 OF 10 ENQUIRY PAGE : 9 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

00 FILE NUMBER : 715450383 EXPIRY DATE : 07APR 2021 STATUS :
 01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20160407 1246 6005 6952 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

OCN :
 04 ADDRESS : 4-103 BAUER PLACE
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 YEAR MAKE MODEL V.I.N.

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 GENERAL COLLATERAL DESCRIPTION
 13 SUBSTITUTIONS.
 14
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16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

FAMILY : 4 OF 10 ENQUIRY PAGE : 10 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

00 FILE NUMBER : 722726991 EXPIRY DATE : 22NOV 2021 STATUS :
 01 CAUTION FILING : PAGE : 01 OF 003 MV SCHEDULE ATTACHED :
 REG NUM : 20161122 1934 1531 7949 REG TYP: P PPSA REG PERIOD: 5
 02 IND DOB : 18JUL1958 IND NAME: JAMES GEMMILL
 03 BUS NAME:

OCN :

04 ADDRESS : 125 WALLACE AVE N
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8
 05 IND DOB : IND NAME:
 06 BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD

OCN :

07 ADDRESS : 125 WALLACE AVE N
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8

08 SECURED PARTY/LIEN CLAIMANT :
 THE TORONTO-DOMINION BANK - 33762
 09 ADDRESS : 901 2ND AVENUE E P.O.BOX 308
 CITY : OWEN SOUND PROV: ON POSTAL CODE: N4K 5P5
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X X
 YEAR MAKE MODEL V.I.N.

11
 12
 GENERAL COLLATERAL DESCRIPTION
 13
 14
 15

16 AGENT: D+H LIMITED PARTNERSHIP
 17 ADDRESS : SUITE 200, 4126 NORLAND AVENUE
 CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

FAMILY : 4 OF 10 ENQUIRY PAGE : 11 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

00 FILE NUMBER : 722726991 EXPIRY DATE : 22NOV 2021 STATUS :
 01 CAUTION FILING : PAGE : 02 OF 003 MV SCHEDULE ATTACHED :
 REG NUM : 20161122 1934 1531 7949 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME: DONALDSON & JAMES LTD.

OCN :
 04 ADDRESS : 125 WALLACE AVE N
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8
 05 IND DOB : IND NAME:
 06 BUS NAME: 2247165 ONTARIO INC.

OCN :
 07 ADDRESS : 125 WALLACE AVE N
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.
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GENERAL COLLATERAL DESCRIPTION

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16 AGENT:

17 ADDRESS :
 CITY : PROV: POSTAL CODE:

FAMILY : 4 OF 10 ENQUIRY PAGE : 12 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

00 FILE NUMBER : 722726991 EXPIRY DATE : 22NOV 2021 STATUS :
 01 CAUTION FILING : PAGE : 03 OF 003 MV SCHEDULE ATTACHED :
 REG NUM : 20161122 1934 1531 7949 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME: D & J AGENCY HOLDINGS INC.

OCN :
 04 ADDRESS : 125 WALLACE AVE N
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.
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GENERAL COLLATERAL DESCRIPTION

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16 AGENT:

17 ADDRESS :
 CITY : PROV: POSTAL CODE:

FAMILY : 4 OF 10 ENQUIRY PAGE : 13 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

FILE NUMBER 722726991
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 001 OF 1 MV SCHED: 20190123 1122 1590 8438
 21 REFERENCE FILE NUMBER : 722726991
 22 AMEND PAGE: NO PAGE: CHANGE: D ASSGNMT REN YEARS: CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:

THE TORONTO-DOMINION BANK
 08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :
 FUNDTHROUGH INC.

09 ADDRESS : 260 SPADINA AVENUE
 CITY : TORONTO PROV : ON POSTAL CODE : M5T 2E4
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
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 15

16 NAME : CHAITONS LLP (LL/32269)
 17 ADDRESS : 5000 YONGE STREET, 10TH FLOOR
 CITY : TORONTO PROV : ON POSTAL CODE : M2N 7E9

FAMILY : 5 OF 10 ENQUIRY PAGE : 14 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

00 FILE NUMBER : 730449468 EXPIRY DATE : 01AUG 2022 STATUS :
 01 CAUTION FILING : PAGE : 01 OF 003 MV SCHEDULE ATTACHED :
 REG NUM : 20170801 1437 1530 6061 REG TYP: P PPSA REG PERIOD: 5
 02 IND DOB : 02OCT1961 IND NAME: ERIC B FRIEDMAN
 03 BUS NAME:

OCN :

04 ADDRESS : 103 BAUER PL APT 4
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5
 05 IND DOB : IND NAME:
 06 BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD

OCN :

07 ADDRESS : 103 BAUER PL APT 4
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5

08 SECURED PARTY/LIEN CLAIMANT :
 THE TORONTO-DOMINION BANK - 33762
 09 ADDRESS : 901 2ND AVENUE E P.O.BOX 308
 CITY : OWEN SOUND PROV: ON POSTAL CODE: N4K 5P5
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X X
 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

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16 AGENT: D+H LIMITED PARTNERSHIP

17 ADDRESS : SUITE 200, 4126 NORLAND AVENUE
 CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

FAMILY : 5 OF 10 ENQUIRY PAGE : 15 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

00 FILE NUMBER : 730449468 EXPIRY DATE : 01AUG 2022 STATUS :
 01 CAUTION FILING : PAGE : 02 OF 003 MV SCHEDULE ATTACHED :
 REG NUM : 20170801 1437 1530 6061 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME: DONALDSON & JAMES LTD.,

OCN :

04 ADDRESS : 103 BAUER PL APT 4
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5
 05 IND DOB : IND NAME:
 06 BUS NAME: 2247165 ONTARIO INC.

OCN :

07 ADDRESS : 103 BAUER PL APT 4
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.
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GENERAL COLLATERAL DESCRIPTION

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16 AGENT:

17 ADDRESS :
 CITY : PROV: POSTAL CODE:

FAMILY : 5 OF 10 ENQUIRY PAGE : 16 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

00 FILE NUMBER : 730449468 EXPIRY DATE : 01AUG 2022 STATUS :
 01 CAUTION FILING : PAGE : 03 OF 003 MV SCHEDULE ATTACHED :
 REG NUM : 20170801 1437 1530 6061 REG TYP: REG PERIOD:
 02 IND DOB : IND NAME:
 03 BUS NAME: D & J AGENCY HOLDINGS INC.

OCN :
 04 ADDRESS : 103 BAUER PL APT 4
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
 CITY : PROV: POSTAL CODE:
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE MODEL V.I.N.
 11
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GENERAL COLLATERAL DESCRIPTION

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16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

FAMILY : 5 OF 10 ENQUIRY PAGE : 17 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

FILE NUMBER 730449468
 PAGE TOT REGISTRATION NUM REG TYPE
 01 CAUTION : 001 OF 1 MV SCHED: 20190123 1122 1590 8439
 21 REFERENCE FILE NUMBER : 730449468
 22 AMEND PAGE: NO PAGE: CHANGE: D ASSGNMT REN YEARS: CORR PER:
 23 REFERENCE DEBTOR/ IND NAME:
 24 TRANSFEROR: BUS NAME: THE AGENCY EMPLOYMENT SERVICES LTD.

25 OTHER CHANGE:
 26 REASON:
 27 /DESCR:
 28 :
 02/05 IND/TRANSFEE:
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:
 CITY: PROV: POSTAL CODE:
 29 ASSIGNOR:

THE TORONTO-DOMINION BANK
 08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :
 FUNDTHROUGH INC.

09 ADDRESS : 260 SPADINA AVENUE
 CITY : TORONTO PROV : ON POSTAL CODE : M5T 2E4
 CONS. MV DATE OF NO FIXED
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
 11
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 13
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16 NAME : CHAITONS LLP(LL/32269)
 17 ADDRESS : 5000 YONGE STREET, 10TH FLOOR
 CITY : TORONTO PROV : ON POSTAL CODE : M2N 7E9

FAMILY : 6 OF 10 ENQUIRY PAGE : 18 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

00 FILE NUMBER : 738960408 EXPIRY DATE : 03MAY 2023 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20180503 1253 6005 1483 REG TYP: P PPSA REG PERIOD: 05
 02 IND DOB : IND NAME:
 03 BUS NAME: DONALDSON & JAMES LTD.

OCN :
 04 ADDRESS : 6 - 103 BAUER PLACE
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5
 05 IND DOB : IND NAME:
 06 BUS NAME: THE AGENCY EMPLOYMENT SERVICES

OCN :
 07 ADDRESS : 6 - 103 BAUER PLACE
 CITY : WATERLOO PROV: ON POSTAL CODE: N2L 6B5

08 SECURED PARTY/LIEN CLAIMANT :
 NATIONAL LEASING GROUP INC.
 09 ADDRESS : 1525 BUFFALO PLACE (2866064)
 CITY : WINNIPEG PROV: MB POSTAL CODE: R3T 1L9
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X
 YEAR MAKE MODEL V.I.N.

