

AMENDED AND RESTATED CREDIT AGREEMENT

made among

BADGER DAYLIGHTING LIMITED PARTNERSHIP,
as the Canadian Borrower

and

BADGER DAYLIGHTING CORP.,
as the US Borrower

and

THE TORONTO-DOMINION BANK,
and those other banks and financial institutions from time to time party hereto,
as Lenders

and

THE TORONTO-DOMINION BANK,
as Canadian Administrative Agent

and

TORONTO DOMINION (TEXAS) LLC,
as US Administrative Agent

and

THE TORONTO-DOMINION BANK,
as Collateral Agent

and

THE TORONTO-DOMINION BANK,
as Lead Arranger and Sole Bookrunner

DATED AS OF AUGUST 11, 2017

THIS AMENDED AND RESTATED CREDIT AGREEMENT is made as of the 11th day of August, 2017

AMONG:

BADGER DAYLIGHTING LIMITED PARTNERSHIP,
as the Canadian Borrower

- and -

BADGER DAYLIGHTING CORP.,
as the US Borrower

-and -

THE TORONTO-DOMINION BANK,
and those other banks and financial institutions from time to time party hereto,
as Lenders

- and -

THE TORONTO-DOMINION BANK,
as Canadian Administrative Agent

- and -

TORONTO DOMINION (TEXAS) LLC,
as US Administrative Agent

-and -

THE TORONTO-DOMINION BANK,
as Collateral Agent

-and -

THE TORONTO-DOMINION BANK,
as Lead Arranger and Sole Bookrunner

WHEREAS:

A. BDLP, the 2014 Guarantors, the 2014 Lenders, the Canadian Administrative Agent and the Collateral Agent are parties to the credit agreement dated as of January 24, 2014, as amended on April 30, 2014 and on July 22, 2014 (as so amended, the "**Prior Credit Agreement**"), pursuant to which the 2014 Lenders made the Prior Credit Facilities available to BDLP on the terms and subject to the conditions set forth in the Prior Credit Agreement.

B. The Toronto-Dominion Bank, New York Branch, HSBC Bank Canada and HSBC Bank USA, N.A. have each agreed to become a party to this Agreement as a Lender and to accept a Commitment hereunder, and the 2014 Lenders (other than Canadian Western Bank) have agreed to accept Commitments hereunder.

C. The US Administrative Agent has agreed to become a party to this Agreement and to accept the duties of an administrative agent in respect of the US Syndicated Facility as contemplated by this Agreement.

D. The parties hereto have agreed to amend and restate the Prior Credit Agreement on the terms and subject to the conditions set forth in this Agreement.

E. The Lenders desire the Canadian Administrative Agent to act on their behalf with regard to certain administrative matters in respect of the Canadian Syndicated Facility as contemplated by this Agreement.

F. The Lenders desire the US Administrative Agent to act on their behalf with regard to certain administrative matters in respect of the US Syndicated Facility contemplated by this Agreement.

G. The Administrative Agents and the Lenders desire the Collateral Agent to act on their behalf with regard to certain security matters as contemplated by this Agreement and the Intercreditor Agreement.

NOW THEREFORE, in consideration of the premises and the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

ARTICLE I **INTERPRETATION**

1.1 Definitions

In this Agreement, including the recitals and the Schedules hereto and in all notices given pursuant to this Agreement, unless something in the subject matter or context is inconsistent therewith, the following terms shall have the following meanings:

"2014 Guarantors" means, collectively, BDC and the Restricted Subsidiaries.

"2014 Lenders" means, collectively, The Toronto-Dominion Bank, The Bank of Nova Scotia and Canadian Western Bank.

"2014 Senior Secured Note Documents" means the 2014 Senior Secured Note Purchase Agreement, the 2014 Senior Secured Notes, the 2014 Senior Secured Note Guaranty, the 2014 Senior Secured Note Indemnity Agreement, the Intercreditor Agreement, and all other documents which create, evidence, establish or relate to the 2014 Senior Secured Notes.

"2014 Senior Secured Note Guaranty" means, collectively: (i) the multiparty guaranty dated as of January 24, 2014 made by the 2014 Guarantors in favour of the Noteholders, and (ii) all joinder agreements or other guaranties hereafter executed and delivered by any additional Restricted Subsidiaries from time to time in favour of the Noteholders; all of which guarantee payment and performance of the Note Obligations.

"2014 Senior Secured Note Indemnity Agreement" means the indemnity and contribution agreement dated as of January 24, 2014 made among the Credit Parties.

"2014 Senior Secured Note Maturity Date" means January 24, 2022.

"2014 Senior Secured Note Purchase Agreement" means the senior secured note purchase agreement dated as of January 24, 2014 made among BDLP, as issuer, BDL, as general partner of BDLP, and the Noteholders relating to the issuance and sale of the 2014 Senior Secured Notes.

"2014 Senior Secured Notes" means the US\$75,000,000 aggregate principal amount of 4.83% senior secured notes issued and sold by BDLP to the Noteholders subject to the provisions of the 2014 Senior Secured Note Purchase Agreement.

"Acceleration Notice" means a written notice delivered by the Administrative Agents to the Borrowers pursuant to Section 9.2 declaring the Credit Obligations outstanding hereunder to be due and payable.

"Accounting Change" means a material change in accounting principles required by the promulgation of any rule, regulation, pronouncement or opinion by the Canadian Institute of Chartered Accountants, and in all events includes changes resulting from the implementation of IFRS to the extent required or permitted by the Canadian Accounting Standards Board.

"Accounting Change Notice" means notice of an Accounting Change delivered by the Borrowers to the Administrative Agents as provided in Section 1.7(a).

"Additional Compensation" has the meaning ascribed thereto in Section 12.9(a).

"Administrative Agents" means, collectively, the Canadian Administrative Agent and the US Administrative Agent, and **"Administrative Agent"** means either of them as the context requires.

"Advance" means, as the context requires:

- (a) a borrowing by the Canadian Borrower by way of a Prime Rate Advance (including by way of Overdraft), a US Base Rate Advance (including by way of Overdraft), acceptance of a Bankers' Acceptance, a BA Equivalent Advance, a LIBOR Advance or a Letter of Credit Advance, including deemed Advances and Conversions, renewals and Rollovers of existing Advances, and
- (b) a borrowing by the US Borrower by way of a US Prime Rate Advance (including by way of Overdraft), a LIBOR Advance or a Letter of Credit Advance, including deemed Advances and Conversions, renewals and Rollovers of existing Advances.

"Affiliate" means any person which, directly or indirectly, controls, is controlled by or is under common control with another person, and for the purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" or "under common control") means the power to direct or cause the direction of the management and policies of any person, whether through the ownership of Securities or by contract or otherwise.

"Agreement", "hereof", "herein", "hereunder" or similar expressions mean this amended and restated credit agreement and any schedules attached hereto, as amended, supplemented, restated or replaced from time to time.

"AML Legislation" has the meaning ascribed thereto in Section 12.17.

"Ancillary Facilities" has the meaning ascribed thereto in Section 2.37.

"Anti-Corruption Laws" means all laws, rules and regulations of any jurisdiction applicable to the Credit Parties from time to time concerning or relating to bribery or corruption, including but not limited to, the *United Kingdom Bribery Act 2010* and the *U.S. Foreign Corrupt Practices Act of 1977*.

"Applicable Law" means, in relation to any person, transaction or event:

- (a) all applicable provisions of laws, statutes, rules, policies and regulations of any Governmental Authority in effect from time to time having force of law; and
- (b) all judgments, orders, awards, decrees, official directives, writs and injunctions all having force of law from time to time in effect of any Governmental Authority in an action, proceeding or matter in which the person is a party or by which it or its property is bound or having application to the transaction or event.

"Applicable Margin" means, at any time but subject to the adjustment referred to below, the percentage margin or rate per annum as set forth below based on the then applicable Funded Debt to EBITDA Ratio at such time:

Type of Advance	Funded Debt to EBITDA Ratio				
	Level 1	Level 2	Level 3	Level 4	Level 5
	< 1.00 : 1	≥ 1.00 : 1 but < 1.50 : 1	≥ 1.50 : 1 but < 2.00 : 1	≥ 2.00 : 1 but < 2.50 : 1	≥ 2.50 : 1
Prime Rate	[%]	[%]	[%]	[%]	[%]
US Base Rate	[%]	[%]	[%]	[%]	[%]
US Prime Rate	[%]	[%]	[%]	[%]	[%]
BA Rate	[%]	[%]	[%]	[%]	[%]
LIBOR Rate	[%]	[%]	[%]	[%]	[%]
LC Rate	[%]	[%]	[%]	[%]	[%]
Commitment Fee Rate	[%]	[%]	[%]	[%]	[%]

[REDACTED: confidential information]

The Applicable Margin shall initially be set as if the Funded Debt to EBITDA Ratio was at Level 1, and shall thereafter be recalculated and reset based on the annual and quarterly consolidated Financial Statements of BDL.

For the purposes of this definition, the Funded Debt to EBITDA Ratio shall be calculated by the Borrowers and reported to the Administrative Agents in the Compliance Certificate provided by the Borrowers from time to time in respect of the applicable Fiscal Quarter end or Fiscal Year end in accordance with Section 8.3(c). The Lenders shall be entitled to rely on such calculation, and the Applicable Margin so determined other than in respect of the BA Rate for then outstanding BA Advances and the LIBOR Rate for then outstanding LIBOR Advances shall be applied from and after the third Business Day following the receipt by the Administrative Agents of the Borrowers' Compliance Certificate, and in respect of the BA Rate for then outstanding BA Advances and the LIBOR Rate for then outstanding LIBOR Advances, shall be applied on the Rollover Date in connection with such BA Advances and LIBOR Advances; provided that (i) in the event that the Borrowers should fail to provide the Financial Statements and a Compliance Certificate in respect of the applicable Fiscal Quarter end or Fiscal Year end in accordance with Section 8.3(c) setting out the Funded Debt to EBITDA Ratio as and when required, then from and after the third Business Day following the date on which the Borrowers were required to have provided such Compliance Certificate, the Applicable Margin in all cases shall automatically be determined as if the Funded Debt to EBITDA Ratio was at Level 5, and such deemed determination shall be final for all purposes hereof; and (ii) the Lenders shall be entitled to disagree with the Borrowers' calculation from time to time and in the event of any discrepancy in calculating such ratio as

between the Borrowers, on the one hand, and the Lenders, on the other hand, the Lenders shall have the right to reassess and redetermine such ratio in their absolute discretion, acting reasonably.

"**Assignee**" has the meaning ascribed thereto in Section 11.2(a).

"**Assignment Agreement**" means an agreement in the form of Schedule "F" attached hereto.

"**BA Advance**" means an Advance made by way of a Bankers' Acceptance.

"**BA Discount Proceeds**" means the net cash proceeds resulting from the purchase by the Lenders of Bankers' Acceptances in accordance with Section 2.23, before deduction or payment of any BA Fee payable in respect thereof to the Lenders.

"**BA Discount Rate**" means:

- (a) with respect to Bankers' Acceptances accepted by a BA Lender that is a bank under Schedule I of the *Bank Act* (Canada), the CDOR Rate, and
- (b) with respect to Bankers' Acceptances accepted by a BA Lender that is not a bank under Schedule I of the *Bank Act* (Canada), the lesser of: (i) the CDOR Rate plus 10 basis points, and (ii) that BA Lender's discount rate (expressed to five decimal places) as quoted to the Canadian Administrative Agent; provided that if such BA Lender (as at approximately 10:00 a.m. (Toronto time) on such day) does not furnish a timely quotation, the Canadian Administrative Agent shall determine the relevant discount rate on the basis of the CDOR Rate only, which determination by the Canadian Administrative Agent shall be conclusive and binding, absent manifest error.

"**BA Equivalent Advance**" has the meaning ascribed thereto in Section 2.23(b).

"**BA Fee**" means the amount calculated by multiplying the Face Amount of a Bankers' Acceptance by the applicable BA Rate, and then multiplying the result by a fraction, the numerator of which is the number of days to elapse from and including the date of acceptance of such Bankers' Acceptance by the Lender up to but excluding the maturity date of such Bankers' Acceptance, and the denominator of which is 365.

"**BA Interest Period**" has the meaning ascribed thereto in Section 2.22.

"**BA Lender**" means any Lender which is a bank named on Schedule I, Schedule II or Schedule III to the *Bank Act* (Canada) and which stamps and accepts Bankers' Acceptances.

"**BA Rate**" means, from time to time in respect of a BA Advance or a BA Equivalent Advance, the applicable percentage rate per annum for the applicable Funded Debt to EBITDA Ratio beside the reference to "BA Rate" in the table to the definition of "Applicable Margin".

"**Bank Products**" means any facilities or services related to cash management, including treasury, depository, overdraft, credit or debit card, purchase card, electronic funds transfer, cash pooling and other cash management arrangements and commercial credit card and merchant card services provided to the Borrowers by any Lender or the Affiliate of any Lender.

"**Bank Product Obligations**" means all indebtedness, liabilities or obligations arising under or in connection with Bank Products.

"**Bankers' Acceptance**" means a non-interest bearing Draft in Canadian Dollars drawn by the Canadian Borrower and accepted by a BA Lender, and issued for value pursuant to this Agreement.

"**BDC**" means Badger Daylighting Corp., a Nevada corporation.

"**BDFM**" means Badger Daylighting (Fort McMurray) Inc., an Alberta corporation.

"**BDL**" means Badger Daylighting Ltd., an Alberta corporation.

"**BDLP**" means Badger Daylighting Limited Partnership, a limited partnership formed under the laws of the Province of Alberta.

"**BDUS**" means Badger Daylighting USA, Inc., an Indiana corporation.

"**BLLC**" means Badger, LLC, an Indiana limited liability corporation.

"**Borrowers**" means, collectively, the Canadian Borrower and the US Borrower, and "**Borrower**" means either of them as the context requires.

"**Borrower's Account**" means, as the context requires:

- (a) in respect of any Advance or payment under the Canadian Swingline Facility, the account or accounts maintained by the Canadian Borrower with the Canadian Swingline Lender that the Canadian Borrower designates as such; and
- (b) in respect of any Advance or payment under the US Swingline Facility, the account or accounts maintained by the US Borrower with the US Swingline Lender that the US Borrower designates as such.

"**Borrowers' Counsel**" means Norton Rose Fulbright Canada LLP and such other firms of solicitors qualified to practice law in each applicable Relevant Jurisdiction acceptable to the Administrative Agents, acting reasonably, as the Borrowers may from time to time designate.

"**bps**" or "**basis point**" means one one-hundredth of one percent.

"**BULC**" means Badger ULC, an Alberta unlimited liability corporation.

"**Business Day**" means a day other than a Saturday, Sunday or statutory holiday on which banking institutions are open for business in Calgary, Alberta and Toronto, Ontario, and in respect of any payments made hereunder in US Dollars, a day on which banking institutions are also open for business in New York, NY.

"**Canadian Administrative Agent**" means The Toronto-Dominion Bank, in its capacity as administrative agent for the Lenders in respect of the Canadian Syndicated Facility, and its successors in such capacity.

"**Canadian Agent's Account**" means, as the context requires, the applicable account maintained by the Canadian Administrative Agent in Canadian Dollars or in US Dollars to which payments and transfers to the Canadian Administrative Agent are to be effected:

- (a) for Cdn Dollars: [REDACTED]
- (b) for US Dollars: [REDACTED]

"**Canadian Borrower**" means BDLP, in its capacity as the Borrower under the Canadian Facilities, and its successors in such capacity.

"**Canadian Dollars**", "**Cdn Dollars**", "**Cdn\$**" and "**\$**" each mean lawful money of Canada.

"**Canadian Facilities**" means, collectively, the Canadian Swingline Facility and the Canadian Syndicated Facility.

"Canadian Facilities Limit" means \$50,000,000 (or the Equivalent Amount in US Dollars).

"Canadian LC Limit" means: (i) US \$4,000,000 (or the Equivalent Amount in Canadian Dollars), or (ii) such other higher or lower amount in US Dollars which results from a reallocation pursuant to Section 2.32(c).

"Canadian Swingline Facility" means the revolving credit facility made available by the Canadian Swingline Lender to the Canadian Borrower as more particularly described in Section 2.3.

"Canadian Swingline Lender" means The Toronto-Dominion Bank in respect of Advances made by it to the Canadian Borrower under the Canadian Swingline Facility, and its successors in such capacity.

"Canadian Swingline Limit" means \$10,000,000 (or the Equivalent Amount in US Dollars).

"Canadian Syndicated Facility" means the revolving syndicated credit facility made available by the applicable Lenders to the Canadian Borrower as more particularly described in Section 2.4.

"Canadian Syndicated Limit" means, at any time, the Canadian Facilities Limit minus the Canadian Swingline Limit.

"Capital Lease" means, with respect to any person, any lease or other arrangement relating to real or personal property which should, in accordance with GAAP, be required to be classified and accounted for as a capital lease on the consolidated balance sheet of such person and its subsidiaries, whether synthetic or otherwise, but excluding any lease that would in accordance with GAAP be determined to be an operating lease.

"CDOR Rate" means, on any day, the arithmetical average of the percentage discount rates (expressed to five decimal places, calculated on the basis of a year of 365 days) for Canadian Dollar bankers' acceptances in comparable amounts having an identical issue date and a comparable maturity date to the Bankers' Acceptances proposed to be issued by the Canadian Borrower which is quoted on the "Reuters' Screen CDOR Page" (as defined in the International Swaps and Derivatives Association, Inc. definitions, as modified and amended from time to time) for acceptances of Schedule I banks under the *Bank Act* (Canada) (or if such screen shall not be available any successor or similar service selected by the Canadian Administrative Agent) as at approximately 10:00 a.m. (Toronto time) on such day, or if such day is not a Business Day, then on the immediately preceding Business Day (as adjusted by the Canadian Administrative Agent in good faith after 10:00 a.m. (Toronto time) or as soon thereafter as practicable to reflect any error in a posted rate of interest or in the posted average annual rate of interest). Provided, however, in either means of calculation, if the rate so determined is less than zero, the CDOR Rate shall be deemed to be zero. Each determination of the CDOR Rate shall be conclusive and binding, absent manifest error, and be computed using any reasonable averaging and attribution method.

"Change of Control" has the meaning ascribed thereto in Section 9.1(k).

"Code" means the *United States Internal Revenue Code of 1986*, as amended from time to time, and the rules and regulations promulgated thereunder from time to time.

"Collateral Agent" means The Toronto-Dominion Bank, in its capacity as security and collateral agent for the Secured Creditors, and its successors in such capacity.

"Commitment" means, in respect of each Lender from time to time, the maximum amount of Advances that such Lender has agreed to make at that time as set out opposite its name in Schedule "A" to this Agreement (which shall be amended and distributed to all parties by the Administrative Agents from time to time as other persons become Lenders or the Commitments of current or future Lenders are hereafter assigned, modified, cancelled, reduced, increased or otherwise changed pursuant to the provisions of this Agreement).

"Commitment Fee Rate" means, from time to time in respect of the payment of commitment fees pursuant to Section 4.8, the applicable percentage rate per annum for the applicable Funded Debt to EBITDA Ratio beside the reference to "Commitment Fee Rate" in the table to the definition of "Applicable Margin".

"Compliance Certificate" means a certificate of a Responsible Officer of the General Partner of BDLP and a Responsible Officer of BDC required from time to time pursuant to Section 8.3(c), the form of which is attached hereto as Schedule "B".

"Consolidated Interest Coverage Ratio" means, in respect of BDL on a consolidated basis as at the end of any Fiscal Quarter, the ratio of: (i) EBITDA to (ii) Interest Expense.

"Consolidated Tangible Assets" means the Tangible Assets of BDL and its Subsidiaries on a consolidated basis, all as determined in accordance with GAAP.

"Constating Documents" means: (i) with respect to a corporation, its articles of incorporation, amalgamation or continuance or other similar documents and its by-laws, and (ii) with respect to any other person which is not a natural person, the organization and governance documents of such person; in each case as amended, supplemented, restated or replaced from time to time.

"Contributing Lender" has the meaning ascribed thereto in Section 10.5(b).

"Conversion" means a conversion or deemed conversion of one type of Advance into another type of Advance pursuant to this Agreement, and **"converted"** and **"convert"** have corresponding meanings.

"Conversion Date" means a Business Day on which a Conversion is to be made pursuant to a Conversion Notice.

"Conversion Notice" means a notice issued by the applicable Borrower to the applicable Administrative Agent or applicable Swingline Lender requesting a Conversion, substantially in the form of Schedule "C" attached hereto.

"Credit Documents" means this Agreement, the Security Documents, each Bankers' Acceptance, each Letter of Credit, and all other certificates, instruments, notices and documents delivered or to be delivered pursuant to this Agreement for the benefit of the Administrative Agents and the Lenders, in each case, as supplemented, amended, restated or replaced from time to time.

"Credit Facilities" means, collectively, the Swingline Facilities, the Syndicated Facilities and the Ancillary Facilities.

"Credit Obligations" means, at any time, all of the present and future indebtedness, liabilities and obligations, whether direct or indirect, absolute or contingent, matured or unmatured, of the Credit Parties owing to the Administrative Agents, the Lenders and the Swap Lenders under, pursuant to or in connection with: (i) this Agreement and the other Credit Documents, including Bank Product Obligations, and (ii) Financial Instrument Obligations under Eligible Swaps.

"Credit Parties" means, collectively, the Borrowers and the Restricted Subsidiaries, and **"Credit Party"** means any of them as the context requires.

"Creditor Proceedings" means any dissolution, winding up, total or partial liquidation, plan of arrangement, receivership, insolvency, proposal, bankruptcy or compromise under Insolvency Legislation, including a reorganization under section 192 of the *Business Corporations Act* (Alberta) or the equivalent provisions of any other applicable corporate law, or any general assignment for the benefit of creditors or similar proceedings offered with respect to any Credit Party, or their respective properties or liabilities.

"Currency Swap" means any transaction, arrangement or agreement entered into between a Borrower and a counterparty, on a case by case basis, including a foreign exchange futures contract, a currency option, a currency swap, a currency exchange or other similar currency-related transaction, the purpose of which is to manage, mitigate or eliminate its exposure to fluctuations in currency exchange rates.

"DBNA" means the *Depository Bills and Notes Act* (Canada), as amended from time to time.

"Debt" means, with respect to any person, all obligations, indebtedness and liabilities of such person which would, in accordance with GAAP, be classified on a consolidated balance sheet as liabilities and, whether or not so classified, shall include (without duplication and on a consolidated basis):

- (a) money borrowed, or indebtedness represented by notes payable, drafts accepted, debentures or other evidences of indebtedness (including zero coupon bonds) representing extensions of credit;
- (b) the stated amount of all letters of credit, letters of guarantee and surety bonds, in each case, supporting amounts which would otherwise constitute Debt within the meaning of this definition;
- (c) Financial Instrument Obligations;
- (d) all obligations upon which interest charges are customarily paid or payable prior to payment of the principal amount of such obligations in accordance with the terms of such obligations;
- (e) customer deposits for or in respect of the purchase by customers of such person of any property, assets or undertaking;
- (f) all obligations in respect of the deferred purchase or acquisition price of Property or services (excluding such obligations in respect of true leases) in excess of ninety (90) days;
- (g) all principal obligations as lessee under (i) sale and leaseback transactions and (ii) Capital Leases or any other leases which would in accordance with GAAP be construed as financing leases;
- (h) all redemption obligations with respect to any Securities which are by their terms or pursuant to any agreement or arrangement (i) redeemable, retractable, payable or required to be purchased or otherwise retired or extinguished, or convertible into debt of such person (A) at a fixed or determinable date, (B) at the option of any holder thereof, or (C) upon the occurrence of a condition not solely within the control or discretion of such person, or (ii) convertible into any other Securities described in paragraph (h)(i) above; and
- (i) any guarantee or indemnity (other than by endorsement of negotiable instruments for collection or deposit in the ordinary course of business) in any manner of any part or all of an obligation included in paragraphs (a) through (h) above.

For greater certainty, and notwithstanding anything to the contrary in the foregoing paragraphs of this definition, in respect of BDL and its Subsidiaries on a consolidated basis, Debt shall exclude: (i) trade payables and accrued liabilities in the ordinary course of business, provided that such liabilities are classified as current liabilities on the Financial Statements of BDL, (ii) taxes payable, and (iii) current and long-term asset retirement obligations.

"Default" means any event or condition which, with the giving of notice, lapse of time or upon a declaration or determination being made (or any combination thereof), would constitute an Event of Default.

"Defaulting Lender" has the meaning ascribed thereto in Section 10.5(b).

"Distribution" means:

- (a) any declaration or payment of any dividend, royalty or fee directly or indirectly to any holder of Securities of any person;
- (b) any redemption, retraction, repurchase or other acquisition or retirement, in whole or in part, of any Securities of any person;
- (c) any payment by a person of any amount of principal or other amounts (but excluding scheduled payments of interest) in respect of any Debt which is owed to any Affiliate of any person;
- (d) any loan or advance which is made by a person to or in favour of a holder of Securities in such person or an Affiliate of such holder; or
- (e) the transfer by a person of any of its property or assets for consideration of less than fair market value thereof, to any of its Affiliates,

whether any of the foregoing is made, paid or satisfied in or for cash, property or both.

"Draft" means, in relation to a Bankers' Acceptance, a depository bill within the meaning of the DBNA in the form required by a BA Lender, drawn by the Canadian Borrower in connection with a BA Advance.

"Drawdown Date" means the date, which shall be a Business Day, of any Advance other than a Rollover or Conversion.

"Drawdown Notice" means a notice issued by the applicable Borrower to the applicable Administrative Agent or the applicable Swingline Lender requesting an Advance other than by way of a Conversion or a Rollover, substantially in the form of Schedule "C" attached hereto.

"EBITDA" means, with respect to BDL and its Subsidiaries for any period of determination, the consolidated net income for such period determined in accordance with GAAP before deduction of interest, taxes, depreciation and amortization; provided that: (i) if any person (or the assets of any person) is acquired by BDL or any of its Subsidiaries at any time during the relevant period of determination and if the acquired person is a new Restricted Subsidiary (or if the assets are acquired by a Restricted Subsidiary or by a person which becomes a Restricted Subsidiary immediately after consummation of such acquisition), then for the purposes of Section 8.2(a) only, such acquisition shall be deemed to have been made on the first day of such period of determination, provided that the results of operations of such acquired person or assets shall be included in the calculation of EBITDA only if based on audited financial statements or financial statements that are satisfactory to the Majority Lenders; or (ii) if any person (or the assets of any person) is divested by BDL or any of its Subsidiaries at any time during the relevant period of determination and if the divested person (or the person which divested its assets) is a Restricted Subsidiary, then for the purposes of Section 8.2(a) only, such divestiture shall be deemed to have been made on the first day of such period of determination. For greater certainty, EBITDA shall be calculated without reduction for any Distributions made during such period.

"Effective Date" means the day on which the conditions precedent set forth in Section 6.1 have been satisfied or waived.

"Eligible Swaps" means those Financial Instruments which are entered into by a Borrower and any Swap Lender, as applicable.

"Eligible Swap Indebtedness" means all Financial Instrument Obligations of a Borrower to a Swap Lender under an Eligible Swap.

"Enforcement Notice" has the meaning ascribed thereto in Section 9.4.

"Environmental Law" means all Applicable Law which pertains to public health or safety, the protection or enhancement of the environment or pursuant to which Environmental Liabilities would arise or have arisen, including relating to a Release or threatened Release of any Hazardous Material or the generation, use, storage or transportation of any Hazardous Material, and including any condition, restriction, prohibition or requirement contained in any Applicable Law.

"Environmental Liabilities" means any and all liabilities and obligations for any Release, any environmental damage to, any contamination of, or any other environmental problem caused to, any person, property or the environment as a result of any Release, whether or not caused by a breach of Environmental Law, including all liabilities and obligations arising from or related to any surface, underground, air, groundwater or surface water contamination; the abandonment or plugging of any well; restorations and reclamations; the removal of or failure to remove any foundations, structures or equipment; the cleaning up or reclamation of storage sites; any Release; the violation of pollution standards; and personal injury (including sickness, disease or death) and property damage arising from any of the foregoing.

"Equivalent Amount" in one currency (the **"First Currency"**) of an amount in another currency (the **"Other Currency"**) means, as of the date of determination, the amount of the First Currency which would be required to purchase such amount of the Other Currency at the daily average exchange rate quoted by the Bank of Canada at approximately the close of business on the Business Day immediately preceding such date of determination or, if such date of determination is not a Business Day, on the Business Day immediately preceding such date of determination, or at such other rate as may have been agreed to by the applicable Borrower and the applicable Administrative Agent or the applicable Swingline Lender.

"Event of Default" means any of the events or circumstances specified in Section 9.1.

"Excluded Taxes" means, with respect to the applicable Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of the Borrowers hereunder,

- (a) Taxes imposed on or measured by its overall net income, net profits, or branch profits (however denominated), and franchise (and similar) Taxes imposed on it (in lieu of net income Taxes), in each case by a jurisdiction (including any political subdivision thereof) as a result of such recipient being organized in, having its principal office in, or in the case of any Lender, having its applicable lending office in, such jurisdiction, or as a result of any other present or former connection with such jurisdiction (other than any such connection arising solely from such recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Credit Document, or sold or assigned an interest in any Advance or Credit Document);
- (b) any branch profits taxes or any similar tax imposed by any other jurisdiction in which the applicable Borrower is located or otherwise has a physical presence or some present or former connection;
- (c) any withholding tax that is imposed on amounts payable to a Lender at the time such Lender becomes a Lender hereunder except to the extent that such Lender was entitled at the time of assignment to receive additional amounts from a Credit Party with respect to such withholding tax pursuant to Section 12.8;
- (d) any U.S. federal withholding taxes imposed under FATCA, and any Taxes or penalties arising from a Lender's failure to properly comply with such Lender's obligations imposed under Part XVIII of the *Income Tax Act* (Canada);
- (e) any Taxes that are attributable to a Lender's failure or inability to comply with Section 12.20 or the similar provisions of legislation of any other jurisdiction that has entered into an agreement with the United States of America to provide for the implementation of FATCA-based reporting in that jurisdiction;

- (f) any withholding taxes payable as a result of a Lender not dealing at arm's length with BDL or a Credit Party within the meaning of the *Income Tax Act* (Canada);
- (g) Taxes payable as a result of a Lender being a specified non-resident shareholder of BDL or a Credit Party or a non-resident person who does not deal at arm's length with a specified shareholder of BDL or a Credit Party, both for the purposes of subsection 18(5) of the *Income Tax Act* (Canada);
- (h) any combination of clauses (a) through (g) above.

"Existing Letters of Credit" means all Letters of Credit issued by the "Swingline Lender" (as defined in the Prior Credit Agreement) at the request of BDLP pursuant to the Prior Credit Agreement and which remain outstanding on the Effective Date, the particulars of which are set out in Schedule "G" attached hereto.

"Existing Security" means the following documents previously executed and delivered by the Credit Parties to the Collateral Agent pursuant to the Prior Credit Agreement:

- (a) fixed and floating charge demand debenture dated as of January 24, 2014, in the principal amount of \$250,000,000, made by BDLP in favour of the Collateral Agent, with debenture pledge agreement of the same date;
- (b) fixed and floating charge demand debenture dated as of January 24, 2014, in the principal amount of \$250,000,000, made by BDL in favour of the Collateral Agent, with debenture pledge agreement of the same date;
- (c) fixed and floating charge demand debenture dated as of January 24, 2014, in the principal amount of \$250,000,000, made by BDFM in favour of the Collateral Agent, with debenture pledge agreement of the same date;
- (d) fixed and floating charge demand debenture dated as of January 24, 2014, in the principal amount of \$250,000,000, made by BULC in favour of the Collateral Agent, with debenture pledge agreement of the same date;
- (e) fixed and floating charge demand debenture dated as of January 24, 2014, in the principal amount of \$250,000,000, made by Fieldtek in favour of the Collateral Agent, with debenture pledge agreement of the same date;
- (f) security agreement dated as of January 24, 2014, made by BDUS, BDC and BLLC in favour of the Collateral Agent;
- (g) grant of security interest (trademarks, service marks and trade names) dated as of January 24, 2014, made by BDC in favour of the Collateral Agent;
- (h) pledge agreement dated as of January 24, 2014, made by BDL, BDUS and BULC in favour of the Collateral Agent, with respect to the "Pledged Equity" (as defined therein) held by each pledgor in certain subsidiaries;
- (i) pledge agreement dated as of January 24, 2014, made by BDUS in favour of the Collateral Agent, with respect to the "Pledged Securities" (as defined therein) held by BDUS in BULC; and
- (j) assignment of insurance dated as of January 24, 2014, made by BDLP and the 2014 Guarantors in favour of the Collateral Agent.

"Face Amount" means: (i) in respect of a Bankers' Acceptance, the amount payable to the holder thereof on its maturity, (ii) in respect of a Notional Bankers' Acceptance, the amount payable to the Non BA Lender under the BA Equivalent Advance represented thereby on the maturity thereof, and (iii) in respect of a Letter of Credit, the maximum amount which the applicable Swingline Lender is contingently liable to pay to the beneficiary thereof.

"FATCA" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Code as of the date of this Agreement (or any amended or successor version described above), and any intergovernmental agreements (or related legislation or official administrative rules or practices) entered into in connection with such sections of the Code and any law, regulation or rule implementing any such intergovernmental agreement.

"Federal Funds Rate" means, for any day, the rate calculated by the Federal Reserve Bank of New York, based on such day's federal funds transactions by depository institutions, as determined in such manner as the Federal Reserve Bank of New York shall set forth on its public website from time to time and as published on the next succeeding Business Day by the Federal Reserve Bank of New York as the federal funds effective rate, or, if such day is not a Business Day, such rate for the immediately preceding Business Day for which the same is published or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day on such transactions received by the US Administrative Agent from three Federal funds brokers of recognized standing selected by the US Administrative Agent, acting reasonably; provided that if the Federal Funds Rate as determined above is less than zero, then the Federal Funds Rate shall be deemed to be zero.

"Fieldtek" means Fieldtek Ltd., an Alberta corporation.

"Financial Covenants" means the financial covenants set out in Section 8.2.

"Financial Instrument" means any Currency Swap or Interest Swap.

"Financial Instrument Obligations" means all indebtedness, liabilities or obligations (including negative mark-to-market on Swaps) arising under Financial Instruments entered into by the applicable Borrower to the extent of the net amount due or accruing due by the applicable Borrower thereunder.

"Financial Statements" means the consolidated financial statements of BDL as at a specified date and for the period then ended, including a balance sheet, statement of income and retained earnings, statement of cash flows and application of funds, together with comparative figures in each case (where a comparative period on an earlier statement exists), all prepared, maintained and stated in accordance with GAAP applied consistently, except in the case of the quarterly financial statements the inclusion of any notes thereto.

"Fiscal Quarter" means, in respect of any person, the three month period commencing on the first day of each Fiscal Year and each successive three month period thereafter during such Fiscal Year.

"Fiscal Year" means, in respect of any person, its fiscal year commencing on January 1 of each year and ending on December 31 of such year.

"Funded Debt" means, at any time of determination and with respect to BDL and its Subsidiaries on a consolidated basis, all Debt (net of cash deposited by the Credit Parties with the Swingline Lenders, the Administrative Agents or any Lender at the time of determination, but only to the extent that the aggregate amount of such deposited cash does not exceed \$10,000,000). For greater certainty, obligations (whether contingent or not) under guarantees of Funded Debt shall be considered to be Funded Debt.