11
 12
 GENERAL COLLATERAL DESCRIPTION
 13 ALL PORTABLE COMPUTER EQUIPMENT OF EVERY NATURE OR KIND DESCRIBED IN
 14 AGREEMENT NUMBER 2866064, BETWEEN THE SECURED PARTY AND THE DEBTOR,
 15 AS AMENDED FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS,
 16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

FAMILY : 6 OF 10 ENQUIRY PAGE : 19 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

00 FILE NUMBER : 738960408 EXPIRY DATE : 03MAY 2023 STATUS :
 01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20180503 1253 6005 1483 REG TYP: REG PERIOD:

02 IND DOB : IND NAME:

03 BUS NAME:

OCN :

04 ADDRESS :

CITY :

PROV:

POSTAL CODE:

05 IND DOB :

IND NAME:

06 BUS NAME:

OCN :

07 ADDRESS :

CITY :

PROV:

POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :

CITY :

PROV:

POSTAL CODE:

CONS.

MV

DATE OF OR NO FIXED

GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10

YEAR MAKE

MODEL

V.I.N.

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GENERAL COLLATERAL DESCRIPTION

13 ACCESSORIES AND SUBSTITUTIONS.

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16 AGENT:

17 ADDRESS :

CITY :

PROV:

POSTAL CODE:

FAMILY : 7 OF 10 ENQUIRY PAGE : 20 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

00 FILE NUMBER : 742535811 EXPIRY DATE : 09AUG 2021 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
 REG NUM : 20180809 1532 9398 0101 REG TYP: P PPSA REG PERIOD: 03
 02 IND DOB : IND NAME:
 03 BUS NAME: DONALDSON & JAMES LTD.

OCN :
 04 ADDRESS : SUITE 120, 1315 BISHOP ST. N
 CITY : CAMBRIDGE PROV: ON POSTAL CODE: ?N1R6Z2
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 FUNDTHROUGH INC.

09 ADDRESS : 260 SPADINA AVENUE SUITE 400
 CITY : TORONTO PROV: ON POSTAL CODE: M5T 2E4
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X X X X X X X
 YEAR MAKE MODEL V.I.N.

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GENERAL COLLATERAL DESCRIPTION

13 ALL ASSETS, ACCOUNTS, INVENTORY, INTANGIBLES, OTHER

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15

16 AGENT: FUNDTHROUGH

17 ADDRESS : 260 SPADINA AVENUE SUITE 400
 CITY : TORONTO PROV: ON POSTAL CODE: M5T 2E4

FAMILY : 8 OF 10 ENQUIRY PAGE : 21 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

00 FILE NUMBER : 744946479 EXPIRY DATE : 18OCT 2023 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20181018 1525 6005 5627 REG TYP: P PPSA REG PERIOD: 05
 02 IND DOB : IND NAME:
 03 BUS NAME: DONALDSON & JAMES LTD.

OCN :
 04 ADDRESS : 1315 BISHOP ST N, SUITE 120
 CITY : CAMBRIDGE PROV: ON POSTAL CODE: N1R 6J7
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 CWB NATIONAL LEASING INC.
 09 ADDRESS : 1525 BUFFALO PLACE (2890648)
 CITY : WINNIPEG PROV: MB POSTAL CODE: R3T 1L9
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X
 YEAR MAKE MODEL V.I.N.

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 12
 GENERAL COLLATERAL DESCRIPTION
 13 ALL COMPUTER EQUIPMENT-LCD NOTEBOOKS OF EVERY NATURE OR KIND
 14 DESCRIBED IN AGREEMENT NUMBER 2890648, BETWEEN THE SECURED PARTY AND
 15 THE DEBTOR, AS AMENDED FROM TIME TO TIME, TOGETHER WITH ALL
 16 AGENT:
 17 ADDRESS :
 CITY : PROV: POSTAL CODE:

FAMILY : 8 OF 10 ENQUIRY PAGE : 22 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

00 FILE NUMBER : 744946479 EXPIRY DATE : 18OCT 2023 STATUS :
 01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
 REG NUM : 20181018 1525 6005 5627 REG TYP: REG PERIOD:

02 IND DOB : IND NAME:

03 BUS NAME:

OCN :

04 ADDRESS :

CITY :

PROV:

POSTAL CODE:

05 IND DOB :

IND NAME:

06 BUS NAME:

OCN :

07 ADDRESS :

CITY :

PROV:

POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :

CITY :

PROV:

POSTAL CODE:

CONS.

MV

DATE OF OR NO FIXED

GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10

YEAR MAKE

MODEL

V.I.N.

11

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GENERAL COLLATERAL DESCRIPTION

13 ATTACHMENTS, ACCESSORIES AND SUBSTITUTIONS.

14

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16 AGENT:

17 ADDRESS :

CITY :

PROV:

POSTAL CODE:

FAMILY : 9 OF 10 ENQUIRY PAGE : 23 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

00 FILE NUMBER : 747783072 EXPIRY DATE : 23JAN 2021 STATUS :
 01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
 REG NUM : 20190123 0957 1793 9394 REG TYP: P PPSA REG PERIOD: 2
 02 IND DOB : IND NAME:
 03 BUS NAME: DONALDSON & JAMES LTD.

OCN :
 04 ADDRESS : 305 KING ST. W., SUITE 301
 CITY : KITCHENER PROV: ON POSTAL CODE: N2G1B9
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 THE TORONTO-DOMINION BANK
 09 ADDRESS : 381 KING ST. W., 2ND FL.
 CITY : KITCHENER PROV: ON POSTAL CODE: N2G1B8
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X
 YEAR MAKE MODEL V.I.N.

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 12
 GENERAL COLLATERAL DESCRIPTION
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16 AGENT: AIRD & BERLIS LLP (KP-148514)
 17 ADDRESS : 181 BAY STREET, SUITE 1800
 CITY : TORONTO PROV: ON POSTAL CODE: M5J2T9

FAMILY : 10 OF 10 ENQUIRY PAGE : 24 OF 24
 SEARCH : BD : DONALDSON & JAMES LTD.

00 FILE NUMBER : 749143602 EXPIRY DATE : 15MAR 2020 STATUS :
 01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
 REG NUM : 20190315 1936 1531 9275 REG TYP: P PPSA REG PERIOD: 1
 02 IND DOB : IND NAME:
 03 BUS NAME: DONALDSON & JAMES LTD.

OCN :
 04 ADDRESS : 305 KING STREET WEST, SUITE 301
 CITY : LISTOWEL PROV: ON POSTAL CODE: N4W 1K8
 05 IND DOB : IND NAME:
 06 BUS NAME:

OCN :
 07 ADDRESS :
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
 THE TORONTO-DOMINION BANK - 33762
 09 ADDRESS : 901 2ND AVENUE E P.O.BOX 308
 CITY : OWEN SOUND PROV: ON POSTAL CODE: N4K 5P5
 CONS. MV DATE OF OR NO FIXED
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
 10 X X
 YEAR MAKE MODEL V.I.N.

11
 12
 GENERAL COLLATERAL DESCRIPTION

13
 14
 15
 16 AGENT: D+H LIMITED PARTNERSHIP
 17 ADDRESS : SUITE 200, 4126 NORLAND AVENUE
 CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

Exhibit “E”

SUBORDINATION AND PRIORITIES AGREEMENT

**BDC Capital Inc., a wholly-owned subsidiary of
Business Development Bank of Canada**

and

The Toronto-Dominion Bank

and

**The Agency Employment Services Ltd.,
Donaldson & James Ltd., 2247165 Ontario Inc.
and D & J Agency Holdings Inc.**

*Dated the 8th day of January, 2016.
Province of Ontario*

K0554373\EDC_LAW\13828505

BETWEEN: BDC CAPITAL INC., a wholly-owned subsidiary of
BUSINESS DEVELOPMENT BANK OF CANADA,
(hereinafter called "BDC")

AND: THE TORONTO-DOMINION BANK
(hereinafter called the "Bank")

AND: THE AGENCY EMPLOYMENT SERVICES LTD.,
DONALDSON & JAMES LTD., 2247165 ONTARIO INC.
and D & J AGENCY HOLDINGS INC.
(hereinafter called the "Borrower")

WHO DECLARE AS FOLLOWS:

WHEREAS the Bank has granted or intends to grant to Borrower various credit facilities not exceeding an aggregate amount of \$1,300,000.00 (hereinafter collectively called the "Bank Credit", as they may be amended, increased, reduced or otherwise modified from time to time) in guarantee of which, *inter alia*, the Borrower has granted or intends to grant in favour of the Bank various security (the "Bank Security") (the "Bank Credit" and the "Bank Security" being hereinafter collectively called the "Bank Debt");

WHEREAS BDC submitted to the Borrower an offer of financing dated August 24th, 2015, as amended, relating to, *inter alia*, the granting of a subordinated loan not exceeding in the aggregate amount of \$750,000.00, the conditions for which are provided in the BDC Offer, as amended (collectively the "Loan Agreement") in guarantee of which, *inter alia*, the Borrower has granted or intends to grant various security in favour of BDC (collectively the "BDC Security") (the "BDC Offer", the "Loan Agreement" and the "BDC Security" being hereinafter collectively called the "Subordinated Debt");

WHEREAS the Lenders, as defined in Section 1.1.15 hereof, hereby wish to set forth their respective rights and remedies in respect of the security granted by the Borrower to each of them;

NOW THEREFORE AND IN CONSIDERATION OF THE COVENANTS AND CONDITIONS HEREINAFTER DESCRIBED, AND FOR GOOD AND VALUABLE CONSIDERATION, THE PARTIES HERETO AGREE AS FOLLOWS:

1. INTERPRETATION

1.1 Definitions.

Except as otherwise provided herein or unless the context otherwise requires, capitalized terms and expressions used in this Agreement and its preamble shall have the meaning set forth below:

- 1.1.1 "Agreement" and "Subordination Agreement" means the present Subordination and Priorities Agreement;
- 1.1.2 "Bank Event of Default" means an Event of Default pursuant to any Loan Documents relating to the Bank Debt;
- 1.1.3 "Bank Notice of Default" has the meaning ascribed thereto in Paragraph 3.1.2 herein;
- 1.1.4 "Bank Security" means, individually or collectively, all Security granted or to be granted between the Borrower and the Bank to guarantee the repayment of the Bank Debt;
- 1.1.5 "BDC Event of Default" means an Event of Default pursuant to any Loan Documents relating to the Subordinated Debt;
- 1.1.6 "BDC Notice of Default" has the meaning ascribed thereto in Subsection 2.6 herein;
- 1.1.7 "BDC Security" means, individually or collectively, all Security granted or to be granted between the Borrower and BDC to guarantee the repayment and performance of the Subordinated Debt;
- 1.1.8 "Borrower" means The Agency Employment Services Ltd., Donaldson & James Ltd., 2247165 Ontario Inc. and D & J Agency Holdings Inc., and any legal entity that may succeed same;
- 1.1.9 "Business Day(s)" means any day, except Saturday or Sunday, when the Bank is open to do business in Canada;
- 1.1.10 "Dollars" or "\$" means lawful money of Canada;
- 1.1.11 "Event of Default" means a Bank Event of Default pursuant to any agreement relating to the Bank Debt, or, as the case may be, a BDC Event of Default pursuant to any agreement relating to the Subordinated Debt;
- 1.1.12 "GAAP" means the generally accepted accounting principles in force in Canada, as accepted or established by the Canadian Institute of Chartered Accountants, as they may be modified from time to time, but applied in a consistent manner;
- 1.1.13 "Government Authority" means Canada, the province mentioned in Subsection 12.2 herein, and any other regional, municipal, local or other subdivision of that

province, any other governmental organization of such jurisdiction, including any agency, commission, office, department, ministry, organization or other person carrying on executive, legislative, judicial, regulatory or administrative functions arising out of or related thereto;

- 1.1.14 "Intellectual Property" means all the intangible assets, present and future, of the Borrower, including but without limiting the generality of the foregoing, all its rights in any trademarks, registered or not, copyrights, including software, domain names, source codes, designs and manuals, industrial designs, inventions, patents and ongoing applications for patents, commercial secrets, know-how, integrated circuit topography, any confidential information, licence from third parties, end-user licence and any other intellectual property rights (registered or not), their improvements and modifications as well as any right in any application relating to their protection, in Canada or elsewhere, of one or some of these Intellectual Property rights;
- 1.1.15 "Lenders" mean, as the case may be, the Bank or BDC or both;
- 1.1.16 "Life Insurance Policy(ies)" means the life insurance policy(ies) that is(are) subject to the BDC Security, whether or not held by the Borrower, and described in Schedule "A" attached hereto;
- 1.1.17 "Loan Documents" mean any letter of intent, loan offer, guarantee or other agreement relating to the loans and security in connection with the Bank Debt or, as the case may be, the Subordinated Debt, as amended from time to time;
- 1.1.18 "Security" means, individually or collectively, all the deeds, documents and agreements, including any amendment, substitution or replacement thereof, relating or useful to complete and confirm the hypothecs, charges, mortgages, security interest or other movable or immovable security granted to the Bank, or, as the case may be, to BDC, in accordance with the laws of any Governmental Authority having jurisdiction over the properties and rights of the Borrower subject to such security;
- 1.1.19 "Standstill Period" means the period(s) described in Section 6 hereof;
- 1.1.20 "Subsidiary Body Corporate" shall have the meaning ascribed thereto in subsection 1(2) of the Ontario Business Corporations Act.
- 1.2 Titles. The titles have been inserted in the present Subordination Agreement for convenience of reference only and shall not in any manner affect its interpretation. The section numbers refer to the sections of this Agreement.
- 1.3 Preamble. The preamble hereinabove forms an integral part of this Agreement.
- 1.4 Accounting Terms. Each accounting term used in this Agreement has the meaning generally ascribed to it by GAAP unless another definition is given herein, and any reference to an item of a balance sheet or income statement must be construed according to its presentation in the appropriate statement established in accordance with GAAP as

modified from time to time by any accounting norms adopted by the Canadian Institute of Chartered Accountants.

- 1.5 Singular Plural. In this Agreement, words importing the singular number also include the plural and *vice versa*, and person (or persons) includes an individual, firm, company, corporation, government, governmental body or agency, unincorporated association or partnership. Information that is provided in the schedules hereto shall be consistent with the definitions, terms and conditions of this Agreement.
- 1.6 Consent. Each of the Lenders hereby consents to the:
 - 1.6.1 indebtedness and obligations provided for in the Bank Credit and the Loan Agreement;
 - 1.6.2 creation and issuance by the Borrower to the Bank of the Bank Security and to BDC of the BDC Security; and
 - 1.6.3 existence of the Bank Debt and the Subordinated Debt generally.

2. SUBORDINATION AND POSTPONEMENT

- 2.1 The BDC Security and Subordinated Debt are hereby postponed and subordinated to the Bank Security and Bank Debt except for :
 - 2.1.1 any Security granted in favour of BDC on the Life Insurance Policies;
 - 2.1.2 any Security granted in favour of BDC on all or part of the Intellectual Property of the Borrower.
- 2.2 Unless otherwise acknowledged in writing by BDC, the subordination herein provided does not affect the rights of BDC in any suretyship granted in its favour by any person, related or not to the Borrower, other than the suretyship granted by a Subsidiary Body Corporate, nor the rights of BDC in any Security held in connection with such suretyship.
- 2.3 The Bank Security, to the extent it may affect the Life Insurance Policies and the Intellectual Property of the Borrower on which BDC holds a Security, is hereby postponed and subordinated to BDC Security relating to or in connection with the Life Insurance Policies and the Intellectual Property of the Borrower.
- 2.4 Subject to the foregoing provisions, the subordination and postponement herein provided in favour of the Bank shall remain in force for as long as the Bank is not fully repaid the amounts due by the Borrower and the Bank has not cancelled the Bank Credit pursuant to the terms of the Bank Debt, and shall apply in all events and circumstances regardless of :
 - 2.4.1 the respective dates of execution and registration attachment or perfection of the BDC Security as well as the Bank Security;
 - 2.4.2 the date or dates of any advances made or that will be made to the Borrower by the Bank or BDC;

- 2.4.3 the date or dates of any Event of Default;
- 2.4.4 any other cause of priority by any principle of law or any statute, including the Personal Property Security Act between the Bank and BDC.
- 2.5 Subject to the provisions of this Agreement, including without limitation, all provisions relating to the restrictions imposed on BDC during a Standstill Period, the subordination and postponement herein:
- 2.5.1 shall not prevent BDC from exercising its right under any suretyship held by it with respect to the Subordinated Debt, other than a suretyship by a Subsidiary of the Borrower;
- 2.5.2 shall not prevent BDC from exercising its right under any Security on the Life Insurance Policies or the Intellectual Property of the Borrower;
- 2.5.3 shall not prevent BDC from filing a proof of claim with any trustee in bankruptcy in case of (i) bankruptcy or assignment of property by the Borrower, (ii) filing by the Borrower of a notice of intention or a proposal pursuant to the *Bankruptcy and Insolvency Act* or filing of an arrangement under the *Companies' Creditors Arrangement Act* (R.S.C., c. C-36);
- 2.5.4 shall not prevent BDC from invoking an Event of Default with respect to the Subordinated Debt nor to exercise its rights and remedies in such circumstances, whether by judicial means or otherwise. On the other hand, the realization of the BDC Security remains subject to the subordination provided by the present Agreement as long as it remains in force.
- 2.6 If an Event of default pursuant to the Subordinated Debt occurs and BDC wishes to call its loan, initiate proceedings in view of obtaining repayment of same or realizing upon the BDC Security, it must give a written notice to the Bank informing the Bank of its intention to do so. If the Bank does not notify BDC in writing that it avails itself of the provisions regarding the implementation of a Standstill Period, and this Agreement within a period of ten (10) Business Days from the receipt of the notice of default transmitted by BDC (the "BDC Notice of Default"), BDC may then realize upon the BDC Security and take any measures deemed useful or necessary to protect its rights with respect to the Borrower.
3. CONSENT TO PAYMENTS
- 3.1 Until such time the Bank Debt is fully repaid in principal, interest, fees and accessories by the Borrower and the Bank Credit has been cancelled and before the coming into force of a Standstill Period, BDC:
- 3.1.1 may receive principal, interest, royalty, fee and accessory payments in connection with the Subordinated Debt, in accordance with the terms and conditions of the Loan Agreement, to the extent where, at the date of such payments, the Borrower is not in default under the terms of the Bank Debt and/or does not become in default by reason of these payments;