"Funded Debt to EBITDA Ratio" means, at any time in respect of BDL on a consolidated basis, the ratio of: (i) the aggregate of Funded Debt at the end of the most recently completed Fiscal Quarter, to (ii) the aggregate EBITDA for the four most recently completed Fiscal Quarters.

"GAAP" means generally accepted accounting principles consistently applied which are in effect from time to time in Canada, as published in the Handbook of the Canadian Institute of Chartered Accountants, or any successor body thereto.

"General Partner" means BDL, acting in its capacity as the general partner of BDLP, and any successor thereto acting in such capacity.

"Governmental Authority" means:

- (a) any government, parliament or legislature, any regulatory or administrative authority, agency, commission or board and any other statute, rule or regulation making entity having jurisdiction in the relevant circumstances,
- (b) any person acting within and under the authority of any of the foregoing or under a statute, rule or regulation thereof, and
- (c) any judicial, administrative or arbitral court, authority, tribunal or commission having jurisdiction in the relevant circumstances.

"Guarantee" means any undertaking to assume, guarantee, indemnify, endorse (other than the routine endorsement of cheques in the ordinary course of business), contingently agree to purchase or to provide funds for the payment of, or otherwise become liable in respect of, any indebtedness of any person; provided that the amount of each guarantee shall be deemed to be the amount of the indebtedness guaranteed thereby unless the guarantee is limited to a specified amount as to realization exclusively on specified assets in which case the amount of such guarantee shall be deemed to be the lesser of such specified amount or the fair market value of such specified assets, as the case may be, or the amount of such indebtedness.

"Hazardous Material" means any substance or mixture of substances, or any pollutant or contaminant, toxic or dangerous waste, or hazardous material, as defined in or regulated by any Environmental Law, from time to time, that if Released to the environment would reasonably be expected to cause, immediately or at some future time, harm or damage to or impairment of the environment, or any risk to human health or safety or property.

"Hostile Acquisition" means an unsolicited acquisition of the Securities of any person that are publicly traded, or otherwise to facilitate, assist or participate in an acquisition of the Securities of any person that are publicly traded, where the board of directors or equivalent of such person has not approved such acquisition nor recommended the approval of such acquisition to the holders of such Securities.

"IFRS" means International Financial Reporting Standards adopted by the International Accounting Standards Board from time to time and subject to such modifications thereto as are agreed to by the Canadian Institute of Chartered Accountants, or any successor body thereto.

"Indemnified Taxes" means Taxes other than Excluded Taxes.

"Insolvency Default" means an Event of Default described in Sections 9.1(e) or (f).

"Insolvency Legislation" means legislation in any applicable jurisdiction relating to reorganization, compromise or re-adjustment of debt, dissolution or winding-up, or any similar legislation, and specifically includes for greater certainty, the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Winding-Up and Restructuring Act* (Canada) and any applicable corporations or company legislation.

"Intercreditor Agreement" means the intercreditor and collateral agency agreement dated as of January 24, 2014, made among, *inter alios*, the 2014 Lenders, the Noteholders, the Credit Parties, the Canadian Administrative Agent and the Collateral Agent, as amended, supplemented, restated or replaced from time to time.

"Interest Expense" means, with respect to BDL and its Subsidiaries for any period, without duplication, interest expense calculated on a consolidated basis in accordance with GAAP as the same would be set forth or reflected in a consolidated statement of earnings of BDL and its Subsidiaries and, in any event and without limitation, shall include:

- (a) all interest accrued, paid or payable in respect of such period;
- (b) all fees (including standby, letter of credit, guarantee, commitment and bankers' acceptance fees) accrued or payable in respect of such period and which relate to any Debt, prorated (as required) over such period;
- (c) any difference between the face amount and the discount proceeds of any bankers' acceptances issued by such person and other obligations issued at a discount, prorated (as required) over such period;
- (d) the interest component of Capital Lease obligations and any other financing lease obligations (whether a synthetic lease or otherwise and whether categorized as a true lease or a financing lease for income tax purposes) accrued or payable in respect of such period; and
- (e) all net amounts charged or credited to interest expense under any Interest Swap in respect of such period.

"Interest Payment Date" means, with respect to Prime Rate Advances, US Base Rate Advances and US Prime Rate Advances, the third Business Day of each calendar month.

"Interest Swap" means any transaction, arrangement or agreement entered into between a Borrower and a counterparty, on a case by case basis, including a futures contract, an interest rate swap, an interest rate option, a cap transaction, a floor transaction, a collar transaction or other similar interest-related transaction, the purpose of which is to manage, mitigate or eliminate its exposure to fluctuations in interest rates.

"ISDA Master Agreement" means the 1992/2002 International Swaps and Derivatives Association, Inc. Master Agreement (Multi Currency-Cross-Border) as from time to time amended, restated or replaced by the International Swaps and Derivatives Association, Inc., and where the context permits or requires, including all schedules, supplements, annexes and confirmations attached thereto or incorporated therein (including any credit support annex) entered into by a Borrower with any counterparty.

"LC Fee" means, at any time in respect of each Letter of Credit issued hereunder, a fee calculated in respect of the Face Amount thereof on the basis of a 365 day year, for the period from the date of issue thereof to the expiry date thereof at a rate per annum equal to the LC Rate.

"LC Rate" means, from time to time in respect of a Letter of Credit Advance, the applicable percentage rate per annum for the applicable Funded Debt to EBITDA Ratio indicated beside the reference to "LC Rate" in the table to the definition of "Applicable Margin".

"Lenders" means, collectively, The Toronto-Dominion Bank and any other banks and financial institutions who from time to time become party to this Agreement and have a Commitment hereunder as set out in Schedule "A" attached hereto, as such Schedule may hereafter be amended from time to time, and each of their respective successors and assigns, and **"Lender"** means any of them as the context requires.

"Lenders' Counsel" means Dentons Canada LLP, and/or such other firm of solicitors as the Administrative Agents may from time to time designate.

"Letter of Credit" means a documentary letter of credit, standby letter of credit or letter of guarantee (in a form acceptable to a Swingline Lender) in Canadian Dollars or US Dollars.

"Letter of Credit Advance" means an Advance by a Swingline Lender pursuant to this Agreement by the issuance of a Letter of Credit at the request and for the account of the applicable Borrower.

"LIBOR Advance" means an Advance in US Dollars bearing interest in accordance with Section 4.4.

"LIBOR Interest Period" means the period selected by a Borrower for a LIBOR Advance which shall be one, two, three or six months commencing on the Drawdown Date, the Rollover Date or the Conversion Date of such Advance, as applicable, provided that:

- (a) the case of a Rollover, the last day of each LIBOR Period shall also be the first day of the next LIBOR Period;
- (b) the last day of each LIBOR Period shall be a Business Day and, if not, the applicable Borrower shall be deemed to have selected a LIBOR Period the last day of which is the first Business Day following the last day of the LIBOR Period selected by the Borrower; and
- (c) the last day of each LIBOR Period shall be on or prior to the Maturity Date.

"LIBOR Rate" means, for any LIBOR Interest Period with respect to any LIBOR Advance:

- (a) the rate of interest per annum, expressed on the basis of a year of 360 days, determined by the applicable Administrative Agent, which is equal to the offered rate that appears on the page of the Reuters LIBOR01 screen (or any successor thereto as may be selected by the Administrative Agent) that displays an average ICE Benchmark Administration Limited (or its successor) Interest Settlement Rate for deposits in US Dollars with a term equivalent to such LIBOR Interest Period, determined as of approximately 11:00 a.m. (London time) two (2) Business Days prior to the first day of such LIBOR Interest Period, or
- (b) if the rates referenced in the preceding subsection (a) are not available, the rate per annum determined by the applicable Administrative Agent as the rate of interest, expressed on a basis of 360 days, at which deposits in US Dollars for delivery on the first day of such LIBOR Interest Period in same day funds in the approximate amount of the LIBOR Advance being made, continued or converted by the Administrative Agent and with a term and amount comparable to such LIBOR Interest Period and principal amount of such LIBOR Advance as would be offered by the Administrative Agent's London branch to major banks in the London interbank market at their request at approximately 11:00 a.m. (London time) two (2) Business Days prior to the first day of such LIBOR Interest Period;

and in either case, plus the applicable percentage rate per annum for the applicable Funded Debt to EBITDA Ratio indicated beside the reference to "LIBOR Rate" in the definition of "Applicable Margin"; provided that if the LIBOR Rate as determined above is less than zero, then the LIBOR Rate shall be deemed to be zero.

"Majority Lenders" means:

- (a) when there are less than three (3) Lenders, all of the Lenders; and
- (b) when there are three (3) or more Lenders, those Lenders holding, in the aggregate, a minimum of two-thirds (66⅔%) of the Total Commitment.

"Majority Secured Creditors" has the meaning ascribed thereto in the Intercreditor Agreement.

"Material Adverse Effect" means any matter, event or circumstance that individually or in the aggregate could reasonably be expected to have a material adverse effect on:

- (a) the business, financial condition, operations, property, assets or undertaking of the Credit Parties (taken as a whole);
- (b) the ability of the Credit Parties to pay or perform their respective obligations under any Credit Documents or Eligible Swaps to which each is a party;
- (c) the validity or enforceability of this Agreement or any other Credit Document; or
- (d) the priority ranking of any of the Security Interests granted by the Security Documents or the rights or remedies intended or purported to be granted to the Collateral Agent pursuant to the Security Documents.

"Maturity Date" means the earliest to occur of: (i) 2:30 p.m. (Toronto time) on August 11, 2021, on which date the Outstanding Principal and accrued interest under the Credit Facilities is due without the giving of an Acceleration Notice, or (ii) that due date of all Credit Obligations resulting from the giving of an Acceleration Notice.

"Non BA Lender" means a Lender which is not permitted by Applicable Law to, or does not by its customary market practices, stamp or accept Bankers' Acceptances.

"Note Obligations" means all present and future indebtedness, liabilities and obligations of BDLP, BDC and the Restricted Subsidiaries arising pursuant to the 2014 Senior Secured Note Documents.

"Noteholders" means, collectively, the persons from time to time who become beneficial owners of the 2014 Senior Secured Notes, or any transferees of such persons.

"Notional Bankers' Acceptances" has the meaning ascribed thereto in Section 2.23(b).

"Outstanding Principal" means, at any time, the aggregate at such time of: (i) the principal amounts outstanding of all Prime Rate Advances (including by way of Overdraft), (ii) the Equivalent Amount in Cdn Dollars of the principal amounts outstanding of all US Base Rate Advances (including by way of Overdraft), US Prime Rate Advances (including by way of Overdraft), and LIBOR Advances, (iii) the Equivalent Amount in Cdn Dollars of the maximum undrawn amounts in respect of outstanding Letters of Credit, (iv) the Face Amount of all outstanding BA Advances and BA Equivalent Advances, and (v) the principal amount outstanding from time to time under any Ancillary Facilities.

"Overdraft" means an amount owing by the applicable Borrower to the applicable Swingline Lender from time to time in respect of account overdrafts resulting from the clearance of cheques or drafts drawn on, or transfer of funds from, the Borrower's Account in Cdn Dollars or US Dollars for such purpose, including without limitation, as a result of demand and payment in respect of any Letter of Credit.

"Participant" and **"Participation"** have the meanings ascribed thereto in Section 11.3.

"Partnership Agreement" means the limited partnership agreement dated as of March 31, 2004, relating to BDLP, as amended, supplemented, restated or replaced from time to time.

"Permitted Contest" means action taken by a Borrower for and on behalf of itself or any other Credit Party in good faith by appropriate proceedings diligently pursued to contest any taxes, claims or other Statutory Liens, or any Security Interests, provided that:

- (a) the Borrower has established reasonable reserves in respect thereof in accordance with GAAP;
- (b) proceeding with any such contest would not reasonably be expected to have a Material Adverse Effect; and
- (c) proceeding with any such contest would not reasonably be expected to create a material risk of sale, forfeiture or loss of, or interference with the use or operation of, a material portion of any Property of a Credit Party.

"Permitted Disposition" means, in respect of any Credit Party and subject to the restrictions in Section 8.8:

- (a) the sale, trade or other disposition of any tools, implements, equipment or machinery which may have become worn out, unserviceable, obsolete, unsuitable or unnecessary in operations;
- (b) the sale or other disposition of any Property (including inventory) made in the ordinary course of business;
- (c) the sale or other disposition of any properties, rights or interests by a Credit Party to another Credit Party; or
- (d) any other sale or disposition to which the Administrative Agents agree in writing.

"Permitted Encumbrances" means, as at any particular time, any of the following encumbrances on the property or any portion of the property of any Credit Party:

- (a) Statutory Liens in respect of any amount which is not at the time due or delinquent, or if due or delinquent, is then the subject of a Permitted Contest;
- (b) undetermined or inchoate Security Interests incidental to operations arising in the ordinary course of business which relate to obligations not due or delinquent and which have not at such time been filed pursuant to law and no other statutory proceedings have been taken to enforce the same, or if due or delinquent, are then the subject of a Permitted Contest;
- (c) Security Interests incurred or created in the ordinary course of business as security in favour of any other person which is conducting development or operation of the property to which such Security Interests relate for the obligations of such Credit Party in respect of the costs and expenses of such development or operation, which relate to such obligations not due or delinquent or to such obligations which are then the subject of a Permitted Contest;
- (d) the lien of any judgment rendered, or claim filed, against any Credit Party which is then the subject of a Permitted Contest;
- (e) Purchase Money Security Interests, Capital Leases and other encumbrances incurred in the normal course of business, provided that the amount secured thereby does not at any time in the aggregate exceed five percent (5%) of Consolidated Tangible Assets;
- (f) reservations, limitations, provisos and conditions expressed in any original grant of lands or interests therein from the Crown, and all statutory exceptions, qualifications and reservations in respect of title to such lands;
- (g) easements, rights-of-way, servitudes or other similar rights (including without limitation, rights-of-way and servitudes for railways, sewers, drains, pipe lines, gas and water mains, electric light and power and telephone or telegraph or cable television conduits, poles, wires

and cables) granted to or reserved or taken by other persons and other minor defects, encumbrances and restrictions which either alone or in the aggregate do not materially detract from the value of such land or materially impair its use;

- (h) Security Interests given to any public utility or any Governmental Authority when required by such public utility or Governmental Authority in the ordinary course of business, provided such Security Interests do not either alone or in the aggregate materially detract from the value of the property affected thereby or materially impair its use;
- (i) the right reserved to or vested in any Governmental Authority by the terms of any lease by any statutory provision to terminate any lease or to require payment of royalties as a condition of the continuance thereof;
- (j) Security Interests in favour of the Collateral Agent pursuant to any of the Credit Documents or the 2014 Senior Secured Note Documents;
- (k) any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Security Interest referred to in the preceding paragraphs (a) to (j) inclusive in this definition, so long as any such extension, renewal or replacement of such Security Interest is limited to all or any part of the same property that secured the Security Interest extended, renewed or replaced (plus any improvements on such property) and the principal amount of the indebtedness or obligation secured thereby is not increased, without the consent of the applicable Administrative Agent as required by this Agreement; or
- (l) all such other encumbrances as are specifically disclosed by notice in writing to the Collateral Agent, to the extent that the Collateral Agent acting on the instructions of the Majority Lenders as required by this Agreement, by specific notice in writing to the Borrowers, advises that the Collateral Agent agrees to accept such encumbrances as Permitted Encumbrances for the purposes of this Agreement.

"Permitted Indebtedness" means, without duplication:

- (a) all Debt of the Credit Parties to the Administrative Agents and the Lenders under this Agreement or under any other Credit Document, including for greater certainty, under the Swingline Facilities, the Syndicated Facilities, the Ancillary Facilities and Eligible Swaps;
- (b) all Debt of the Credit Parties under the 2014 Senior Secured Note Documents;
- (c) all Debt of one Credit Party owing to another Credit Party; and
- (d) all other Debt secured by Permitted Encumbrances; and
- (e) any other Debt of the Credit Parties to an aggregate maximum principal amount of five percent (5%) of Consolidated Tangible Assets.

"Permitted Swap" means a Financial Instrument entered into by a Borrower with a counterparty (other than a Swap Lender) which, at the time the Financial Instrument is entered into, is unsecured.

"Permitted Title Defects" means, in respect of any particular Property of any Credit Party, the following defects in title to such Property:

- (a) Permitted Encumbrances;

- (b) title defects or irregularities which are of a minor nature and in the aggregate will not materially impair the use of the Property for the purposes for which it is held, or materially impair its saleability, or cause a material disruption or reduction in the production of cash flow (if any) associated therewith; and
- (c) title defects which are disclosed to and expressly consented to in writing by the Collateral Agent as constituting Permitted Title Defects hereunder.

"**person**" means any individual, corporation, company, partnership, unincorporated association, trust, joint venture, estate or other judicial entity or any governmental body.

"**Prime Rate**" means, on any day with respect to Prime Rate Advances, the greater of:

- (a) the floating annual rate of interest announced from time to time by the Canadian Swingline Lender (for Advances under the Canadian Swingline Facility) or the Canadian Administrative Agent (for Advances under the Canadian Syndicated Facility) as being its reference rate then in effect for determining interest rates on Canadian Dollar denominated commercial loans made by it in Canada; and
- (b) a rate of interest per 365 day period equal to the CDOR Rate for one-month Canadian Dollar bankers' acceptances plus 100 bps.

"**Prime Rate Advance**" means an Advance made available by the Canadian Swingline Lender or the Canadian Administrative Agent, as applicable, to the Canadian Borrower pursuant to Sections 2.12 and 2.19 and outstanding from time to time, which is denominated in Canadian Dollars (including all amounts advanced by way of Overdraft) and on which the Canadian Borrower has agreed to pay interest in accordance with Section 4.1.

"**Prior Credit Agreement**" has the meaning ascribed thereto in Recital A.

"**Prior Credit Facilities**" means, collectively, the "Swingline Facility", the "Syndicated Facility", the "Ancillary Facilities" and "Eligible Swaps" (as such terms are defined in the Prior Credit Agreement).

"**Proceeds of Realization**" means, in respect of the Security Documents or any portion thereof, all amounts received by the Collateral Agent in connection with:

- (a) any realization thereof, whether occurring as a result of enforcement or otherwise;
- (b) any sale, expropriation, loss, damage or other disposition of Property or any portion thereof; or
- (c) the bankruptcy or winding-up of any Credit Party or any other distribution of its assets to creditors;

together with all other amounts which are expressly deemed to constitute Proceeds of Realization in this Agreement or the Intercreditor Agreement.

"**Property**" means, with respect to any person, all or any portion of its undertaking, property and assets for the time being, real and personal, tangible and intangible.

"**Proportionate Share**" means, in respect of each Lender under the Credit Facilities from time to time:

- (a) with respect to the Credit Facilities, (i) prior to the giving of an Acceleration Notice under Section 9.2, the percentage of the Total Commitment which a Lender has agreed to advance to the Borrowers determined by dividing the Lender's Commitment in respect of the Credit

Facilities by the aggregate of all of the Lenders' Commitments with respect to the Credit Facilities, and (ii) after the giving of an Acceleration Notice under Section 9.2, the percentage determined by dividing the Credit Obligations owed by the Borrowers to each Lender by the aggregate of all Credit Obligations owed by the Borrowers to all of the Lenders;

- (b) with respect to the Commitment of, an Advance by or a repayment to a Swingline Lender under a Swingline Facility, and prior to the giving of an Acceleration Notice under Section 9.2, 100% for the applicable Swingline Lender and 0% for all other Lenders;
- (c) with respect to the Commitment of, an Advance by or a repayment to the Lenders under a Syndicated Facility, and prior to the giving of an Acceleration Notice under Section 9.2, the percentage of the respective Commitment which a Lender has agreed to advance to the applicable Borrower determined by dividing the Lender's Commitment in respect of the Syndicated Facility by the aggregate of all of the Lenders' Commitments in respect of the Syndicated Facility;
- (d) on the Maturity Date, the percentage for any Lender determined by dividing the Credit Obligations owed by the Borrowers to that Lender in respect of the Credit Facilities by the aggregate of all Credit Obligations owed by the Borrowers to all of the Lenders in respect of the Credit Facilities;
- (e) prior to the giving of an Acceleration Notice under Section 9.2, with respect to any other Credit Obligations owing by the Borrowers hereunder, the *pro rata* aggregate unpaid amount of such outstanding Credit Obligations owed to each Lender under this Agreement; and
- (f) after the giving of an Acceleration Notice under Section 9.2, the percentage of the Credit Obligations of the Borrowers owing to the Lenders determined by dividing the amount of such Credit Obligations owed by the Borrowers to each Lender by the aggregate of all of the then outstanding Credit Obligations owed by the Borrowers to all of the Lenders (which for greater certainty shall include all Credit Obligations under Eligible Swaps owed by the Borrowers to any Swap Lender).

"Purchase Money Security Interest" means a Security Interest created by any Credit Party securing Debt incurred to finance the acquisition of assets, provided that: (i) such Security Interest is created substantially simultaneously with the acquisition of such assets, (ii) such Security Interest does not at any time encumber any Property other than the Property financed by such Debt, (iii) the amount of Debt secured thereby is not increased subsequent to such acquisition, and (iv) the principal amount of Debt secured by any such Security Interest at no time exceeds 100% of the original purchase price of such property at the time it was acquired; and in this definition, the term "acquisition", for the purposes of this definition, shall include a Capital Lease, and the term "acquire" shall have a corresponding meaning.

"Ratable Share" means, at any time, the aggregate principal amount outstanding under the Credit Facilities at such time as a percentage of the sum of: (i) the aggregate principal amount of the 2014 Senior Secured Notes outstanding at such time plus (ii) the aggregate principal amount outstanding under the Credit Facilities at such time.

"Release" means any release, spill, emission, leaking, pumping, pouring, injection, escaping, deposit, disposal, discharge, leeching or migration of any element or compound in or into the indoor or outdoor environment (including the abandonment or disposal of any barrels, tanks, containers or receptacles containing any contaminant), or in, into or out of any vessel or facility, including the movement of any contaminant through the air, soil, subsoil, surface, water, groundwater, rock formation or otherwise.

"Relevant Jurisdiction" means, from time to time, any province or territory in Canada or other political subdivision of any other jurisdiction in which any Credit Party has material Property or in which it carries on a material portion of its business. For the purposes of this Agreement, as of the Effective Date, the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Quebec, and the States of Alabama,

Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin and Wyoming, are the Relevant Jurisdictions in respect of the Credit Parties (taken as a whole).

"Responsible Officer" means, in the case of the Canadian Borrower, the chief executive officer, the chief financial officer, any vice-president, the treasurer or the comptroller of the General Partner of BDLP acting in such capacity, and in the case of the US Borrower, the chief executive officer, the chief financial officer, any vice-president, the treasurer or the comptroller of BDC.

"Restricted Subsidiary" means, at any time: (i) BDL, or (ii) any direct or indirect wholly-owned trust, partnership or corporate Subsidiary of BDL (other than the Borrowers) whose Tangible Assets constitute more than five percent (5%) of Consolidated Tangible Assets, or whose total revenue (calculated for the most recent period of four consecutive Fiscal Quarters) constitutes more than five percent (5%) of the consolidated revenue of BDL and its Subsidiaries for the most recent period of four consecutive Fiscal Quarters, or who has otherwise provided a Guarantee and Security Documents as required by this Agreement, and **"Restricted Subsidiaries"** means two or more of any such persons as the context requires. As of the Effective Date, the only Restricted Subsidiaries are BDL, Fieldtek, BDUS, BDFM, BLLC and BULC.

"Rollover" means a rollover of a BA Advance into another BA Advance, or a BA Equivalent Advance into another BA Equivalent Advance, or a LIBOR Advance into another LIBOR Advance, each as permitted hereby, and **"Rolled Over"** has a corresponding meaning.

"Rollover Date" means a Business Day on which a Rollover is to be made pursuant to a Rollover Notice.

"Rollover Notice" means a notice from the Canadian Borrower to the Canadian Administrative Agent or from the US Borrower to the US Administrative Agent requesting a Rollover, substantially in the form of Schedule "C" attached hereto.

"Sanctions" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by: (a) the Department of Foreign Affairs and International Trade (Canada) or any other department, ministry or agency of the Government of Canada, (b) the U.S. Government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, or (c) the United Nations Security Council, the European Union, Her Majesty's Treasury of the United Kingdom or the Hong Kong Monetary Authority.

"Sanctioned Country" means, at any time, a country or territory which is the subject or target of any Sanctions, including without limitation, currently, the Crimea region of Ukraine, Cuba, Iran, North Korea, Sudan and Syria.

"Sanctioned Person" means, at any time: (a) any person listed in any Sanctions-related list of designated persons maintained by the Department of Foreign Affairs and International Trade (Canada), the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, or by the United Nations Security Council, the European Union or any EU member state, (b) any person operating, organized or resident in a Sanctioned Country, or (c) any person controlled by any such person.

"Secured Creditors" means, collectively, the Lenders, the Administrative Agents and the Noteholders.

"Securities" means share capital of any class of any corporation or other ownership interests in a partnership, trust or other person, including shares, units or interests which carry a residual right to participate in the earnings of such corporation, partnership, trust or other person or, upon the liquidation or winding up of such corporation, partnership, trust or other person, to share in its assets, and voting rights to elect the board of directors or other similar body under any circumstances.

"Security Documents" means, collectively, the Existing Security, the Intercreditor Agreement and all additional security documents required to be given under Sections 5.2 or 5.3, any amendments thereto, any indentures supplemental to or in implementation thereof, and any and all other documents, instruments or agreements held from time to time by the Collateral Agent for the benefit of the Secured Creditors, securing or intended to secure payment and performance of the Credit Obligations and the Note Obligations.

"Security Interest" means any assignment, mortgage, charge, pledge, lien, hypothec, encumbrance securing or in effect securing an obligation or any Debt of any person, conditional sale, title retention agreement or security interest whatsoever, howsoever created or arising, whether absolute or contingent, fixed or floating, legal or equitable, perfected or not, and includes the rights of a lessor pursuant to a Capital Lease and any other interest in property or assets, howsoever created or arising, that secures payment or performance of an obligation, but does not include a right of set-off or a set-off.

"Statutory Lien" means a Security Interest in respect of any Property of any Credit Party created by or arising pursuant to any applicable legislation in favour of any person (such as but not limited to a Governmental Authority), including in respect of obligations to deduct and remit employee source deductions and goods and services taxes pursuant to Applicable Law.

"Subsidiary" means, as to any person, another person in which such person and/or one or more of its subsidiaries owns, directly or indirectly, sufficient voting securities to enable it or them (as a group) to ordinarily elect a majority of the directors (or persons performing similar functions) of such entity, and any general partnership or limited partnership if 50.1% interest in the profits or capital thereof (and in the case of a limited partnership, 50.1% in the shares of the capital of the managing general partner) is owned by such person and/or one or more of its subsidiaries (unless such partnership can and does ordinarily take major business actions without the prior approval of such person or one or more of its subsidiaries).

"Swap Demand for Repayment" means a demand made by a Swap Lender pursuant to an agreement evidencing an Eligible Swap demanding repayment of all Financial Instrument Obligations relating thereto and includes, without limitation, any notice under any agreement evidencing an Eligible Swap which, when delivered, would require an early termination thereof and may require a payment by a Borrower in settlement of Financial Instrument Obligations thereunder as a result of such early termination.

"Swap Lender" means a person which, at the time that it entered into any Eligible Swap with a Borrower, was a Lender or an Affiliate of a Lender.

"Swingline Facilities" means, collectively, the Canadian Swingline Facility and the US Swingline Facility.

"Swingline Lenders" means, collectively, the Canadian Swingline Lender and the US Swingline Lender and **"Swingline Lender"** means either of them as the context requires.

"Syndicated Facilities" means, collectively, the Canadian Syndicated Facility and the US Syndicated Facility.

"Tangible Assets" means, in respect of any person, the total assets of such person (net of depreciation and amortization) less, to the extent included, the value attributed to intangible assets (including without limitation, goodwill, patents, trademarks, intellectual property, organization expenses, trade names, deferred costs, deferred charges and other similar intangible assets).

"Taxes" means all taxes of any kind or nature whatsoever including income taxes, capital taxes, minimum taxes, levies, imposts, stamp taxes, royalties, duties, charges to tax, value added taxes, commodity taxes, goods and services taxes, and all fees, deductions, compulsory loans, withholdings and restrictions or conditions resulting in a charge imposed, levied, collected, withheld or assessed as of the date hereof or at any time in the future by any governmental or quasi-governmental authority of or within any jurisdiction whatsoever having power to tax, together with penalties, fines, additions to tax and interest thereon and any installments in respect thereof.

"Total Commitment" means the aggregate of the Commitments of all of the Lenders under the Credit Facilities, as hereafter cancelled, reduced, increased or terminated from time to time pursuant to this Agreement.

"US Administrative Agent" means Toronto Dominion (Texas) LLC, in its capacity as administrative agent for the Lenders in respect of the US Syndicated Facility, and its successors in such capacity.

"US Agent's Account" means the account maintained by the US Administrative Agent in US Dollars to which payments and transfers to the US Administrative Agent are to be effected:

[REDACTED]

"US Base Rate" means, on any day with respect to US Base Rate Advances, the greater of:

- (a) the annual rate of interest announced from time to time by the Canadian Swingline Lender (for Advances under the Canadian Swingline Facility) or the Canadian Administrative Agent (for Advances under the Canadian Syndicated Facility) as being its reference rate then in effect for determining interest rates on US Dollar denominated commercial loans made by it in Canada; and
- (b) a rate of interest per 365 day period equal to the Federal Funds Rate plus 100 bps.

"US Base Rate Advance" means an Advance made available by the Canadian Swingline Lender or the Canadian Administrative Agent, as applicable, to the Canadian Borrower pursuant to Sections 2.13 or 2.19 and outstanding from time to time, which is denominated in US Dollars and on which the Canadian Borrower has agreed to pay interest in accordance with Section 4.2.

"US Borrower" means BDC, in its capacity as the Borrower in respect of the US Facilities, and its successors in such capacity.

"US Dollars" and the symbol **"US\$"** each means lawful money of the United States of America.

"US Facilities" means, collectively, the US Swingline Facility and the US Syndicated Facility.

"US Facility Limit" means US\$75,000,000.

"US LC Limit" means: (i) US \$4,000,000, or (ii) such other higher or lower amount in US Dollars which results from a reallocation pursuant to Section 2.32(c).

"US Prime Rate" means, on any day with respect to US Prime Rate Advances, the greater of:

- (a) the annual rate of interest announced from time to time by the US Swingline Lender (for Advances under the US Swingline Facility) or the US Administrative Agent (for Advances under the US Syndicated Facility) as being its reference rate then in effect for determining interest rates on US Dollar denominated commercial loans made by it in the United States of America; and
- (b) a rate of interest per 365 day period equal to the Federal Funds Rate plus 100 bps.

"US Prime Rate Advance" means an Advance made available by the US Swingline Lender or the US Administrative Agent, as applicable, to the US Borrower pursuant to Section 2.13 and outstanding from time to time, which is denominated in US Dollars and on which the US Borrower has agreed to pay interest in accordance with Section 4.3.

"US Swingline Facility" means the revolving credit facility made available by the US Swingline Lender to the US Borrower as more particularly described in Section 2.5.

"US Swingline Lender" means The Toronto-Dominion Bank, New York Branch, in respect of Advances made by it to the US Borrower under the US Swingline Facility, and its successors in such capacity.

"US Swingline Limit" means US\$10,000,000.

"US Syndicated Facility" means the revolving syndicated credit facility made available by the applicable Lenders to the US Borrower as more particularly described in Section 2.6.

"US Syndicated Limit" means, at any time, the US Facility Limit minus the US Swingline Limit.

1.2 Knowledge

Where any representation, warranty or other provision of this Agreement is qualified by reference to the knowledge of the Borrowers, or either of them, after reasonable inquiry, it shall be deemed to refer to the actual knowledge of the senior management of the General Partner of BDLP or of BDC after having made such inquiries of its Responsible Officers.

1.3 Headings and Table of Contents

The headings, the table of contents and the article and section titles are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

1.4 References

Unless something in the subject matter or context is inconsistent therewith, all references to Sections, Articles and Schedules are to Sections, Articles of and Schedules to this Agreement.

1.5 Rules of Interpretation

In this Agreement, unless otherwise specifically provided, the singular includes the plural and vice versa, and "in writing" or "written" includes printing, typewriting or any electronic means of communication capable of being visibly reproduced at the point of reception, including by facsimile.

1.6 Accounting Principles

Except as otherwise expressly provided herein, all accounting terms, principles and calculations applicable to this Agreement will be interpreted, applied and calculated, as the case may be, in accordance with GAAP. The basis of accounting and all calculations set out in this Agreement will be applied and made on a consistent basis, unless otherwise required by GAAP, and will not be changed for the purposes hereof without the prior written consent of the Administrative Agents acting on the instructions of the Majority Lenders not to be unreasonably withheld.

1.7 Accounting Changes

- (a) In the event that any Accounting Change occurs, the Borrowers shall deliver an Accounting Change Notice to the Administrative Agents together with a description of the nature of such Accounting Change and such notice shall describe the effect of such Accounting Change on BDL's current and immediately prior year's Financial Statements.
- (b) If the Borrowers or the Administrative Agents determine that any such change would cause an amount required to be determined for the purposes of any Financial Covenant or financial term hereunder to be materially different than the amount that would be determined without

giving effect to such change, then the Borrowers or the Administrative Agents, as the case may be, shall notify the others of the impact of such change. Such notice shall state whether the Borrowers or the Administrative Agents, as applicable, wish to revise the method of calculating any Financial Covenant or financial term in order that amounts determined after giving effect to such Accounting Change and the revised method of calculating such Financial Covenant or financial term will approximate the amount that would be determined without giving effect to such Accounting Change and without giving effect to the revised method of making such calculation. The Accounting Change Notice shall be delivered by the Administrative Agents to the Lenders within 75 days after the end of the Fiscal Quarter in which the Accounting Change is implemented or, if such Accounting Change is implemented in the fourth Fiscal Quarter or in respect of the entire Fiscal Year, within 120 days after the end of such period. Following receipt of an Accounting Change Notice and if there is a material impact on any Financial Covenant or financial term as noted above, either the Borrowers or the Administrative Agents acting on the instructions of the Majority Lenders may provide a proposal to the others as to how to amend the affected provisions of this Agreement.

- (c) If the Borrowers or the Administrative Agents so indicate that they wish to revise the method of calculating any Financial Covenant or financial term, the Borrowers and the Administrative Agents shall in good faith attempt to agree on a revised method of calculating such Financial Covenant or financial term in order that amounts determined after giving effect to such Accounting Change and the revised method of calculating such Financial Covenant or financial term will approximate the amount that would be determined without giving effect to such Accounting Change and without giving effect to the revised method of making such calculation. Unless and until the Borrowers and the Administrative Agents have reached agreement in writing on any such revised method of calculation, such method of calculation shall not be revised and all amounts to be determined hereunder shall be determined without giving effect to the Accounting Change. If neither the Borrowers nor the Administrative Agents elect to revise the method of calculating any Financial Covenant or financial term, then the Financial Covenant or financial term will not be revised and will be determined in accordance with IFRS.
- (d) If a Compliance Certificate is delivered in respect of a Fiscal Quarter or Fiscal Year in which an Accounting Change is implemented without giving effect to any revised method of calculating any Financial Covenant or financial term and, subsequently, as provided above, the method of making such calculation is revised in response to such Accounting Change, the Borrowers shall as soon as reasonably practicable deliver a revised Compliance Certificate to the Administrative Agents. Any Event of Default which arises as a result of such Accounting Change and which is cured by this Section 1.7 shall be deemed to have never occurred.