3.1.2 may keep any payment received from the Borrower before receipt of a written notice announcing an Event of Default relating to the Bank Debt (the "Bank Notice of Default"), except for cases provided in subsection 3.2 below.

3.2 It is agreed that any payment in connection with the Subordinated Debt made to BDC while the Borrower is in default pursuant to the provisions of the Bank Debt and after a Bank Notice of Default has been duly delivered to BDC by the Bank or, as the case may be, within thirty (30) days prior to such notice if such payment is the cause of the Event of Default of the Borrower with respect to the Bank Debt, will be deemed, to have been received by BDC acting as mandatory and in trust for the Bank and shall be remitted to the Bank by BDC as soon as possible. It is further agreed that in the case of an Event of Default giving rise to a Standstill Period of one hundred and eighty (180) days, BDC shall remit all payments received including principal, interest, royalty and/or fee and accessory payments and stay such payments during the Standstill Period.

3.3 If the Event of Default invoked by the Bank under the Bank Debt is cured to the satisfaction of the Bank, the Borrower shall resume its payments relating to the Subordinated Debt and BDC may then receive principal, interest, royalty, fee and accessory payments in connection with the Subordinated Debt, as well as all of the arrears related to such amounts, including the interest on the unpaid interest. BDC may also demand payment of any such amount required to maintain the same yield as initially anticipated in connection with the Subordinated Debt.

3.4 The Bank shall advise BDC as soon as the Borrower has remedied the Event of Default invoked by the Bank in order that the payments due to BDC may resume without further delay.

4. SECURITY HELD BY THE LENDERS

4.1 Each Lender declares and represents that no Security, other than those mentioned in Schedule "A" annexed hereto, guarantees the obligations of the Borrower pursuant to the Bank Debt and the Subordinated Debt. BDC hereby acknowledges its consent to the creation and issue by the Borrower to the Bank of the Bank Security and the Bank Debt and the Bank hereby acknowledges its consent to the creation and issue by the Borrower to BDC of the BDC Security and the Subordinated Debt.

4.2 The Bank Security with respect to the Bank Debt shall have priority over the BDC Security relating to the Subordinated Debt with the exception of the Security on the Life Insurance Policies and on the Intellectual Property of the Borrower. BDC shall cede its priority of rank in favour of the Bank Security, as the case may be.

4.3 The BDC Security with respect to the Life Insurance Policies and the Intellectual Property of the Borrower shall have priority over the Bank Security relating to the Bank Debt. The Bank shall cede its priority of rank in favour of the BDC Security, as the case may be.

4.4 Unless otherwise acknowledged in writing by BDC, the rights and remedies of the Bank pursuant to any suretyship held with respect to the Bank Debt, and the rights and remedies of BDC pursuant to any suretyship held in relation to the Subordinated Debt,

other than a suretyship held by a Subsidiary Body Corporate of the Borrower, are not subject to the present Agreement.

- 4.5 Should new Security be granted by the Borrower in favour of BDC (other than on Life Insurance Policies or on Intellectual Property of the Borrower), such Security shall be subordinated to the rights of the Bank with respect to the Bank Debt, the whole pursuant to the provisions hereof.
- 4.6 Any proceeds, including, without limitation, any insurance proceeds received by the Borrower or by BDC or the Bank in respect of the collateral charged by the BDC Security or the Bank Security shall be dealt with according to the preceding provisions hereof as though such proceeds were paid or payable as proceeds of realization of the collateral for which they compensate.
- 4.7 Each of BDC and the Bank shall permit the other party hereto and their employees, agents and contractors, access at all reasonable times to any property and assets of the Borrower upon which it has a prior charge or security interest in accordance with the terms hereof and to permit such other party to remove such property and assets from the premises of the Borrower at all reasonable times without interference, provided that such other party shall promptly repair any damage caused to the premises by the removal of any such property or assets.
- 4.8 The Borrower hereby confirms to and agrees with BDC and the Bank that so long as any of the indebtedness of the Borrower to BDC and the Bank remains outstanding, it shall stand possessed of its assets so charged for BDC and for the Bank in accordance with their respective interests and priorities as herein set out.

5. MODIFICATIONS TO THE CONDITIONS OF THE BANK DEBT

- 5.1 Subject to the terms of Subsection 5.2 hereof, the Bank will be entitled to modify the terms and conditions of the Bank Credit set forth in Schedule B annexed hereto without authorization from BDC. However, these modifications shall not allow the Bank to demand the enforcement of a Standstill Period in case of an Event of Default resulting solely from such modifications, if they had not been previously authorized by BDC in writing or prior to the expiration of a period of six (6) months following the effective date of such modifications.
- 5.2 However, at all times, BDC's authorization will be required in the following cases:
 - 5.2.1 if the Bank wishes to reduce the amount of funds available to the Borrower under the Bank Credit with respect to stock and accounts receivable financing by reducing the margin rate applicable thereto;
 - 5.2.2 if the Bank wishes to increase the limit of available amounts under the Bank Credit in excess of twenty percent of the annual revenues of the Borrower as reported on the most current audited financial statements of the company;
 - 5.2.3 the financing of the acquisition of new equipment in excess of seventy-five percent (75%) of the value of such equipment;

Where BDC authorization is required pursuant to this section of this Agreement, BDC shall not unreasonably withhold its authorization in the case of any request made by the Bank with respect to the foregoing modifications.

- 5.3 If an authorization required hereunder is not granted in writing by BDC within a period of ten (10) Business Days from the written request of the Bank, this authorization is deemed to have been refused and any Event of Default resulting solely from such modifications, if they had not been previously authorized by BDC in writing shall not allow the Bank to demand the enforcement of a Standstill Period.
- 5.4 In the case of an authorized increase of the credit limit, any new Security that may be required by the Bank shall be subject to this Agreement.

6. STANDSTILL PERIOD

- 6.1 If an Event of Default occurs with respect to the Bank Debt, the Bank may, but without any obligation to do so, notify BDC of the occurrence of such Event of Default and impose a Standstill Period on BDC with respect to the exercise of its rights regarding the Subordinated Debt.
- 6.2 In order for the Bank to exercise its right to impose a Standstill Period, the Bank shall nonetheless give a written notice to BDC advising of the Event of Default of the Borrower under the Bank Debt and indicating the nature of the reproached default(s). Upon receipt of the Bank Notice of Default, BDC shall stay all proceedings engaged in view of realizing upon the BDC Security or, as the case may be, not initiate any proceedings against the Borrower in order to call its loan or realize upon the BDC Security, unless the Bank has itself initiated such proceedings with respect to the Bank Credit and/or the Bank Security, such stay or non-initiation of proceedings being limited to the Standstill Period and this, for the period of time referred to below in subsection 6.3.
- 6.3 Upon the occurrence of an Event of Default, the Standstill Period will be limited to one hundred and eighty (180) days from the date of receipt of the Bank Notice of Default, during which period BDC:
 - 6.3.1 will stay all the payments due by the Borrower in principal, interest, royalties, fees and accessories for the said period;
 - 6.3.2 may not prohibit the Borrower or the Bank from using the assets subject to the BDC Security; provided such use is not beyond that which is commercially reasonable;
- 6.4 Whatever the nature of the Event of Default, the total cumulative number of days of Standstill Periods during any consecutive twelve (12) month period may not exceed one hundred and eighty (180) days any one day of a Standstill Period of ninety (90) days shall reduce the time allocated to a Standstill Period of one hundred eighty (180) days accordingly.
- 6.5 The Standstill Period will terminate at the expiration of the term fixed for such Standstill Period. If the Borrower has not remedied the Event(s) of Default invoked by the Bank before the expiration of the Standstill Period, BDC may then start realizing upon its own

Security and take any useful or necessary measures to protect its rights with respect to the Borrower, including the disposition of the assets of the Borrower subject to the BDC Security.