1.8 Time

Unless otherwise provided herein, all references to a time in this Agreement shall mean local time in Calgary, Alberta.

1.9 Currency References and Payments

All amounts of money referred to in this Agreement are in Canadian Dollars unless otherwise stated. All payments made hereunder shall be made in Canadian Dollars except in respect of US Base Rate Advances, US Prime Rate Advances, LIBOR Advances and US Dollar denominated Letters of Credit, which shall be repaid in US dollars.

1.10 Payment for Value

All payments required to be made hereunder shall be made for value on the required day in same day immediately available funds.

1.11 Schedules

Schedule "A"	-	Credit Facilities
Schedule "B"	-	Compliance Certificate
Schedule "C"	-	Drawdown, Conversion or Rollover Notice
Schedule "D"	-	Repayment Notice
Schedule "E"	-	Accordion Request
Schedule "F"	-	Assignment Agreement
Schedule "G"	-	Existing Letters of Credit

ARTICLE II CREDIT FACILITIES

2.1 Advances and Obligations Under the Prior Credit Agreement

- (a) Upon this Agreement becoming effective on the Effective Date and relying on each of the representations and warranties set out in Article VII, and subject to the terms and conditions of this Agreement, including without limitation Section 2.36:
- (i) other than in respect of Existing Letters of Credit, all outstanding obligations owing by BDLP to the 2014 Lenders in respect of the "Swingline Facility" and the "Syndicated Facility" (as each is defined in the Prior Credit Agreement) shall be repaid and satisfied in full from the proceeds of Advances made by the Lenders under this Agreement;
 - (ii) all outstanding obligations owing by BDLP to The Toronto-Dominion Bank and The Bank of Nova Scotia in respect of any "Ancillary Facilities" (as defined in the Prior Credit Agreement) shall be deemed to be outstanding as obligations owing by BDLP to The Toronto-Dominion Bank and The Bank of Nova Scotia as Ancillary Facilities made by such Lenders under this Agreement; and
 - (iii) all outstanding obligations owing by BDLP to Canadian Western Bank in respect of any "Ancillary Facilities" (as defined in the Prior Credit Agreement) shall be terminated.
- (b) Subject to paragraph (a) above, the Prior Credit Facilities shall thereafter be permanently cancelled, the Prior Credit Agreement shall be terminated, and the parties to the Prior Credit Agreement shall have no further rights or obligations to each other thereunder (as such agreement existed immediately prior to the Effective Date), except to the extent continued under this Agreement.

2.2 Credit Facilities

Upon and subject to the terms and conditions of this Agreement, the Lenders agree to provide the committed credit facilities (the "**Credit Facilities**") to the Borrowers, the amount of which will be available to the Borrowers in four tranches as referred to in Sections 2.3, 2.4, 2.5 and 2.6 of this Agreement.

2.3 Canadian Swingline Facility

- (a) **Revolverment:** Subject to the provisions of this Agreement, the Canadian Swingline Lender agrees to provide a revolving credit facility (the "**Canadian Swingline Facility**") under which the Canadian Borrower may at any time until the Maturity Date borrow an aggregate principal amount up to the Canadian Swingline Limit. The principal amount of any Advance under the Canadian Swingline Facility that is repaid may be reborrowed from time to time until the Maturity Date, subject to the restrictions set out in Sections 2.12, 2.13 and 2.32, on which date any undrawn Commitment under the Canadian Swingline Facility will be cancelled, and all outstanding Obligations under the Canadian Swingline Facility shall become due and payable in accordance with Section 3.2(a).
- (b) **Availment Options:** At the option of the Canadian Borrower, the Canadian Swingline Facility may be used by requesting Prime Rate Advances (including by way of Overdraft), US Base Rate Advances (including by way of Overdraft) or Letter of Credit Advances (in Cdn\$ or US\$) from the Canadian Swingline Lender.
- (c) **Overdraft:** Each Advance under the Canadian Swingline Facility by way of Overdraft in Canadian Dollars shall automatically be deemed to be a Prime Rate Advance, and each Advance under the Canadian Swingline Facility by way of Overdraft in US Dollars shall automatically be deemed to be a US Base Rate Advance. The Canadian Borrower covenants not to effect any Overdraft hereunder which would cause the Outstanding Principal under the Canadian Swingline Facility to exceed the Canadian Swingline Limit at any time, and the Canadian Borrower acknowledges that the Canadian Swingline Lender reserves the right to refuse to honour any Overdraft hereunder which, in the opinion of the Canadian Swingline Lender, would have the effect of causing the Canadian Swingline Facility to exceed the Canadian Swingline Limit. The Canadian Swingline Lender shall monitor the Canadian Swingline Facility for the purpose of identifying any excess indebtedness thereunder which exceeds the Canadian Swingline Limit and, upon the Canadian Swingline Lender becoming aware of any such excess indebtedness under the Canadian Swingline Facility in any amount which exceeds the Canadian Swingline Limit, the Canadian Swingline Lender shall forthwith provide notice to the Canadian Borrower to repay the amount of any such excess, whereupon the Canadian Borrower shall forthwith after receiving notice thereof repay the amount of any such excess within one (1) Business Day after receiving notice thereof. The Canadian Swingline Lender may at any time, in its sole discretion, reduce the Canadian Swingline Limit to nil and transfer the amount of such reduction to the Canadian Syndicated Facility.

2.4 Canadian Syndicated Facility

- (a) **Revolverment:** Subject to the provisions of this Agreement, the applicable Lenders agree to provide a revolving credit facility (the "**Canadian Syndicated Facility**") under which the Canadian Borrower may at any time until the Maturity Date borrow an aggregate principal amount up to the Canadian Syndicated Limit; provided that the obligation of each applicable Lender shall be several and shall not exceed its Proportionate Share of the Canadian Syndicated Facility. The principal amount of any Advance under the Canadian Syndicated Facility that is repaid may be reborrowed from time to time until the Maturity Date, subject to the restrictions set out in Sections 2.12, 2.13, 2.15, 2.18 and 2.22, on which date any undrawn Commitment under the Canadian Syndicated Facility will be cancelled, and all outstanding Obligations under the Canadian Syndicated Facility shall become due and payable in accordance with Section 3.2(b).
- (b) **Availment Options:** At the option of the Canadian Borrower, the Canadian Syndicated Facility may be used by requesting Prime Rate Advances, US Base Rate Advances, LIBOR Advances, BA Advances and BA Equivalent Advances from the Canadian Administrative Agent.

2.5 US Swingline Facility

- (a) **Revolverment:** Subject to the provisions of this Agreement, the US Swingline Lender agrees to provide a revolving credit facility (the "**US Swingline Facility**") under which the US Borrower may at any time until the Maturity Date borrow an aggregate principal amount up to the US Swingline Limit. The principal amount of any Advance under the US Swingline Facility that is repaid may be reborrowed from time to time until the Maturity Date, subject to the restrictions set out in Sections 2.14 and 2.32, on which date any undrawn Commitment under the US Swingline Facility will be cancelled, and all outstanding Obligations under the US Swingline Facility shall become due and payable in accordance with Section 3.2(c).
- (b) **Availment Options:** At the option of the US Borrower, the US Swingline Facility may be used by requesting US Prime Rate Advances (including by way of Overdraft) or Letter of Credit Advances (in US\$) from the US Swingline Lender.
- (c) **Overdraft:** Each Advance under the US Swingline Facility by way of Overdraft in US Dollars shall automatically be deemed to be a US Prime Rate Advance. The US Borrower covenants not to effect any Overdraft hereunder which would cause the Outstanding Principal under the US Swingline Facility to exceed the US Swingline Limit at any time, and the US Borrower acknowledges that the US Swingline Lender reserves the right to refuse to honour any Overdraft hereunder which, in the opinion of the US Swingline Lender, would have the effect of causing the US Swingline Facility to exceed the US Swingline Limit. The US Swingline Lender shall monitor the US Swingline Facility for the purpose of identifying any excess indebtedness thereunder which exceeds the US Swingline Limit and, upon the US Swingline Lender becoming aware of any such excess indebtedness under the US Swingline Facility in any amount which exceeds the US Swingline Limit, the US Swingline Lender shall forthwith provide notice to the US Borrower to repay the amount of any such excess, whereupon the US Borrower shall forthwith after receiving notice thereof repay the amount of any such excess within one (1) Business Day after receiving notice thereof. The US Swingline Lender may at any time, in its sole discretion, reduce the US Swingline Limit to nil and transfer the amount of such reduction to the US Syndicated Facility.

2.6 US Syndicated Facility

- (a) **Revolverment:** Subject to the provisions of this Agreement, the applicable Lenders agree to provide a revolving credit facility (the "**US Syndicated Facility**") under which the US Borrower may at any time until the Maturity Date borrow an aggregate principal amount up to the US Syndicated Limit; provided that the obligation of each applicable Lender shall be several and shall not exceed its Proportionate Share of the US Syndicated Facility. The principal amount of any Advance under the US Syndicated Facility that is repaid may be reborrowed from time to time until the Maturity Date, subject to the restrictions set out in Sections 2.14, 2.15 and 2.18, on which date any undrawn Commitment under the US Syndicated Facility will be cancelled, and all outstanding Obligations under the US Syndicated Facility shall become due and payable in accordance with Section 3.2(d).
- (b) **Availment Options:** At the option of the US Borrower, the US Syndicated Facility may be used by requesting US Prime Rate Advances and LIBOR Advances from the US Administrative Agent.

2.7 Purpose of Credit Facilities

The Credit Facilities shall only be used to finance existing Debt under the Prior Credit Facilities and for working capital and general partnership and corporate purposes of the Credit Parties, including without limitation, to finance acquisitions and to pay the fees, costs and expenses relating to the preparation, negotiation and settlement of this Agreement and the other Credit Documents.

2.8 Accordion

The Borrowers may, by written notice to the Administrative Agents after the Effective Date, substantially in the form of Schedule "E", request that the Syndicated Facilities be increased by an aggregate additional increment of up to \$100,000,000 (or the Equivalent Amount in US Dollars), on the same terms and conditions applicable to the Syndicated Facilities on the Effective Date; provided that, upon approval of any increase to the Syndicated Facilities under this Section, the Borrowers and the Guarantors shall concurrently issue a supplemental debenture to increase the principal amount of their respective fixed and floating charge demand debentures from \$250,000,000 to \$350,000,000. Any such request by the Borrowers shall be subject to the consent of all applicable Lenders agreeing to increase their respective Commitments in respect of the Syndicated Facilities, or any additional Lenders agreeing to accept a Commitment in respect of any such increase.

2.9 Evidence of Indebtedness

The Credit Obligations of the Borrowers resulting from Advances (including by way of Overdraft) made by the Lenders under the Credit Facilities shall be evidenced by records maintained by the Swingline Lenders (in the case of the Swingline Facilities) or by the Administrative Agents and each applicable Lender (in the case of the Syndicated Facilities) concerning those Advances it has made. The records maintained by the Swingline Lenders, the Administrative Agents and each Lender, as the case may be, shall constitute, in the absence of manifest error, *prima facie* evidence of the Credit Obligations of the Borrowers to the Lenders in respect of Advances made and all details relating thereto. The failure by the Swingline Lenders, the Administrative Agents or any Lender to correctly record any such amount or date shall not, however, absent manifest error adversely affect the Credit Obligations of the Borrowers to pay amounts due hereunder to the Lenders in accordance with this Agreement.

2.10 Repayment of Outstandings in Excess of Commitments Due to Exchange Fluctuations

If the amount of Outstanding Principal under the Canadian Facilities (determined in Canadian Dollars with all Advances denominated in US Dollars being converted to the Equivalent Amount of Canadian Dollars) due to exchange rate fluctuations exceeds on any day the amount of the Canadian Facility Limit, the Canadian Borrower shall within five (5) Business Days after receiving notice thereof: (i) repay such excess, (ii) provide cash collateral to be held by the Canadian Administrative Agent (on behalf of the applicable Lenders under the Canadian Syndicated Facility) or by the Canadian Swingline Lender (under the Canadian Swingline Facility), or (iii) otherwise reduce a portion of such Advances under the Canadian Facilities to the extent of the amount of the excess.

2.11 Payments and Notice of Drawdowns, Rollovers and Conversions

- (a) The applicable Borrower may on any Business Day give the applicable Swingline Lender irrevocable written notice in the form of a Conversion Notice for a Conversion, and in the form of a Drawdown Notice for any Letter of Credit Advance under the applicable Swingline Facility.
- (b) The applicable Borrower may on any Business Day give the applicable Administrative Agent irrevocable written notice in the form of a Conversion Notice for a Conversion, in the form of a Rollover Notice for a Rollover, and in the form of a Drawdown Notice for any Advance (other than an Advance that is a Rollover or a Conversion) under the applicable Syndicated Facility).
- (c) No Drawdown Notice shall be required for any Prime Rate Advance or US Base Rate Advance made under the Canadian Swingline Facility, and no Drawdown Notice shall be required for any US Prime Rate Advance made under the US Swingline Facility. The applicable Borrower shall give the applicable Swingline Lender a Drawdown Notice for any Letter of Credit Advance, not later than 12:00 noon (Toronto time) on the date of giving

notice, and any such requested Advance shall be made on the third Business Day after the Drawdown Notice is received by the applicable Swingline Lender.

- (d) If a Drawdown Notice, Conversion Notice or Rollover Notice relating to a Prime Rate Advance, a US Base Rate Advance, a US Prime Rate Advance, a LIBOR Advance, a BA Advance or a BA Equivalent Advance under the applicable Syndicated Facility is received by the applicable Administrative Agent before 12:00 noon (Toronto time) on any Business Day: (i) such Prime Rate Advance, US Base Rate Advance or US Prime Rate Advance shall be advanced on the first Business Day after the Drawdown Notice, Conversion Notice or Rollover Notice is received by the applicable Administrative Agent, (ii) such BA Advance or BA Equivalent Advance shall be advanced on the second Business Day after the Drawdown Notice, Conversion Notice or Rollover Notice is received by the applicable Administrative Agent, and (iii) such LIBOR Advance shall be advanced on the third Business Day after the Drawdown Notice, Conversion Notice or Rollover Notice is received by the applicable Administrative Agent.
- (e) Payments (other than those being made solely from the proceeds of Rollovers and Conversions) must be made prior to 12:00 noon (Toronto time) on any Business Day that such payment is due. Notice of an intended prepayment of any Advance shall be given with the same number of Business Days' prior notice as matches the Drawdown Notice period required for that kind of Advance.
- (f) Subject to the other terms of this Agreement, the Canadian Borrower may from time to time convert all or any part of the outstanding amount of any Advance under the Canadian Facilities and the US Borrower may from time to time convert all or any part of the outstanding amount of any Advance under the US Facilities into another form of Advance permitted by this Agreement.
- (g) If a notice or payment is not given or made by 12:00 noon (Toronto time) on any Business Day, it shall be deemed to have been given or made on the next Business Day unless the applicable Swingline Lender or the applicable Lenders affected by the late notice or payment agree, in its or their sole discretion as the case may be, to accept a notice or payment at a later time as being effective on the date it is given or made.

2.12 Prime Rate Advances – Canadian Swingline Facility

Subject to the other provisions of this Agreement, upon timely fulfillment of all applicable conditions as set forth in this Agreement, the Canadian Swingline Lender will make the requested amount of a Prime Rate Advance available to the Canadian Borrower on the Drawdown Date requested by the Canadian Borrower by crediting such amount to the applicable Borrower's Account. There shall be no minimum amount for a Prime Rate Advance made under the Canadian Swingline Facility.

2.13 US Base Rate Advances – Canadian Swingline Facility

Subject to the other provisions of this Agreement, upon timely fulfillment of all applicable conditions as set forth in this Agreement, the Canadian Swingline Lender will make the requested amount of a US Base Rate Advance available to the Canadian Borrower on the Drawdown Date requested by the Canadian Borrower by crediting such amount to the applicable Borrower's Account. There shall be no minimum amount for a US Base Rate Advance under the Canadian Swingline Facility.

2.14 US Prime Rate Advances – US Swingline Facility

Subject to the other provisions of this Agreement, upon timely fulfillment of all applicable conditions as set forth in this Agreement, the US Swingline Lender will make the requested amount of a US Prime Rate Advance available to the US Borrower on the Drawdown Date requested by the US Borrower by crediting such

amount to the applicable Borrower's Account. There shall be no minimum amount for a US Prime Rate Advance under the US Swingline Facility.

2.15 LIBOR Advances - Syndicated Facilities

Subject to the other provisions of this Agreement, upon timely fulfillment of all applicable conditions as set forth in this Agreement, the Canadian Administrative Agent (in the case of the Canadian Syndicated Facility) or the US Administrative Agent (in the case of the US Syndicated Facility) will make the requested amount of a LIBOR Advance available to the applicable Borrower on the Drawdown Date requested by the applicable Borrower by crediting such amount to the applicable Borrower's Account.

2.16 LIBOR Interest Periods

The applicable Borrower shall from time to time select and give notice to the applicable Administrative Agent of the LIBOR Interest Period for a LIBOR Advance which shall commence upon the making of the LIBOR Advance or at the expiry of any outstanding LIBOR Interest Period applicable to a LIBOR Advance that is being Rolled Over. If the applicable Borrower fails to select and give notice of a LIBOR Interest Period for a LIBOR Advance in accordance with Section 2.11, any such LIBOR Advance shall, in the case of the Canadian Syndicated Facility, be made as a US Base Rate Advance on the last day of the LIBOR Interest Period applicable to such LIBOR Advance, and in the case of the US Syndicated Facility, be made as a US Prime Rate Advance on the last day of the LIBOR Interest Period applicable to such LIBOR Advance. In the absence of the applicable Borrower providing a Rollover Notice or Conversion Notice within the appropriate time periods referred to herein, a maturing LIBOR Advance shall be automatically converted to a US Base Rate Advance or a US Prime Rate Advance, as applicable, as though a notice to such effect had been given in accordance with Section 2.11.

2.17 Inability to Determine Rates – LIBOR Advances

If at any time a Lender determines, acting reasonably (which determination shall be conclusive and binding on the applicable Borrower) that:

- (a) adequate and reasonable means do not exist for ascertaining the LIBOR Rate applicable to a LIBOR Advance;
- (b) the LIBOR Rate does not adequately reflect the effective cost to the Lender of making or maintaining a LIBOR Advance; or
- (c) the Lender cannot readily obtain or retain funds in the London interbank market in order to fund or maintain any LIBOR Advance,

then such Lender shall inform the applicable Administrative Agent and upon at least three (3) Business Days' written notice by the applicable Administrative Agent to the applicable Borrower:

- (d) the right of the applicable Borrower to request LIBOR Advances from that Lender shall be and remain suspended until the applicable Administrative Agent notifies the applicable Borrower that any condition causing such determination no longer exists, and
- (e) if such Lender is prevented from maintaining a LIBOR Advance, the applicable Borrower shall, at its option, either repay the LIBOR Advance to that Lender or convert the LIBOR Advance into other forms of Advance which are permitted by this Agreement, and the applicable Borrower shall not be responsible for any loss or expense that such Lender incurs as a result, including breakage costs, notwithstanding that such repayment or conversion does not occur on the last day of a LIBOR Interest Period.

2.18 Prime Rate, US Base Rate and LIBOR Advances – Syndicated Facilities

- (a) Each Prime Rate Advance under the Canadian Syndicated Facility shall be in a minimum amount of \$1,000,000 and in whole multiples of \$100,000 thereafter.
- (b) Each US Base Rate Advance under the Canadian Syndicated Facility shall be in a minimum amount of US\$1,000,000 and in whole multiples of US\$100,000 thereafter.
- (c) Each US Prime Rate Advance under the US Syndicated Facility shall be in a minimum amount of US\$1,000,000 and in whole multiples of US\$100,000 thereafter.
- (d) Each LIBOR Advance under the Canadian Syndicated Facility or under the US Syndicated Facility shall be in a minimum amount of US\$1,000,000 and in whole multiples of US\$100,000 thereafter.

2.19 Co-ordination of Prime Rate, US Base Rate and LIBOR Advances – Canadian Syndicated Facility

Each applicable Lender under the Canadian Syndicated Facility shall advance its Proportionate Share of each Prime Rate Advance, US Base Rate Advance and LIBOR Advance in accordance with the following provisions:

- (a) the Canadian Administrative Agent shall advise each applicable Lender of its receipt of notice from the Canadian Borrower pursuant to Section 2.11 on the day such notice is received, and shall as soon as possible advise each applicable Lender of such Lender's Proportionate Share of the Advance requested by such notice;
- (b) each applicable Lender shall deliver its Proportionate Share of the requested Advance to the Canadian Administrative Agent not later than 12:00 noon (Toronto time) on the Drawdown Date; and
- (c) subject to the Canadian Borrower meeting the conditions precedent in respect thereof by not later than 12:00 noon (Toronto time) on the Drawdown Date, the Canadian Administrative Agent shall advance to the Canadian Borrower the amount delivered by each applicable Lender by crediting the applicable Borrower's Account, provided that if the conditions precedent to the Advance are not met by 12:00 noon (Toronto time) on the Drawdown Date, the Canadian Administrative Agent shall return the funds to the applicable Lenders or invest them in an overnight investment in the Canadian Administrative Agent's discretion until such time as the Advance is made.

2.20 Co-ordination of US Prime Rate and LIBOR Advances – US Syndicated Facility

Each applicable Lender under the US Syndicated Facility shall advance its Proportionate Share of each US Prime Rate Advance and LIBOR Advance in accordance with the following provisions:

- (a) the US Administrative Agent shall advise each applicable Lender of its receipt of notice from the US Borrower pursuant to Section 2.11 on the day such notice is received, and shall as soon as possible advise each applicable Lender of such Lender's Proportionate Share of the Advance requested by such notice;
- (b) each applicable Lender shall deliver its Proportionate Share of the requested Advance to the US Administrative Agent not later than 12:00 noon (New York time) on the Drawdown Date; and

- (c) subject to the US Borrower meeting the conditions precedent in respect thereof by not later than 12:00 noon (New York time) on the Drawdown Date, the US Administrative Agent shall advance to the US Borrower the amount delivered by each applicable Lender by crediting the applicable Borrower's Account, provided that if the conditions precedent to the Advance are not met by 12:00 noon (New York time) on the Drawdown Date, the US Administrative Agent shall return the funds to the applicable Lenders or invest them in an overnight investment in the US Administrative Agent's discretion until such time as the Advance is made.

2.21 Bankers' Acceptances - Power of Attorney

- (a) To facilitate the acceptance of Drafts hereunder, the Canadian Borrower hereby appoints each BA Lender, acting by duly authorized signatories for the time being at each BA Lender's main branch in Toronto, Ontario or such other location that such BA Lender may notify the Canadian Borrower, the attorney of the Canadian Borrower:
 - (i) to complete and sign (by handwritten, facsimile or mechanical signature) for and on behalf and in the name of the Canadian Borrower, as drawer, Drafts in such BA Lender's standard form drawn on such BA Lender payable to a "clearing house" under the DBNA or its nominee for deposit by such BA Lender with the "clearing house" after acceptance thereof by such BA Lender, and
 - (ii) to fill in the amount, date and maturity date of such Drafts,provided that such acts in each case are to be undertaken by each BA Lender in accordance with instructions given to it by the Canadian Borrower pursuant to the power of attorney set out in this Section.
- (b) Instructions to each BA Lender relating to the execution, completion, discount and/or deposit by such BA Lender on behalf of the Canadian Borrower of Drafts which the Canadian Borrower wishes to submit to such BA Lender for acceptance by such BA Lender shall be communicated by the Canadian Administrative Agent and/or a Responsible Officer of the Canadian Borrower to such BA Lender in writing at its branch of account following delivery by the Canadian Borrower of a Drawdown Notice, Conversion Notice or Rollover Notice, as applicable, pursuant to this Agreement, and shall specify the following information:
 - (i) reference to the power of attorney set out in this Section;
 - (ii) a Canadian Dollar, which shall be the Face Amount of the Drafts to be accepted by the BA Lender in respect of a particular Advance;
 - (iii) a specified period of time as provided in this Agreement which shall be the number of days after the date of acceptance of such Drafts that such Drafts are to be payable, and the dates of issue and maturity of such Drafts; and
 - (iv) payment instructions specifying the account number of the Canadian Borrower and the financial institution at which the BA Discount Proceeds are to be credited.
- (c) The communication in writing by a Responsible Officer of the Canadian Borrower to a BA Lender of the instructions referred to above shall constitute the authorization and instruction of the Canadian Borrower to the BA Lender to complete and execute Drafts in accordance with such information as set out above and the request of the Canadian Borrower to such BA Lender to accept such Drafts and deposit the same with the "clearing house" against payment as set out in the instructions. The Canadian Borrower acknowledges that BA Lenders shall not be obligated to accept any such Drafts except in accordance with the provisions of this Agreement. The BA Lenders shall be and they are hereby authorized to act on behalf of the Canadian Borrower upon and in compliance with instructions communicated

to the BA Lenders as provided herein if the BA Lenders reasonably believe them to be genuine.

- (d) The Canadian Borrower agrees to indemnify each BA Lender and its directors, officers, employees, affiliates and agents and to hold each of them harmless from and against any loss, liability, expense or claim of any kind or nature whatsoever incurred by any of them as a result of any action or inaction in any way relating to or arising out of the power of attorney set out in this Section or the acts contemplated hereby including the deposit of any Draft with the "clearing house"; provided that this indemnity shall not apply to any such loss, liability, expense or claim which results from the gross negligence or wilful misconduct of a BA Lender or any of its directors, officers, employees, affiliates or agents.
- (e) The power of attorney set out in this Section may be revoked by the Canadian Borrower at any time upon not less than five (5) Business Days' written notice served upon each BA Lender; provided that: (i) it may from time to time be replaced with another power of attorney which is in form and substance satisfactory to each BA Lender acting reasonably; and (ii) no such revocation shall reduce, limit or otherwise affect the obligations of the Canadian Borrower in respect of any Draft executed, completed, discounted and/or deposited in accordance herewith prior to the time at which such revocation becomes effective. The power of attorney set out in this Section may be terminated by each BA Lender at any time upon not less than five (5) Business Days' written notice to the Canadian Borrower.
- (f) Any revocation or termination of the power of attorney set out in this Section shall not affect the rights of the BA Lenders and the obligations of the Canadian Borrower with respect to the indemnities of the Canadian Borrower stated above.
- (g) The power of attorney set out in this Section is in addition to and not in substitution for any agreement to which the BA Lenders and the Canadian Borrower, or any of them, are parties.
- (h) The Canadian Borrower may, at its option, execute any Draft by the facsimile signatures of any two Responsible Officers of the Canadian Borrower, and the Canadian Administrative Agent and each BA Lender is hereby authorized to accept or pay, as the case may be, any Draft of the Canadian Borrower which has been completed pursuant to a power of attorney referred to in this Section or which purports to bear such facsimile signatures notwithstanding that, subsequent to the issuance of the Bankers' Acceptance, the power of attorney has been revoked or any such individual has ceased to be an authorized signing officer of the Canadian Borrower, and any such Draft or Bankers' Acceptance so executed and completed or executed and completed pursuant to the power of attorney shall be as valid as if it has been signed by a Responsible Officer of the Canadian Borrower at the date of issue of such Bankers' Acceptance. Any such Draft or Bankers' Acceptance may be dealt with by the Canadian Administrative Agent or any BA Lender for all intents and purposes and shall bind the Canadian Borrower as if duly signed in each signing officer's own handwriting and issued by the Canadian Borrower, and the Canadian Borrower hereby agrees to hold the Canadian Administrative Agent and each BA Lender harmless and indemnified against all loss, costs, damages and expenses arising out of the payment or negotiation of any such Draft or Bankers' Acceptance resulting from such Drafts not having been duly signed as contemplated by this paragraph (h). No BA Lender shall be liable for its failure to accept a Bankers' Acceptance as required hereunder if the cause of such failure is due to the revocation or termination of the power of attorney or the failure of the Canadian Borrower to provide the power of attorney or executed Drafts to the Canadian Administrative Agent on a timely basis, except in cases of gross negligence or wilful misconduct.
- (i) The receipt by the Canadian Administrative Agent of a request for an Advance by way of Bankers' Acceptances shall be each BA Lender's sufficient authority to complete and sign (as applicable), and each BA Lender shall, subject to the terms and conditions of this Agreement, complete and sign (as applicable) such Drafts in accordance with such request and the

advice of the Canadian Administrative Agent given pursuant to Section, and the Drafts so completed and signed (as applicable) shall thereupon be deemed to have been presented for acceptance.

2.22 Size and Maturity of BA Advances and BA Equivalent Advances

Each BA Advance shall be in a minimum initial amount of \$1,000,000 and in whole multiples of \$100,000 thereafter (which minimum amounts shall include BA Equivalent Advances, if applicable). Each BA Advance shall have a term, selected by the Canadian Borrower, which shall be one, two, three or six months, commencing on the Drawdown Date, Rollover Date or Conversion Date, as applicable, of such BA Advance (the "**BA Interest Period**"), but no BA Advance or BA Equivalent Advance may mature on a day which is not a Business Day or on a date which is later than the Maturity Date. The Face Amount at maturity of a BA Advance or BA Equivalent Advance may be Rolled Over or Converted into another form of Advance permitted by this Agreement.

2.23 Co-ordination of BA Advances and BA Equivalent Advances

Each applicable Lender shall advance its Proportionate Share of each BA Advance and BA Equivalent Advance in accordance with the following provisions:

- (a) the Canadian Administrative Agent, as soon as reasonably practicable following its receipt of a notice from the Canadian Borrower pursuant to Section 2.11 requesting an Advance by way of Bankers' Acceptances, shall: (i) notify each BA Lender of the Face Amount of the Bankers' Acceptances to be accepted by it, and (ii) notify each Non BA Lender of the Face Amount of its Notional Bankers' Acceptance (as defined below). The aggregate Face Amount of the Bankers' Acceptances to be accepted by a BA Lender and the Face Amount of the Notional Bankers' Acceptances for each Non BA Lender shall be determined by the Canadian Administrative Agent by reference to the respective Commitments of the Lenders; provided that, if the Face Amount of a Bankers' Acceptance in the case of a BA Lender or the Face Amount of a Notional Bankers' Acceptance used to determine the amount of a BA Equivalent Advance in the case of a Non BA Lender would not be \$1,000,000 or a whole multiple thereof, the Face Amount shall be increased or reduced by the Canadian Administrative Agent in its sole discretion to the nearest whole multiple of \$100,000, as the case may be;
- (b) whenever the Canadian Borrower requests an Advance that includes Bankers' Acceptances, each Non BA Lender shall, in lieu of accepting its *pro rata* amount of such Bankers' Acceptances, make available to the Canadian Borrower on the Drawdown Date an Advance (a "**BA Equivalent Advance**") in Canadian Dollars, and in an amount which would be equal to the BA Discount Proceeds of the Bankers' Acceptances (which are referred to herein collectively as "**Notional Bankers' Acceptances**") that such Non BA Lender would have been required to accept on the Drawdown Date if it were a BA Lender not listed in Schedule I to the *Bank Act* (Canada). Each Non BA Lender shall also be entitled to deduct from the BA Equivalent Advance an amount equal to the applicable BA Fee that would have been applicable to the Notional Bankers' Acceptance had it been a Bankers' Acceptance;
- (c) subject to the terms and conditions of this Agreement, each BA Lender agrees to accept Drafts issued by the Canadian Borrower pursuant to this Section and purchase such Bankers' Acceptances discounted at the applicable BA Discount Rate. Each BA Lender shall provide the BA Discount Proceeds thereof to the Canadian Administrative Agent, less the BA Fee payable to such BA Lender. Each such BA Lender shall be entitled to sell, assign or otherwise transfer such Bankers' Acceptances to any third party without any notice to or the consent of the Canadian Borrower;
- (d) each BA Lender and each Non BA Lender, as applicable, shall transfer to the Canadian Administrative Agent for value on each Drawdown Date immediately available Cdn Dollars, in an aggregate amount equal to: (i) in the case of a BA Lender, the BA Discount Proceeds (net

of the applicable BA Fee in respect of such Bankers' Acceptances) of all Bankers' Acceptances accepted by it on such Drawdown Date, and (ii) in the case of a Non BA Lender, the amount of each BA Equivalent Advance (net of the applicable BA Fee in respect of such BA Equivalent Advance) to be made by it on the Drawdown Date. The Canadian Administrative Agent may designate such offices in Toronto or Calgary as it may see fit for the purposes referred to in this Section. The Canadian Administrative Agent shall make such amounts received by it from the Lenders as aforesaid available to the Canadian Borrower by crediting the applicable Borrower's Account on the applicable Drawdown Date;

- (e) the Canadian Borrower hereby authorizes each BA Lender to complete, stamp, hold, sell, rediscount or otherwise dispose of all Bankers' Acceptances accepted by it in accordance with the instructions provided by the Canadian Borrower hereunder or pursuant to the power of attorney referred to in Section 2.21; and
- (f) if the Canadian Borrower requests that a BA Lender complete incomplete Drafts pursuant to telephone instructions, such instructions are at the risk of the Canadian Borrower until confirmed in writing and the BA Lender shall not have any liability for any failure to carry out the same, in whole or in part, or for any error or omission in such instructions or the interpretation or execution thereof by such BA Lender.

2.24 Inability to Determine Rates – Bankers' Acceptances

If the applicable Lenders determine that for any reason a market for bankers' acceptances does not exist at any time or the Lenders cannot for other reasons, after reasonable efforts, readily sell bankers' acceptances or perform their other obligations under this Agreement with respect to bankers' acceptances, the Canadian Administrative Agent will promptly so notify the Canadian Borrower and each Lender. Thereafter, the Canadian Borrower's right to request the acceptance of bankers' acceptances shall be and remain suspended until the applicable Lenders determine and the Canadian Administrative Agent notifies the Canadian Borrower and each Lender that the condition causing such determination no longer exists.

2.25 Payment of BA Advances and BA Equivalent Advances

The Canadian Borrower shall provide for payment to the Canadian Administrative Agent for the account of the applicable BA Lenders or Non BA Lenders, as the case may be, the full Face Amount of each BA Advance and each BA Equivalent Advance on the earlier of: (i) its date of maturity, and (ii) the date on which the Canadian Administrative Agent (acting upon instructions of the applicable Lenders) demands payment of the Credit Obligations outstanding pursuant to Section 9.2.

2.26 Deemed Advances - Bankers' Acceptances and Notional Bankers' Acceptances

Except for amounts which are paid from the proceeds of a Rollover or Conversion to a Bankers' Acceptance or BA Equivalent Advance hereunder, any amount which a Lender pays to any third party on or after the date of maturity of a Bankers' Acceptance or Notional Bankers' Acceptance in satisfaction thereof or which is owing to such Lender by the Canadian Borrower in respect of such BA Advance or BA Equivalent Advance on or after the date of maturity of such BA Advance or BA Equivalent Advance shall be deemed to be a Prime Rate Advance. If the Canadian Borrower fails to give notice to the Canadian Administrative Agent upon a Rollover of a maturing BA Advance or BA Equivalent Advance, the Canadian Administrative Agent will be entitled to assume that such amounts are deemed to be a Prime Rate Advance made to the Canadian Borrower and give notice thereof to the Lenders. Interest shall be payable on such Prime Rate Advances in accordance with the provisions applicable to Prime Rate Advances.