- 6.6 In the event of the delivery of a BDC Notice of Default, the Bank may, but without any obligation to do so, remedy the default of the Borrower relating to the Subordinated Debt, in which case, any payment made by the Bank will be considered as an advance of funds under the Bank Credit.

7. **RIGHTS OF BDC DURING ANY SUBSEQUENT STANDSTILL PERIOD**

If, after having taken advantage for the first time of one or more Standstill Periods of a maximum cumulative duration of one hundred and eighty (180) days, the Bank had to once again avail itself of its rights to require a new Standstill Period (i.e. after the expiration of a twelve (12) month period since the delivery of the Bank Notice of Default having required the enforcement of a first Standstill Period) by reason of a new Event of Default, the Bank acknowledges that BDC may require the Borrower to consent to the following requirements, without such request constitutes an Event of Default pursuant to the Bank Credit, and undertakes to do all the necessary acts in order for these conditions to be fulfilled within a delay of thirty (30) days of such demand from BDC, to that effect:

- 7.1 to have its own appointed representative to attend, as an observer, to all meetings of the board of directors of the Borrower, during which meetings such observer shall be entitled to participate in discussions but not be entitled to vote;
- 7.2 to hold a meeting of the board of directors each month, at a place and date acceptable to BDC;
- 7.3 to have its own appointed representative to attend, as an observer, to all general or special shareholders' meetings of the Borrower, during which meetings such observer shall be entitled to participate in discussions but not be entitled to vote;
- 7.4 to receive a copy of any notice of meeting to directors' or shareholders' meetings, as the case may be, at least five (5) days in advance, as well as all the relevant documentation delivered to the directors and/or shareholders of the Borrower;
- 7.5 to receive a copy of the minutes of the directors' and shareholders' meetings, within five (5) business days of such meeting, even if the observer appointed by BDC was not present at the meeting;
- 7.6 to require the resignation of a director of the Borrower and its replacement by a person appointed by BDC, as the case may be;
- 7.7 to request an increase in the interest rate payable on the advances made according to the Loan Agreement, by way of an increase of the spread between BDC's prime rate(s) and the actual interest rate(s) payable by the Borrower in accordance with the Loan Agreement, up to a maximum interest rate of 20% per annum;
- 7.8 to request a reasonable increase in the monthly fees payable by the Borrower;

- 7.9 to obtain from the shareholders of the Borrower a Security with delivery on all the
 7.10 voting shares held by such shareholders in the capital of the Borrower.

8. DURATION

The present Agreement shall remain in force until the first of the following dates:

- 8.1 the date of cancellation of the Agreement following the written consent of all the parties hereto;
 8.2 the date on which any and all amounts due with respect to the Bank Debt will have been completely repaid and the Bank Credit has been cancelled to the entire satisfaction of the Bank;
 8.3 the date on which any and all amounts due with respect to the Subordinated Debt will have been completely repaid and the Bank Credit has been cancelled to the entire satisfaction of BDC;

9. DOCUMENTATION

Each Lender shall, upon request of the other Lender and no later than fifteen (15) days of such request, sign any deed, agreement or other document, and shall do any act deemed useful or necessary in order to give effect to the Agreement hereof, including, as the case may be, assigning the priority of rank with respect to their respective Security.

10. DEFAULT AND NOTICE OF DEFAULT

- 10.1 BDC and the Bank agree to act reasonably when exercising their respective rights and remedies under the terms of the Bank Debt and the Subordinated Debt.
 10.2 BDC and the Bank also agree to provide each other with copies of any letter or any notice transmitted in writing by one or the other to the Borrower relating to any Event of Default under the terms of the Bank Debt or the Subordinated Debt, as the case may be.

11. NOTICE

- 11.1 All notices or requests provided for in this Agreement shall be transmitted in writing to the party to which it is sent or given. Any notice or request is validly transmitted by its delivery to its recipient, either: personally (in which case, the delivery shall be accepted); or by registered and prepaid mail; or by facsimile, telex, cable or telegram; or served to the addresses hereinafter mentioned:

11.1.1 For BDC:

BDC Capital Inc., a wholly-owned subsidiary of
 Business Development Bank of Canada
 48 Fullarton St., Suite 1000, 10th Floor, London, ON, N6A 5P3
 To the attention of Jeff Hill

11.1.2 For the Bank:

The Toronto-Dominion Bank
 381 King Street West, Kitchener, ON N2G 1B8
 To the attention of Matthew Koivu

11.1.3 For the Borrower:

c/o The Agency Employment Services Ltd.
 125 Wallace Ave. N.
 Listowel, ON, N4W 1K8
 To the attention of Mr. James Gemmill

- 11.2 Any notice given or any request made as provided for hereinabove is deemed to have been received upon its delivery, if personally delivered, or at the time of its service, if served, or on the third (3rd) Business Day following its mailing, if sent by mail, or on the Business Day following its transmittal, if transmitted by fax, telex, cable or telegram, as the case may be. However, if the mail service is interrupted by a strike, a slowdown, an act of God or any other cause, the party sending the notice or the request shall use one of the services that is not interrupted or shall deliver such notice or request in a manner that such notice or request is received as soon as possible. Each party may advise the other parties of any change of address in the manner hereinabove mentioned for the purposes of this Agreement.

12. MISCELLANEOUS

- 12.1 Successors and Assigns. The terms and conditions herein shall apply and enure to the benefit of the successors and assigns of BDC and the Bank. Any assignee of the rights of the Bank according to the Bank Debt shall benefit from the rights of the Bank in accordance with the terms hereof and any assignee of the rights of BDC pursuant to the Subordinated Debt shall assume in writing the obligations of BDC described herein and BDC agrees to obtain such assumption from such assignee.
- 12.2 Governing Laws. The provisions hereof shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- 12.3 Counterparts. The Agreement hereof may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original, and all of which taken together shall constitute one and the same agreement. Execution of this Agreement may be made by each party by signing a copy of the Agreement and sending such signature by facsimile or otherwise.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in the following manner:
 BDC, at London, Province of Ontario, this 8th day of July, two
 thousand and fifteen (2015).

**BDC CAPITAL INC., a wholly-owned subsidiary of
 BUSINESS DEVELOPMENT BANK OF CANADA**

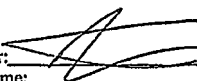
Per: [Signature]
 Name & Title: Jeffrey Hill
Managing Director, Growth & Transition Capital
BDC Capital

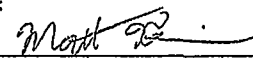
Per: [Signature]
 Name & Title: Mark Lunick
Managing Director, Growth & Transition Capital
BDC Capital
 I/We have authority to bind the Bank.

2478554

The Bank, at Kitchener, Province of Ontario, this 8 day of January, two thousand and sixteen (2016).

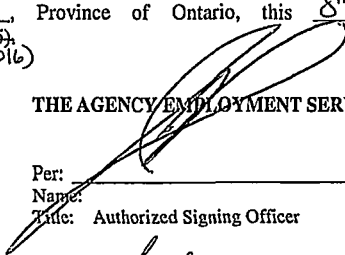
THE TORONTO-DOMINION BANK

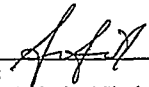
Per:  **John Tyrrell**
Name: Manager Commercial Services
Title:

Per: 
Name: Matthew Koivu
Title: Account Manager
I/We have authority to bind the Bank.


The Borrower, at Toronto, Province of Ontario, this 8th day of January two thousand and ~~fifteen (2015)~~ sixteen (2016)

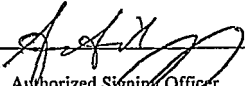
THE AGENCY EMPLOYMENT SERVICES LTD.

Per: 
Name: _____
Title: Authorized Signing Officer

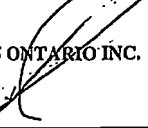
Per: 
Name: _____
Title: Authorized Signing Officer
I/We have the authority to bind the Corporation.

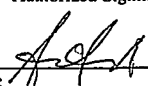
DONALDSON & JAMES LTD.

Per: 
Name: _____
Title: Authorized Signing Officer

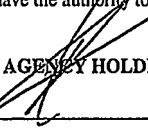
Per: 
Name: _____
Title: Authorized Signing Officer
I/We have the authority to bind the Corporation.

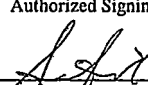
2247165 ONTARIO INC.

Per: 
Name: _____
Title: Authorized Signing Officer

Per: 
Name: _____
Title: Authorized Signing Officer
I/We have the authority to bind the Corporation.

D & J AGENCY HOLDINGS INC.

Per: 
Name: _____
Title: Authorized Signing Officer

Per: 
Name: _____
Title: Authorized Signing Officer
I/We have the authority to bind the Corporation.

2478554

SCHEDULE "A"

1. LIST OF LIFE INSURANCE POLICIES IN FAVOUR OF BDC

- 1.1 A Life Insurance Policy on the life of James Gemmill in the amount of Seven Hundred and Fifty Thousand Dollars (\$750,000.00);

2. LIST OF THE BANK SECURITY

The Bank declares that as of the date of these presents, the Bank Security held is the following:

- 2.1 General Security Agreement from each Borrower;
- 2.2 Postponement and Subordination Agreement in favour of the Bank with respect to any amount of capital payments from received loans or issued notes owed by the Borrower to Ian Donaldson or other parties related to Ian Donaldson;
- 2.3 Assignment, Postponement and Subordination Agreement in favour of the Bank by the holders of any convertible preferred shares of the Borrower, James Gemmill, 2247165 Ontario Inc. and R. Ian Donaldson;
- 2.4 SBB Security Agreement from The Agency Employment Services Ltd.;
- 2.5 Guarantee of Donaldson & James Ltd., The Agency Employment Services Ltd., 2247165 Ontario Inc., D&J Agency Holdings Inc., and James Gemmill;
- 2.6 Accounts Receivable insurance, if deemed necessary.

3. LIST OF THE BDC SECURITY

BDC declares that at the date of these presents, the Security held is the following:

- 3.1 General Security Agreement from each Borrower;
- 3.2 First Assignment of insurance on the life of James Gemmill;
- 3.3 Postponement and Subordination Agreement in favour of BDC with respect to any amount of capital payments from received loans or issued notes owed in the sum of \$500,000 by the Borrower to Ian Donaldson and related parties;
- 3.4 Assignments/Postponements related to shareholder claims;
- 3.5 Guarantee of Donaldson & James Ltd., 2247165 Ontario Inc. and D & J Agency Holdings Inc.

SCHEDULE "B"CONDITIONS PRECEDENT FOR A STANDSTILL PERIOD1. ONE HUNDRED AND EIGHTY (180) DAY STANDSTILL PERIOD

The Bank may avail itself of a one hundred and eighty (180) day Standstill Period in the case of the following Events of Default:

- (a) if the Tangible Net Worth is at any time less than \$1,000,000 Canadian by December 31, 2015, increasing to \$1,500,000 by December 31, 2016 and increasing to \$2,000,000 by December 31, 2017;
- (b) the interest is not paid;
- (c) the principal repayments are not made;
- (d) the Borrower exceeds its authorized line of credit by more than ten percent (10%) where the authorized line of credit is the lesser of the most recent margin conditions received and approved by the Bank and the limit of the Bank Credit.

For the purposes hereof, the following expressions mean:

- (a) "Tangible Net Worth" is the sum of the Borrower's shareholders' equity plus subordinated loans owing to BDC Capital Inc. plus loans assigned and postponed to the Bank in the Bank's standard format less assets deemed to be intangible to the Bank, including, without limitation, goodwill, research and development, franchises, patents, trademarks and less loans to its shareholders, employees and other related parties.

Exhibit “F”

THIS AGREEMENT November 27, 2018

BDC Capital Inc.
(the "Bank")

FUNDTHROUGH INC.
(the "Lender")

The Agency Employment Services Ltd.
(the "Borrower")

A. The Borrower has granted or agreed to grant to the Bank a registered security interest, in all of the Borrower's present and after-acquired personal property, and such other present and future security as the Bank may from time to time receive from the Borrower to secure present and future debts and obligations of the Borrower to the Bank (the "Bank Security");

8. The Borrower has granted or agreed to grant to the Lender a registered security interest, in all of the Borrower's present and after-acquired personal property, and such other security as the Lender may from time to time receive from the Borrower to secure present and future debts and obligations of the Borrower to Lender (the "Lender Security");

C. The parties hereto have agreed to enter into this agreement in order to set out the respective priorities of the Bank Security and the Lender Security;

NOW THEREFORE in consideration of the premises and other good and valuable consideration, the parties hereto covenant and agree as follows:

1.01 The Bank hereby acknowledges its consent to the creation and issue by the Borrower to the Lender of the Lender Security and to the incurring by the Borrower of the indebtedness evidenced thereby.

1.02 The Lender hereby acknowledges its consent to the creation and issue by the Borrower to the Bank of the Bank Security and to the incurring by the Borrower of the indebtedness evidenced thereby.

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2.01 The preamble hereto forms an integral part of this Agreement.

2.02 In this Agreement, the following terms shall have the following meanings:

- (a) "Accounts Receivables" means all debts, accounts, claims, demands, monies and choses in action which are now or which may at any time hereafter be due, owing to or accruing due to or owed to the Borrower, together with all books, records, documents, papers and electronically recorded data and any other documents or information of any kind which in any way evidences or relates to any or all of the said debts, accounts, claims, demands, monies and choses in action, provided that the term "Accounts Receivables" herein shall not include any proceeds from the sale, disposition or realization of the personal property of the Borrower other than Inventory, and shall exclude Bank Priority Receivables (as herein defined); and

ARTICLE 3 - PRIORITIES

3.01 (a) The Bank Security is hereby postponed and subordinated to the security constituted by the Lender Security with respect to Accounts Receivables

- (b) The Lender's security is hereby postponed to the security constituted by the Bank's security with respect to all of the Borrower's present and after acquired personal property, except Accounts Receivables, but including the Bank Priority Receivables and the proceeds thereof to the extent of the Borrower's indebtedness to the Bank from time to time, together with all accrued interest thereon and all reasonable costs, charges and expenses incurred by the Bank in connection thereon.

3.02 The subordinations and postponements herein shall apply in all events and circumstances regardless of:

- (a) the date of execution, attachment, registration or perfection of any security interest held by the Bank or the Lender, or;
- (b) the date of any advance or advances made to the Borrower by the Bank or the Lender; or
- (c) the date of default by the Borrower under any of the Bank Security or the Lender Security or the dates of crystallization of any floating charges held by Bank or the Lender; or
- (d) any priority granted by any principle of law or any statute, including the Personal Property Security Act.

3.03 Any proceeds, including, without limitation, any insurance proceeds received by the Borrower or by the Bank or the Lender in respect of the collateral charged by the Bank Security or the Lender Security shall be dealt with according to the preceding provisions hereof as though such proceeds were paid or payable as proceeds of realization of the collateral for which they compensate.

3.04 If any of the Bank Security or the Lender Security is claimed or found by a trustee in bankruptcy or a court of competent jurisdiction to be unenforceable, invalid, unregistered or unperfected, then the foregoing provisions of this Article 3 shall not apply to such security to the extent that such security is so found to be unenforceable, invalid, unregistered or unperfected as against a third party unless the secured party shall be diligently contesting such a claim and has provided the other party with a satisfactory indemnity.

3.05 Each of the parties hereto shall permit any of the other parties hereto and their employees, agents and contractors, access at all reasonable times to any property and assets of the Borrower upon which it has a prior charge or security interest in accordance with the terms hereof and to permit such other party to remove such property and assets from the premises of the Borrower at all

reasonable times without interference, provided that such other party shall promptly repair any damage caused to the premises by the removal of any such property or assets.

ARTICLE 4 - COVENANTS OF THE BORROWER

- 4.01 The Borrower hereby confirms to and agrees with the Bank and the Lender that so long as any of the indebtedness of the Borrower to the Bank and the Lender remains outstanding, it shall stand possessed of its assets so charged for the Bank and for the Lender in accordance with their respective interests and priorities as herein set out.

ARTICLE 5- GENERAL

- 5.01 From time to time upon request therefor the Bank and the Lender may advise each other of the particulars of the indebtedness and liability of the Borrower to each other and all security held by each therefor.
- 5.02 The Bank and the Lender each agree that it will not transfer or assign any of its security from the Borrower without first obtaining from the proposed assignee or transferee an agreement to be bound by the provisions of this Agreement.
- 5.03 Prior to making any demand for payment on the Borrower or proceeding to enforce its security, the Bank or the Lender, as the case may be, shall provide notice of such demand or enforcement to the other of them, provided, however, that neither shall be liable for any accidental omission to provide the said notice.
- 5.04 Any notice required or permitted to be given pursuant to this Agreement shall be in writing and shall be addressed and delivered to the parties hereto as follows:

For BDC Capital Inc.:

Attention: _____

Email: _____

For the Lender:

260 Spadina Avenue, Suite 300
Toronto, ON M5T 2E4

Attention: Steven Uster, Director
E-mail: steven@fundthrough.com

- 5.05 Each of the Borrower, the Bank and the Lender shall do, perform, execute and deliver all acts, deeds and documents as may be necessary from time to time to give full force and effect to the interests of this Agreement; provided however, that no consent of the Borrower shall be necessary to any amendment of the terms hereof by the Bank and the Lender unless the interests of the Borrower are directly affected thereby.

- IN WITNESS WHEREOF the parties hereto have executed this Agreement under the hand(s) of their duly authorized officer(s) on the date first above written.