2.27 Waiver

The Canadian Borrower shall not claim from a Lender any days of grace for the payment at maturity of any Bankers' Acceptances or Notional Bankers' Acceptances presented and accepted by a Lender pursuant to this Agreement. The Canadian Borrower waives any defence to payment which might otherwise exist if for

any reason a Bankers' Acceptance shall be held by a BA Lender in its own right at the maturity thereof, and the doctrine of merger shall not apply to any Bankers' Acceptance that is at any time held by a BA Lender in its own right.

2.28 Degree of Care

Any executed Drafts to be used as Bankers' Acceptances which are delivered to a BA Lender shall be held in safekeeping with the same degree of care as if they were such Lender's own Property, and shall be kept at the place at which such Drafts are ordinarily held by such BA Lender.

2.29 BA Indemnity

The Canadian Borrower hereby indemnifies and holds each Lender harmless from any loss or expense with respect to any Bankers' Acceptance or Notional Bankers' Acceptance dealt with by the Lenders, or any of them, in accordance with the provisions hereof, but shall not be obliged to indemnify a Lender for any loss or expense caused by the gross negligence or wilful misconduct of that Lender.

2.30 BA Obligations Absolute

The Credit Obligations of the Canadian Borrower with respect to Bankers' Acceptances and Notional Bankers' Acceptances under this Agreement shall be unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following circumstances:

- (a) any lack of validity or enforceability of any Draft accepted by a BA Lender as a Bankers' Acceptance; or
- (b) the existence of any claim, set-off, defence or other right which the Canadian Borrower may have at any time against the holder of a Bankers' Acceptance, a Notional Bankers' Acceptance, the Lenders (or any of them) or any other person or entity, whether in connection with this Agreement or otherwise.

2.31 Letters of Credit – Swingline Facilities

Upon timely fulfillment of all applicable conditions as set forth in this Agreement, but subject to the limitations in Section 2.32 below, the Canadian Swingline Lender (in the case of the Canadian Swingline Facility) or the US Swingline Lender (in the case of the US Swingline Facility) agrees to issue Letters of Credit on any Business Day for the account of the applicable Borrower.

2.32 Letters of Credit Procedures and Limitations

The following provisions shall apply to Letter of Credit Advances issued under the applicable Swingline Facility:

- (a) the applicable Borrower shall give notice of each requested Letter of Credit Advance in accordance with the normal practices of the applicable Swingline Lender;
- (b) subject to Section 2.32(c) below, the maximum aggregate Face Amount of outstanding Letter of Credit Advances under the Canadian Swingline Facility shall not at any time exceed the Canadian LC Limit, and the maximum aggregate Face Amount of outstanding Letter of Credit Advances under the US Swingline Facility shall not at any time exceed the US LC Limit;
- (c) upon giving five (5) Business Days prior notice of reallocation to the Administrative Agents, the Borrowers may from time to time change the allocations among the Canadian LC Limit and the US LC Limit set forth in Section 2.32(b) above, on and subject to the following:

- (i) any such reallocation resulting in an increase to the Canadian LC Limit shall require a corresponding reduction to the US LC Limit, and any such reallocation resulting in an increase to the US LC Limit shall require a corresponding reduction to the Canadian LC Limit;
 - (ii) the aggregate of the Canadian LC Limit and the US LC Limit shall not at any time exceed US\$8,000,000;
 - (iii) subject to the expiry of the notice period set forth in this Section 2.32(c), any such reallocation shall be effective on the Business Day specified in the notice of reallocation, and shall remain in effect until the effective date of any subsequent notice of reallocation provided by the Borrowers to the Administrative Agents;
 - (iv) no such reallocation shall be effective if, after giving effect thereto: (A) the aggregate principal amount of all outstanding Letter of Credit Advances under the Canadian Swingline Facility would exceed the newly reallocated Canadian LC Limit; or (B) the aggregate principal amount of all outstanding Letter of Credit Advances under the US Swingline Facility would exceed the newly reallocated US LC Limit;
 - (v) no such reallocation shall be effective if, after giving effect thereto, the Canadian LC Limit would exceed the Canadian Swingline Limit or, after giving effect thereto, the US LC Limit would exceed the US Swingline Limit;
- (d) each Letter of Credit, except as specifically provided herein and subject to any provision hereof to the contrary, will be subject to the Uniform Customs and Practice for Documentary Credits of the International Chamber of Commerce current at the time of issuance or renewal of such Letter of Credit;
- (e) no Letter of Credit may have an expiration date that is either later than one year after it is issued or later than the Maturity Date;
- (f) the applicable Swingline Lender shall have no obligation to issue a Letter of Credit until:
- (i) it has received notice of and acknowledged the applicable Borrower's request therefor;
 - (ii) the required fee(s) have been paid by the applicable Borrower;
 - (iii) such ancillary documents, including applications and indemnities, as it normally requires for similar transactions have been executed and delivered by the applicable Borrower; and
 - (iv) in the case of the Conversion of an existing Advance to a Letter of Credit Advance, the full amount of the Advance being converted together with all interest, fees and other amounts applicable thereto have been paid to the applicable Swingline Lender;
- (g) all payments made by the Canadian Swingline Lender to any person pursuant to a Letter of Credit shall, unless the Canadian Borrower reimburses the Canadian Swingline Lender for such payment on or before the date it is made, be deemed as of and from the date of such payment to be a Prime Rate Advance, in the case of a Letter of Credit denominated in Canadian Dollars, or a US Base Rate Advance, in the case of a Letter of Credit denominated in US Dollars, with the net proceeds of such Prime Rate Advance or US Base Rate Advance being applied against the Canadian Borrower's obligation to reimburse the Canadian Swingline Lender for payment made under the Letter of Credit; and

- (h) all payments made by the US Swingline Lender to any person pursuant to a Letter of Credit shall, unless the US Borrower reimburses the US Swingline Lender for such payment on or before the date it is made, be deemed as of and from the date of such payment to be a US Prime Rate Advance, with the net proceeds of such US Prime Rate Advance being applied against the US Borrower's obligation to reimburse the US Swingline Lender for payment made under the Letter of Credit.

2.33 Letter of Credit Indemnity

Except to the extent of the applicable Swingline Lender's gross negligence or wilful misconduct, the applicable Borrower hereby indemnifies and holds the applicable Swingline Lender harmless from and against any loss or expense with respect to any Letter of Credit Advances made at its request pursuant to this Agreement, including to the extent of:

- (a) any payment made thereunder to and for the account of the applicable beneficiary thereof, including all obligations imposed by foreign laws and all fees and commissions and all charges and expenses paid or incurred by the applicable Swingline Lender in connection with the Letter of Credit plus any interest, where applicable;
- (b) all losses, costs, damages or expenses suffered or incurred by the applicable Swingline Lender in any manner whatsoever by reason or in consequence of making any Letter of Credit Advance, either directly or indirectly, or any renewal thereof;
- (c) any claim that the applicable Swingline Lender should have refrained from making payment under any Letter of Credit by virtue of (i) being aware, actually, constructively or otherwise, of facts justifying a decision to decline making a payment under the Letter of Credit, or (ii) some impropriety by the beneficiary or its successors, assigns or other persons in seeking payment under the Letter of Credit;
- (d) all claims and expenses, whether awarded by a court or not, incurred by the applicable Swingline Lender in the prosecution or defence of any claim in any way related to the Letter of Credit; and
- (e) legal fees on a solicitor and client basis incurred in connection with any of the foregoing.

2.34 Eligible Swaps; Cross Default

Prior to engaging in an Eligible Swap with a Swap Lender after the date hereof, the applicable Borrower shall first execute and deliver a long form confirmation and at first opportunity thereafter deliver an ISDA Master Agreement with the applicable Swap Lender for any such transaction, the terms of which are not inconsistent with this Agreement and which provide for cross default hereto. For greater certainty, Eligible Swaps are deemed to be Credit Obligations under this Agreement, shall be secured by the Security Documents on a *pari passu* basis, and shall rank *pari passu* with all Credit Obligations and Note Obligations. Notwithstanding the repayment and satisfaction in full of all Credit Obligations and the cancellation of the Credit Facilities, the Security Documents shall continue to secure Credit Obligations under Eligible Swaps that were entered into prior to the date of such repayment and cancellation of the Credit Facilities until their repayment in full and termination of all Eligible Swaps.

2.35 Cash Management and Eligible Swap Liabilities

Where any Lender assigns all or a portion of its rights and obligations under the Credit Facilities and the Credit Documents or otherwise ceases to be a Lender, such Lender (or its affiliated Swap Lender) shall retain its rights to be indemnified under all indemnification provisions of the Credit Documents and where such Lender (or its affiliated Swap Lender) is a party to one or more Eligible Swaps or there are any Bank Product Obligations owing to such Lender as of the date it ceases, by reason of assignment, repayment or otherwise,

to be a Lender, such Lender (or its affiliated Swap Lender) shall be deemed to continue to be a Lender for the following purposes:

- (a) the Security Documents shall continue to secure any such Bank Product Obligations and Financial Instrument Obligations owing by the Credit Parties; and
- (b) such Lender's consent shall be required for any amendment to any of the provisions of this Agreement relating only to Eligible Swaps;

provided that any affiliated Swap Lender party to a continuing Eligible Swap in the circumstances of this Section shall appoint such Lender in writing upon notice to the Collateral Agent as its attorney and representative for the purposes of dealing with the Collateral Agent, any other Lender and the Credit Parties, and exercising or enforcing any rights or remedies hereunder or under the other Credit Documents, and such affiliated Swap Lender shall not be entitled to so act except through such Lender as its attorney.

2.36 Adjustments Among Lenders

- (a) **Adjustments to Outstanding Advances.** Each Lender agrees that, subsequent to the Effective Date, it will at any time and from time to time upon the request of the applicable Administrative Agent purchase portions of the outstanding Credit Obligations (with the exception of Financial Instrument Obligations) and make any other adjustments which may be necessary or appropriate in order that amounts which remain outstanding under this Agreement to each Lender are thereafter outstanding, as adjusted pursuant to this Section, in the same proportion as each Lender's Proportionate Share of the Credit Facilities.
- (b) **Application of Payments.** The Lenders agree that, after the Effective Date, the amount of any repayment made by a Borrower under, and the amount of any proceeds from the exercise of any rights or remedies of the Lenders and the Swap Lenders under, the Credit Documents or any Eligible Swaps will be applied in a manner so that to the extent possible the amount of the outstanding Credit Obligations owing to each Lender which remain outstanding after giving effect to such application will be in the same proportion as each Lender's Proportionate Share of the Credit Facilities.
- (c) **After the Effective Date.** Each Lender agrees that if it exercises any right of counter-claim, set-off, banker's lien or similar right with respect to any Property of any Credit Party or if under Applicable Law it receives a secured claim, the security for which is a debt owed by it to a Borrower, any amounts received by it after the Effective Date will be distributed or redistributed in accordance with the provisions of the Intercreditor Agreement. To the extent that an Eligible Swap is entered into by an Affiliate of a Lender, that Lender shall cause such Affiliate to comply with the provisions of this Section, and such obligation shall survive such Lender (at any time after any such Eligible Swap was entered into) ceasing to be a Lender hereunder.
- (d) **Further Assurances.** Each Borrower agrees to be bound by, and to do all things reasonably necessary or appropriate to give effect to, any and all such purchases, adjustments and applications of payments by and between the Lenders pursuant to this Section, but shall incur no increased Credit Obligations (including fees), in aggregate, by reason thereof.

2.37 Ancillary Facilities

In addition to their Commitment in respect of the Credit Facilities, the Lenders have agreed to provide Bank Products and Financial Instruments (collectively, the "**Ancillary Facilities**") in favour of the Borrowers; provided that, in the case of Financial Instruments, the Borrowers shall not use the same for speculative purposes. For greater certainty, the Ancillary Facilities are deemed to be Credit Obligations under this Agreement.

ARTICLE III
REDUCTION OF COMMITMENTS, REPAYMENT AND PREPAYMENT

3.1 Reduction of Commitments and Repayment of Borrowings

Any undrawn portion of the Credit Facilities on the Maturity Date shall automatically be cancelled, and the Borrowers shall repay all outstanding Credit Obligations on the Maturity Date. The Borrowers shall ensure that all outstanding LIBOR Advances, Bankers' Acceptances and Letters of Credit shall mature on or prior to the Maturity Date (without having regard for the giving of an Acceleration Notice).

3.2 Scheduled Repayments

- (a) **Canadian Swingline Facility:** the Canadian Borrower shall repay all outstanding Obligations in respect of the Canadian Swingline Facility to the Canadian Swingline Lender by: (i) payments of accrued interest, due and payable monthly in arrears on each Interest Payment Date from and after the Effective Date, and (ii) payment of all Outstanding Principal and any other outstanding Obligations in respect of the Canadian Swingline Facility, due and payable on the Maturity Date. The Canadian Borrower shall ensure that all Letter of Credit Advances issued under the Canadian Swingline Facility shall mature on or prior to the Maturity Date.
- (b) **Canadian Syndicated Facility:** The Canadian Borrower shall repay all outstanding Obligations in respect of the Canadian Syndicated Facility to the Canadian Administrative Agent on behalf of the applicable Lenders by: (i) payments of accrued interest, due and payable monthly in arrears on each Interest Payment Date from and after the Effective Date, and (ii) payment of all Outstanding Principal and any other outstanding Obligations in respect of the Canadian Syndicated Facility, due and payable on the Maturity Date. The Canadian Borrower shall ensure that all LIBOR Advances and all BA Advances issued under the Canadian Syndicated Facility shall mature on or prior to the Maturity Date.
- (c) **US Swingline Facility:** The US Borrower shall repay all outstanding Obligations in respect of the US Swingline Facility to the US Swingline Lender by: (i) payments of accrued interest, due and payable monthly in arrears on each Interest Payment Date from and after the Effective Date, and (ii) payment of all Outstanding Principal and any other outstanding Obligations in respect of the US Swingline Facility, due and payable on the Maturity Date. The US Borrower shall ensure that all Letter of Credit Advances issued under the US Swingline Facility shall mature on or prior to the Maturity Date.
- (d) **US Syndicated Facility:** The US Borrower shall repay all outstanding Obligations in respect of the US Syndicated Facility to the US Administrative Agent on behalf of the applicable Lenders by: (i) payments of accrued interest, due and payable monthly in arrears on each Interest Payment Date from and after the Effective Date, and (ii) payment of all Outstanding Principal and any other outstanding Obligations in respect of the US Syndicated Facility, due and payable on the Maturity Date. The US Borrower shall ensure that all LIBOR Advances issued under the US Syndicated Facility shall mature on or prior to the Maturity Date.

3.3 Voluntary Repayments

- (a) **Canadian Facilities:** The Canadian Borrower may from time to time repay Outstanding Principal under the Canadian Swingline Facility drawn by way of Overdraft in any amounts without notice. The Canadian Borrower may from time to time repay Outstanding Principal under: (i) the Canadian Swingline Facility drawn by way of Advances (other than Overdraft) in a minimum amount of \$500,000 and in multiples of \$100,000 thereafter, upon prior written notice to the Canadian Swingline Lender in the form of Schedule "D" attached hereto; or (ii) the Canadian Syndicated Facility in a minimum amount of \$500,000 and in multiples of \$100,000 thereafter, upon prior written notice to the Canadian Administrative Agent in the

form of Schedule "D" attached hereto, except that LIBOR Advances and BA Advances may not be prepaid prior to their respective maturity dates.

- (b) **US Facilities:** The US Borrower may from time to time repay Outstanding Principal under the US Swingline Facility drawn by way of Overdraft in any amounts without notice. The US Borrower may from time to time repay Outstanding Principal under: (i) the US Swingline Facility drawn by way of Advances (other than Overdraft) in a minimum amount of US\$500,000 and in multiples of US\$100,000 thereafter, upon prior written notice to the US Swingline Lender in the form of Schedule "D" attached hereto; or (ii) the US Syndicated Facility in a minimum amount of US\$500,000 and in multiples of US\$100,000 thereafter, upon prior written notice to the US Administrative Agent in the form of Schedule "D" attached hereto, except that LIBOR Advances may not be prepaid prior to their respective maturity dates.

3.4 Mandatory Prepayment

The Ratable Share of all net proceeds from: (i) any sale or disposition of assets outside the normal course of business of any Credit Party, in excess of \$5,000,000 (or the Equivalent Amount in US Dollars) in aggregate for any Fiscal Year, except where such net proceeds are reinvested in similar assets within 180 days of the making of any such sale or disposition, or (ii) insurance claims of the Credit Parties on a consolidated basis in excess of \$5,000,000 (or the Equivalent Amount in US Dollars) in aggregate for any Fiscal Year, except where such net proceeds are reinvested in similar assets within 180 days after the receipt of such proceeds; in either case, shall be used by the Borrowers to repay Credit Obligations and, concurrently with each such repayment, the Total Commitment may be reduced by the amount of each such repayment at the discretion of the Lenders.

ARTICLE IV INTEREST RATES AND FEES

4.1 Interest on Prime Rate Advances

The Canadian Borrower shall pay to the Canadian Swingline Lender (under the Canadian Swingline Facility) or to the Canadian Administrative Agent (on behalf of each Lender under the Canadian Syndicated Facility) interest on each Prime Rate Advance in Canadian Dollars at a rate per 365 day period equal to the Prime Rate plus the Applicable Margin. A change in the Prime Rate will simultaneously cause a corresponding change in the interest payable for a Prime Rate Advance and a change in the Applicable Margin will cause a change in the interest payable as provided for in the definition of "Applicable Margin". Such interest shall be calculated monthly in arrears and be payable on each Interest Payment Date for the period commencing on and including the first day of the preceding month up to and including the last day of the preceding month on which such interest is to be paid and shall be calculated on the basis of the actual number of days elapsed in a year of 365 days. The annual rates of interest to which the rates determined in accordance with the foregoing provisions of this Section are equivalent are the rates so determined multiplied by the actual number of days in a period of one year commencing on the first day of the period for which such interest is payable and divided by 365.