Per:

I have the authority to bind the Corporation.

Scott Lewis
Managing Director
Growth & Trans

Per:

Name:

Title:

Per:

Name:

Title:

I/We have the authority to bind the Bank.

Per:

Name: James Gemmill

Title: President & CEO

I have the authority to bind the Corporation.

Exhibit “G”

PRIORITY AGREEMENT

THIS AGREEMENT November 27, 2018

AMONG:

BDC Capital Inc.

(the "Bank")

AND:

FUNDTHROUGH INC.

(the "Lender")

AND:

Donaldson and James Ltd.

(the "Borrower")

WHEREAS:

A. The Borrower has granted or agreed to grant to the Bank a registered security interest, in all of the Borrower's present and after-acquired personal property, and such other present and future security as the Bank may from time to time receive from the Borrower to secure present and future debts and obligations of the Borrower to the Bank (the "Bank Security");

B. The Borrower has granted or agreed to grant to the Lender a registered security interest, in all of the Borrower's present and after-acquired personal property, and such other security as the Lender may from time to time receive from the Borrower to secure present and future debts and obligations of the Borrower to Lender (the "Lender Security");

C. The parties hereto have agreed to enter into this agreement in order to set out the respective priorities of the Bank Security and the Lender Security;

D. This agreement supersedes all prior or contemporaneous negotiations, commitments, agreements and writings between all parties with respect to the subject matter, including but not limited to the prior priorities agreement between BDC Capital, Fundthrough and Donaldson and James Ltd. dated August 7, 2018.

NOW THEREFORE in consideration of the premises and other good and valuable consideration, the parties hereto covenant and agree as follows:

ARTICLE 1 - CONSENT

- 1.01 The Bank hereby acknowledges its consent to the creation and issue by the Borrower to the Lender of the Lender Security and to the incurring by the Borrower of the indebtedness evidenced thereby.
- 1.02 The Lender hereby acknowledges its consent to the creation and issue by the Borrower to the Bank of the Bank Security and to the incurring by the Borrower of the indebtedness evidenced thereby.

ARTICLE 2 - INTERPRETATION

2.01 The preamble hereto forms an integral part of this Agreement.

2.02 In this Agreement, the following terms shall have the following meanings:

- (a) "Accounts Receivables" means all debts, accounts, claims, demands, monies and choses in action which are now or which may at any time hereafter be due, owing to or accruing due to or owed to the Borrower, together with all books, records, documents, papers and electronically recorded data and any other documents or information of any kind which in any way evidences or relates to any or all of the said debts, accounts, claims, demands, monies and choses in action, provided that the term "Accounts Receivables" herein shall not include any proceeds from the sale, disposition or realization of the personal property of the Borrower other than inventory, and shall exclude Bank Priority Receivables (as herein defined); and

ARTICLE 3 - PRIORITIES

3.01 (a) The Bank Security is hereby postponed and subordinated to the security constituted by the Lender Security with respect to Accounts Receivables

- (b) The Lender's security is hereby postponed to the security constituted by the Bank's security with respect to all of the Borrower's present and after acquired personal property, except Accounts Receivables, but including the Bank Priority Receivables and the proceeds thereof to the extent of the Borrower's indebtedness to the Bank from time to time, together with all accrued interest thereon and all reasonable costs, charges and expenses incurred by the Bank in connection thereon.

3.02 The subordinations and postponements herein shall apply in all events and circumstances regardless of:

- (a) the date of execution, attachment, registration or perfection of any security interest held by the Bank or the Lender, or;
- (b) the date of any advance or advances made to the Borrower by the Bank or the Lender; or
- (c) the date of default by the Borrower under any of the Bank Security or the Lender Security or the dates of crystallization of any floating charges held by Bank or the Lender; or
- (d) any priority granted by any principle of law or any statute, including the Personal Property Security Act.

3.03 Any proceeds, including, without limitation, any insurance proceeds received by the Borrower or by the Bank or the Lender in respect of the collateral charged by the Bank Security or the Lender Security shall be dealt with according to the preceding provisions hereof as though such proceeds were paid or payable as proceeds of realization of the collateral for which they compensate.

3.04 If any of the Bank Security or the Lender Security is claimed or found by a trustee in bankruptcy or a court of competent jurisdiction to be unenforceable, invalid, unregistered or unperfected, then the foregoing provisions of this Article 3 shall not apply to such security to the extent that such security is so found to be unenforceable, invalid, unregistered or unperfected as against a third party unless the secured party shall be diligently contesting such a claim and has provided the other party with a satisfactory indemnity.

- 3.05 Each of the parties hereto shall permit any of the other parties hereto and their employees, agents and contractors, access at all reasonable times to any property and assets of the Borrower upon which it has a prior charge or security interest in accordance with the terms hereof and to permit such other party to remove such property and assets from the premises of the Borrower at all reasonable times without interference, provided that such other party shall promptly repair any damage caused to the premises by the removal of any such property or assets.

ARTICLE 4 - COVENANTS OF THE BORROWER

- 4.01 The Borrower hereby confirms to and agrees with the Bank and the Lender that so long as any of the indebtedness of the Borrower to the Bank and the Lender remains outstanding, it shall stand possessed of its assets so charged for the Bank and for the Lender in accordance with their respective interests and priorities as herein set out.

ARTICLE 5- GENERAL

- 5.01 From time to time upon request therefor the Bank and the Lender may advise each other of the particulars of the indebtedness and liability of the Borrower to each other and all security held by each therefor.
- 5.02 The Bank and the Lender each agree that it will not transfer or assign any of its security from the Borrower without first obtaining from the proposed assignee or transferee an agreement to be bound by the provisions of this Agreement.
- 5.03 Prior to making any demand for payment on the Borrower or proceeding to enforce its security, the Bank or the Lender, as the case may be, shall provide notice of such demand or enforcement to the other of them, provided, however, that neither shall be liable for any accidental omission to provide the said notice.
- 5.04 Any notice required or permitted to be given pursuant to this Agreement shall be in writing and shall be addressed and delivered to the parties hereto as follows:

For BDC Capital Inc.: _____

Attention: _____

Email: _____

For the Lender:

260 Spadina Avenue, Suite 300
Toronto, ON M5T 2E4

Attention: Steven Uster, Director
E-mail: steven@fundthrough.com


- 5.05 Each of the Borrower, the Bank and the Lender shall do, perform, execute and deliver all acts, deeds and documents as may be necessary from time to time to give full force and effect to the

interests of this Agreement; provided however, that no consent of the Borrower shall be necessary to any amendment of the terms hereof by the Bank and the Lender unless the interests of the Borrower are directly affected thereby.

- 5.06 This Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and shall be effective as of the formal date hereof. A facsimile or electronic counterpart of this Agreement shall be fully effective for all purposes.
- 5.07 This Agreement shall ensure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.
- 5.08 This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

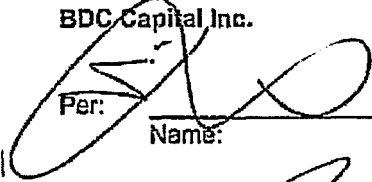

IN WITNESS WHEREOF the parties hereto have executed this Agreement under the hand(s) of their duly authorized officer(s) on the date first above written.

FUNDTHROUGH INC.

Per: 
 Steven Uster, Co-founder and CEO
 I have the authority to bind the Corporation.

BDC Capital Inc.

Scott Lewis
 Managing Director
 Growth & Transition Capital

Per: 
 Name: _____
 Title: _____
 Per: 
 Name: Mark Lynne
 Title: Director
 I/We have the authority to bind the Bank.

Donaldson and James Ltd.


Per: 
 Name: James Gemmill
 Title: President & CEO
 I have the authority to bind the Corporation.

Exhibit “H”

O'Neill, Catherine

From: Jeffrey Levine <Jeffrey.Levine@mcmillan.ca>
Sent: Thursday, May 09, 2019 1:32 PM
To: Van Klink, Tony
Cc: BERNAT, Margaret (CSCBC); Phoenix, Graham; samr@chaitons.com; Tushara Weerasooriya
Subject: RE: **[**EXT**]** Service of Motion Record of Donaldson & James and The Agency Employment Services Ltd. (rtbl May 15, 2019) Court File Nos. 35-2466619 and 35-2466620 [MTDMS-Legal.FID8054295]

Tony,

Certain of your questions are appropriately addressed by the company and FundThrough and not the Proposal Trustee, and so we have sought those parties' input on a response and copy their respective counsel here.

First, of the \$4,121,326 in A/R as of April 26, 2019, approximately \$3.8 million are factored.

Second, the Companies advise that no proceedings have been commenced in connection with the \$827,199 in disputed ARs, though the Companies have made demands in that regard.

Third, we have asked counsel to FundThrough to confirm the requested breakdown, and will forward on the information once received.

Last, to date, the Companies have not approached the Proposal Trustee to assist in the preparation of proposal, so the proposal trustee does not believe that the companies will be filing a proposal by May 17, 2019.

Yours truly,

mcmillan

Jeffrey Levine*

Partner
 d 416.865.7791
jeffrey.levine@mcmillan.ca

*Professional Corporation

Assistant: Mary Ottaviano | 416.865.7029 | mary.ottaviano@mcmillan.ca

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From: Van Klink, Tony <tvanklink@millertthomson.com>
Sent: Wednesday, May 8, 2019 8:15 PM
To: Jeffrey Levine <Jeffrey.Levine@mcmillan.ca>; Phoenix, Graham <gphoenix@loonix.com>
Cc: BERNAT, Margaret (CSCBC) <Margaret.BERNAT@bdc.ca>

Subject: RE: **[**EXT**]** Service of Motion Record of Donaldson & James and The Agency Employment Services Ltd. (rtbl May 15, 2019) – Court File Nos. 35-2466619 and 35-2466620 [MTDMS-Legal.FID8054295]

Jeffrey, Graham,

Please advise as to the following so that BDC may consider its position on the motion:

1. What is the breakdown of the \$4,121,326 in A/R as of April 26 between factored and non-factored A/R;
2. Have the companies commenced proceedings for the recovery of any of the \$827,199 in disputed A/R?
3. What is the breakdown of the \$3,188,892 of Purchaser Debt (as defined in the APA) between assigned TD debt and amounts owing under the MPSA's as of April 26;
4. Does the proposal trustee reasonably believe that the companies will be filing a proposal by May 17?

TONY VAN KLINK

Partner

Miller Thomson LLP

One London Place
255 Queens Avenue, Suite 2010
London, Ontario N6A 5R8

Direct Line: +1 519.931.3509

Cell: +1 519.636.7425

Fax: +1 519.858.8511

Email: tvanklink@millerthomson.com

millerthomson.com

View my [web page](#)



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Please consider the environment before printing this email.

From: Jeffrey Levine [<mailto:Jeffrey.Levine@mcmillan.ca>]

Sent: Wednesday, May 8, 2019 4:20 PM

To: harvey@chaitons.com; samr@chaitons.com; Diane.Winters@justice.gc.ca; Margaret.Bernat@bdc.ca; Twiffen@dicksonwright.com; Van Klink, Tony <tvanklink@millerthomson.com>; LCorne@dickson-wright.com; kevin.ohara@ontario.ca; kplunkett@airdberlis.com; twiffen@dicksonwright.com; Phoenix, Graham <gphoenix@loonix.com>; Lambert, Thomas <tlambert@loonix.com>; Cripaul, Lauren <lcripaul@loonix.com>; anna9093@nationalleasing.com

Cc: Tushara Weerasooriya <Tushara.Weerasooriya@mcmillan.ca>; jhendriks@farbergroup.com; anackan@farbergroup.com

Subject: **[**EXT**]** RE: Service of Motion Record of Donaldson & James and The Agency Employment Services Ltd. (rtbl May 15, 2019) – Court File Nos. 35-2466619 and 35-2466620

Good afternoon,

We attach the Third Report of the Proposal Trustee in connection with the Companies' motion returnable May 15, 2019.

Yours truly,


Jeffrey Levine*

Partner
d 416.865.7791
jeffrey.levine@mcmillan.ca

*Professional Corporation

Assistant: Mary Ottaviano | 416.865.7029 | mary.ottaviano@mcmillan.ca

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From: Cripaul, Lauren <lcripaul@loonix.com>
Sent: Monday, May 6, 2019 2:43 PM
To: harvey@chaitons.com; samr@chaitons.com; anackan@farbergroupp.com; jhendriks@farbergroupp.com; Diane.Winters@justice.gc.ca; Margaret.Bernat@bdc.ca; Twiffen@dicksonwright.com; tvanklink@millerthomson.com; L.Corne@dickson-wright.com
Cc: Phoenix, Graham <gphoenix@loonix.com>; Lambert, Thomas <tlambert@loonix.com>
Subject: RE: Service of Motion Record of Donaldson & James and The Agency Employment Services Ltd. (rtbl May 15, 2019) – Court File Nos. 35-2466619 and 35-2466620

Good afternoon,

Please find attached the Motion Record of Donaldson & James Ltd. and The Agency Employment Services Ltd., dated May 6, 2019, for a motion returnable May 15, 2019, in the matter of the intention to make a proposal of Donaldson & James Ltd. and The Agency Employment Services Ltd. These materials are served upon you pursuant to the *Bankruptcy and Insolvency Act*, the *Bankruptcy and Insolvency General Rules*, and the *Rules of Civil Procedure* (Ontario).

Should you require a hard-copy of the attached, please contact the undersigned. If you have any questions regarding these materials or the above-referenced motion, please contact R. Graham Phoenix at 416-748-4776 or at gphoenix@loonix.com or Thomas Lambert at 416-748-5145 or at tlambert@loonix.com.

Regards,

Lauren Cripaul

Legal Assistant/Law Clerk to Christopher Lee

Phone: 416.748.4157

Fax: 416.746.8319

lcripaul@loonix.com

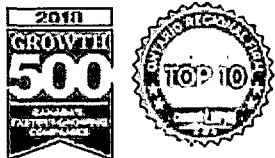


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Exhibit “I”

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Welcome to FundThrough

Meet the team of people making a massive difference for small business.



Our mission

FundThrough gives businesses the power to get paid on *their* terms.

We believe that eliminating the pain of payment terms is a necessary prerequisite to empowering businesses to live up to their true potential, and have therefore assembled a team of the world's most innovative minds to tackle this problem.

Our story

FundThrough was introduced to the world in 2014 when founders Steven Uster, Deepak Ramachandran, and Graham McBride came together to empower business owners across various industries to solve their biggest dilemma: getting paid on time.

Thanks to a team of incredibly bright and talented people (many who are themselves entrepreneurs), the power of modern technology, and a little bit of magic, FundThrough has since become the U.S. and Canada's fastest-growing working capital solution, allowing business owners to access funds tied in outstanding receivables in the click of a button.



Meet the founders



Steven Uster
Co-Founder & CEO



Deepak Ramachandran
Co-Founder & CTO



Graham McBride
Co-Founder

The values we live by



Innovation



**Open
and honest**



**Commitment
to excellence**



Teamwork



Initiative



Passion



**Fun
and food**

Exhibit “J”

**Graham McBride**

Independent Trustee of Centurion Financial Trust

Mr. McBride has been active in the North American investing community for 30 years. He is President of LarchHill Capital Inc., a private investing and consulting firm, and a Co-Founder of FundThrough Inc., a provider of working capital to small and mid-sized companies. Until 2010, he was a Managing Partner of VG Partners, joining to lead the growth and management of the VG MezzGrowth Group (mezzanine fund), with capital under management of \$300 million. His entire career has been spent in the Canadian mid-market, investing in, and advising entrepreneurs and their businesses. Prior to VG, Mr. McBride was a Managing Director of Royal Bank Capital Partners' Mezzanine Fund, establishing the firm as a presence in the mezzanine market. From 1996 to 2000, Mr. McBride was a Principal in the start-up of McKenna Gale Capital, focusing on mezzanine investments of \$7 to \$15 million in a diverse mix of mid-market companies. Graham was a primary transaction generator McKenna Gale, with responsibility for ongoing deal management and execution. From 1992 to 1996, Mr. McBride was a Vice President of Penfund Management Ltd., initially managing their troubled senior debt portfolio and subsequently joining Penfund's equity investment team. From 1989 to 1992, he worked with the Central Capital Group of Companies, structuring investments of senior debt, subordinated debt and equity on their behalf, after beginning his career in the Commercial Lending Division of the TD Bank. Mr. McBride has been a director of numerous companies and continues to be an active director of several businesses, including Donaldson & James Ltd. and AME Learning Inc., and is on the Board of Advisors of triOS Colleges Inc. He also works closely with several charities and non-profits, including sitting on the Investment Committee of the Toronto Atmospheric Fund. Mr. McBride has a Bachelor of Commerce (Honours) degree from Queen's University.

IN THE MATTER OF NOTICES OF INTENTION TO MAKE A PROPOSAL OF
DONALDSON & JAMES LTD. AND THE AGENCY EMPLOYMENT SERVICES LTD.

Court File Nos. 35-2466619 and 35-2466620
Estate File Nos. 35-2466619 and 35-2466620

ONTARIO

**SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)
(COMMERCIAL LIST)**

Proceeding commenced at TORONTO

AFFIDAVIT

MILLER THOMSON LLP

One London Place
255 Queens Avenue, Suite 2010
London, ON Canada N6A 5R8

Tony Van Klink LSO#: 29008M
tvanklink@millerthomson.com
Tel: 519.931.3509
Fax: 519.858.8511

Lawyers for Lawyers for BDC Capital Inc.