4.2 Interest on US Base Rate Advances

The Canadian Borrower shall pay to the Canadian Swingline Lender (under the Canadian Swingline Facility) or to the Canadian Administrative Agent (on behalf of each Lender under the Canadian Syndicated Facility) interest on each US Base Rate Advance in US Dollars at a rate per 365 day period equal to the US Base Rate plus the Applicable Margin. A change in the US Base Rate will simultaneously cause a corresponding change in the interest payable for a US Base Rate Advance and a change in the Applicable Margin will cause a change in the interest payable as provided for in the definition of "Applicable Margin". Such interest shall be calculated monthly in arrears and be payable on each Interest Payment Date for the period commencing on and including the first day of the preceding month up to and including the last day of

the preceding month on which such interest is to be paid and shall be calculated on the basis of the actual number of days elapsed in a year of 365 days. The annual rates of interest to which the rates determined in accordance with the foregoing provisions of this Section are equivalent, are the rates so determined multiplied by the actual number of days in a period of one year commencing on the first day of the period for which such interest is payable and divided by 365.

4.3 Interest on US Prime Rate Advances

The US Borrower shall pay to the US Swingline Lender (under the US Swingline Facility) or to the US Administrative Agent (on behalf of each Lender under the US Syndicated Facility) interest on each US Prime Rate Advance in US Dollars at a rate per 365 day period equal to the US Prime Rate plus the Applicable Margin. A change in the US Prime Rate will simultaneously cause a corresponding change in the interest payable for a US Prime Rate Advance and a change in the Applicable Margin will cause a change in the interest payable as provided for in the definition of "Applicable Margin". Such interest shall be calculated monthly in arrears and be payable on each Interest Payment Date for the period commencing on and including the first day of the preceding month up to and including the last day of the preceding month on which such interest is to be paid and shall be calculated on the basis of the actual number of days elapsed in a year of 365 days. The annual rates of interest to which the rates determined in accordance with the foregoing provisions of this Section are equivalent, are the rates so determined multiplied by the actual number of days in a period of one year commencing on the first day of the period for which such interest is payable and divided by 365.

4.4 Interest on LIBOR Advances

The applicable Borrower shall pay to the applicable Administrative Agent (on behalf of each applicable Lender in the case of LIBOR Advances under the applicable Syndicated Facility) or to the applicable Swingline Lender (in the case of LIBOR Advances under the applicable Swingline Facility) interest on each LIBOR Advance in US Dollars at a rate per 360 day period equal to the LIBOR Rate plus the Applicable Margin. Such interest is payable on the last day of the applicable LIBOR Interest Period and, if the LIBOR Interest Period is longer than three months, then interest is payable every three months thereafter. All interest shall accrue from day to day and shall be payable in arrears for the actual number of days elapsed from and including the date of the LIBOR Advance or the previous date on which interest was payable, as the case may be, to but excluding the date on which interest is payable or the last day of the LIBOR Interest Period, as the case may be, both before and after maturity, demand, default and judgment, with interest on overdue principal and interest at the same rate payable on demand. Interest calculated with reference to a LIBOR Advance shall be calculated on the basis of a year of 360 days and for a term equal to the applicable LIBOR Interest Period or, if a LIBOR Interest Period is longer than three months, every three months and at the end of the LIBOR Interest Period. In this Agreement, each rate of interest which is calculated with reference to a period (the "**deemed interest period**") that is less than the actual number of days in the calendar year of calculation is, for the purposes of the *Interest Act* (Canada), equivalent to a rate based on a calendar year calculated by multiplying such rate of interest by the actual number of days in the calendar year of calculation and dividing by the number of days in the deemed interest period.

4.5 BA Fees

The Canadian Borrower shall pay to the Canadian Administrative Agent (on behalf of each applicable Lender), BA Fees in Canadian Dollars forthwith upon the acceptance by each BA Lender of each Bankers' Acceptance, or a Non BA Lender making a BA Equivalent Advance, at a rate per 365 day period equal to the Applicable Margin, calculated on the Face Amount of each such Bankers' Acceptance or BA Equivalent and on the basis of the number of days in the term of such Bankers' Acceptance or BA Equivalent Advance divided by 365. All fees payable pursuant to this Section on any date in respect of any issuance of Bankers' Acceptances or BA Equivalent Advances shall be calculated by the Canadian Administrative Agent and be payable by the Canadian Borrower based on the Applicable Margin in effect on such date.

4.6 Letter of Credit Fees

The applicable Borrower shall pay to the applicable Swingline Lender the following fees in respect of each Letter of Credit issued under the applicable Swingline Facility at its request:

- (a) on the date of issue of each Letter of Credit and thereafter in arrears on the third Business Day after the end of each Fiscal Quarter until the expiry of the Letter of Credit, the LC Fee calculated by multiplying the Face Amount of such Letter of Credit by the applicable LC Rate and then multiplying the result by a fraction, (i) the numerator of which is the number of days to elapse from and including the date of issue to and including the last day of the then current Fiscal Quarter and thereafter, the lesser of the number of days in the then current Fiscal Quarter and the number of days until the expiry thereof, and (ii) the denominator of which is the number of days in the calendar year in question; and
- (b) on the date of each amendment to a Letter of Credit, a fee of \$100 or US\$100, as applicable.

4.7 Interest on Overdue Amounts

Notwithstanding any other provision of this Agreement, in the event that any amount due hereunder (including without limitation, any interest payment) is not paid when due (whether by acceleration or otherwise), the Borrowers shall and hereby agree to pay to the applicable Swingline Lender or the applicable Administrative Agent (on behalf of each applicable Lender in respect of the applicable Syndicated Facility) interest on such unpaid amount (including without limitation, interest on interest), if and to the fullest extent permitted by Applicable Law, from the date that such amount is due until the date that such amount is paid in full (but excluding the date of such payment if the payment is made before 12:00 noon (Toronto time) at the place of payment on the date of such payment), and such interest shall accrue daily, be calculated and compounded on the last Business Day of each calendar month and be payable in the currency of the relevant Advance on demand, as well after as before maturity, default and judgment, at a rate per annum that is equal to:

- (a) if such amount is payable in Canadian Dollars, the Prime Rate plus 3.0% per annum; or
- (b) if such amount is payable in US Dollars, the US Base Rate plus 3.0% per annum.

The Borrowers hereby waive, to the fullest extent they may do so under Applicable Law, any provisions of Applicable Law, including specifically the *Interest Act* (Canada) or the *Judgment Interest Act* (Alberta), which may be inconsistent with this Agreement.

4.8 Commitment Fees

The Borrowers shall pay commitment fees to the applicable Swingline Lender (in respect of the applicable Swingline Facility) or to the applicable Administrative Agent on behalf of each applicable Lender (in respect of the applicable Syndicated Facility) calculated in arrears on the last Business Day of each Fiscal Quarter commencing with the last Business Day of the Fiscal Quarter in which the Effective Date occurs, and payable quarterly in arrears on the third Business Day of the next following Fiscal Quarter thereafter. Each payment of commitment fees shall be calculated for the period commencing on and including the Effective Date or the last date on which such commitment fees were payable hereunder, as the case may be, up to and including the last day of the Fiscal Quarter for which such commitment fees are to be paid and shall be in an amount equal to the Commitment Fee Rate in effect on each day during such period of calculation multiplied by the undrawn portion of the respective Commitment, as the case may be, for each day in the period of the calculation from the amount of such Lender's Commitment in effect on each such day. Such commitment fees shall be calculated on a daily basis and on the basis of a 365 day year. For purposes of calculating commitment fees payable pursuant to this Section, the amount of Advances outstanding from time to time in US Dollars on each day during the period for which such commitment fees are payable shall, for the purposes of determining an Equivalent Amount on such day, be notionally converted to the Equivalent Amount in

Canadian Dollars using the daily average exchange rate quoted by the Bank of Canada at approximately the close of business on the first Business Day of such Fiscal Quarter.

4.9 Upfront Fees

Each Borrower (as applicable, on a pro rata basis) shall pay to the applicable Administrative Agent, on the Effective Date, upfront fees in respect of each Lender as previously agreed for such Lender agreeing to extend its existing Commitment under the Prior Credit Agreement and for accepting its increased Commitment hereunder.

4.10 Maximum Rate Permitted by Law

No interest or fee to be paid hereunder shall be paid at a rate exceeding the maximum rate permitted by Applicable Law. In the event any such interest or fee exceeds such maximum rate, such interest or fee shall be reduced or refunded, as the case may be, so as to be payable at the highest rate recoverable under Applicable Law.

4.11 Interest Generally

The theory of deemed reinvestment shall not apply to the calculation of interest or payment of fees or other amounts hereunder, notwithstanding anything contained in this Agreement or in any other Credit Document now or hereafter granted to or taken by the Lenders, the Administrative Agents or the Collateral Agent, and all interest and fees payable by the Borrowers to the Lenders, the Administrative Agents or the Collateral Agent shall accrue from day to day and be computed as described herein in accordance with the "nominal rate" method of interest calculation.

ARTICLE V GUARANTEES AND SECURITY

5.1 Existing Security

The Collateral Agent shall continue to hold the Existing Security for the benefit of the Noteholders, the Administrative Agents, the Lenders and Swap Lenders to secure due repayment and satisfaction in full of all Note Obligations owing to the Noteholders from time to time and all Credit Obligations owing to the Administrative Agents, the Lenders and the Swap Lenders from time to time, including due performance, payment and satisfaction of all Credit Obligations under this Agreement, the other Credit Documents and Eligible Swaps.

5.2 Additional Guarantees and Security

To secure due repayment and satisfaction in full of all Credit Obligations owing to the Administrative Agents, the Lenders and the Swap Lenders from time to time, including due performance, payment and satisfaction of all Credit Obligations under this Agreement and the other Credit Documents, the Borrowers shall cause to be executed and delivered on or before the Effective Date the following documents:

- (a) an unlimited Guarantee from BDC and each Restricted Subsidiary whereby it guarantees to the Canadian Administrative Agent all Credit Obligations of the Canadian Borrower to the applicable Lenders under the Canadian Facilities and to the Swap Lenders under Eligible Swaps;
- (b) an unlimited Guarantee from BDLP and each Restricted Subsidiary whereby it guarantees to the US Administrative Agent all Credit Obligations of the US Borrower to the applicable Lenders under the US Facilities and to the Swap Lenders under Eligible Swaps; and

- (c) a confirmation and agreement from each Credit Party with respect to the continuing effectiveness of the Existing Security to which it is a party;

together with opinions in respect of such documents from Borrower's Counsel, all in form and substance satisfactory to the Administrative Agents, the Collateral Agent, the Lenders and Lenders' Counsel.

5.3 New Guarantees and Security

Within 30 days of any new Subsidiary becoming a Restricted Subsidiary or any new Subsidiary providing a 2014 Senior Secured Note Guaranty, the Borrowers shall cause to be executed and delivered to the respective Administrative Agent or the Collateral Agent (as applicable) by each such new Restricted Subsidiary:

- (a) the documents described in Section 5.2(a) and (b),
- (b) a pledge agreement from the applicable Credit Party, pledging to the Collateral Agent all Securities held by such Credit Party in the capital of the new Subsidiary, together with transfer power of attorney;
- (c) from the new Subsidiary if resident in Canada:
 - (i) a fixed and floating charge demand debenture, in the principal amount of \$250,000,000, granting to the Collateral Agent a security interest in all of its present and after-acquired personal property, to be registered in first priority position in each Relevant Jurisdiction subject only to Permitted Encumbrances;
 - (ii) a debenture pledge agreement granted to the Collateral Agent;
 - (iii) an assignment of insurance, including all risks insurance, general liability insurance, business interruption insurance and fire insurance over all inventory and equipment, naming the Collateral Agent as first loss payee; and
 - (iv) a joinder agreement (credit party) in the form prescribed by the Intercreditor Agreement;
- (d) from the new Subsidiary if resident in the United States of America:
 - (i) a general security agreement granting to the Collateral Agent a security interest in all of its present and after-acquired personal property, to be registered in first priority position in each Relevant Jurisdiction subject only to Permitted Encumbrances;
 - (ii) an assignment of insurance, including all risks insurance, general liability insurance, business interruption insurance and fire insurance over all inventory and equipment, naming the Collateral Agent as first loss payee; and
 - (iii) a joinder agreement (credit party) in the form prescribed by the Intercreditor Agreement;

together with opinions in respect of such documents from Borrower's Counsel, all in form and substance satisfactory to the Administrative Agents, the Collateral Agent, the Lenders and Lenders' Counsel.

5.4 Continuing Guarantees and Security

The Guarantees shall for all purposes be treated as separate and continuing guarantees and shall be deemed to have been given in addition to and not in place of any other guarantee now held or hereafter

acquired by an Administrative Agent for the benefit of the applicable Lenders. The Security Documents shall for all purposes be treated as separate and continuing security and shall be deemed to have been given in addition to and not in place of any other security now held or hereafter acquired by the Collateral Agent for the benefit of the Secured Creditors. No item or part of any Guarantee or any other Security Document shall be merged or be deemed to have been merged in or by any simple contract debt or any judgment, and any realization of or steps taken or pursuant to any Guarantee or other Security Document shall be independent of and not create a merger with any other right available to the Administrative Agents or the Collateral Agent under this Agreement, any other Guarantee or Security Documents, or any other Credit Document or Note Document held by it or at law or in equity.

5.5 Dealing with Guarantees

The Collateral Agent acting on the instructions of the Majority Secured Creditors pursuant to the Intercreditor Agreement may grant extensions of time or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Credit Parties and other persons, sureties or securities as the Collateral Agent may see fit, and the Collateral Agent may, subject to the provisions hereof and the Intercreditor Agreement, apply all moneys received from the Credit Parties or such other persons, or from sureties or securities, to the Credit Obligations and the Note Obligations pursuant to the provisions of the Intercreditor Agreement.

5.6 Effectiveness

The Guarantees and Security Documents contemplated or required to be created pursuant to this Article V shall be effective upon execution and delivery thereof, and the undertakings as to the Guarantees and Security Documents herein or in any document hereunder shall be continuing, whether the monies hereby or thereby secured or any part thereof shall be advanced before or after or at the same time as the creation of any such Guarantees or Security Documents, or before or after or upon the date of execution of any amendments to or restatements of this Agreement, and shall not be affected by any Credit Obligations fluctuating from time to time.

5.7 Undertaking to Grant Additional Security

Subject to Section 5.8, if the Collateral Agent requests (acting reasonably), the Borrowers shall forthwith grant or cause to be granted to the Collateral Agent such additional security, including a first fixed Security Interest (subject only to Permitted Encumbrances which under Applicable Law rank in priority thereto) in such Property of any Credit Party not previously subject to a fixed Security Interest as the Collateral Agent shall determine, as security for all present and future Credit Obligations and Note Obligations.

5.8 Limitation

The rights of the Collateral Agent in respect of the Security Documents under this Article V shall be subject to, where applicable, the receipt of any consent that may be required pursuant to Applicable Law prior to any Credit Party granting a Security Interest referred to therein. The Borrowers shall use all reasonable efforts (which shall include the expenditure of funds) to obtain such consents.

5.9 Release and Amendment of Security

During the term of this Agreement, the Collateral Agent may discharge any Security Interests provided hereunder with respect to any Permitted Dispositions upon the applicable Administrative Agent having first certified to the Collateral Agent in writing that any such disposition is a Permitted Disposition as contemplated by this Agreement and the Intercreditor Agreement.

5.10 Registrations and Renewals

Each Borrower shall, and shall cause each Restricted Subsidiary, at the Borrower's sole cost and expense, to: (i) do all such commercially reasonable acts, execute all such instruments and provide such further assurances as the Collateral Agent may reasonably request to ensure that the priority of the Security Interests created by all of the Security Documents executed and delivered to the Collateral Agent as contemplated hereby is duly protected and perfected by registration, filing or recordation of such Security Documents or a caution, caveat, security notice or other appropriate instrument at all offices where necessary or of material advantage to the protection or perfection thereof including in the Relevant Jurisdictions; and (ii) cooperate with the Collateral Agent and Lenders' Counsel in renewing or refiling, from time to time, any registration, filing or recordation required hereby in order to preserve, protect and maintain the priority of such Security Interests.

5.11 Permitted Encumbrances and Permitted Indebtedness

None of the fact that:

- (a) any Credit Party is permitted to create or suffer to exist any Permitted Encumbrance or Permitted Indebtedness;
- (b) any representation, warranty or covenant contained herein may make an exception for the existence of Permitted Encumbrances or Permitted Indebtedness; or
- (c) the Security Interests created pursuant to the Security Documents are stated to be subject to, or are not required to rank in priority to, Permitted Encumbrances,

shall in any manner, nor in any cause or proceeding, directly or indirectly, be taken to constitute a subordination of any Security Interest created pursuant to the Security Documents to any Permitted Encumbrance or to any other Security Interest or other obligation whatsoever, or that the Credit Obligations are in any way subordinate or junior in right of payment to any Permitted Indebtedness, it being the intention of the parties that all Security Interests created pursuant to the Security Documents shall at all times, to the maximum extent permitted by Applicable Law, rank as first priority Security Interests in priority to Permitted Encumbrances and all other Security Interests or other obligations whatsoever and that the Obligations under the Credit Documents will rank in right of payment at all times at least equally with such Permitted Indebtedness.

ARTICLE VI **DISBURSEMENT CONDITIONS**

6.1 Effectiveness and Conditions Precedent

This Agreement shall become effective at such time as the following conditions precedent shall have been satisfied (or waived by the Administrative Agents acting on the instructions of all of the Lenders):

- (a) **Receipt of Documents:** the Administrative Agents shall have received, each in full force and effect and in form and substance satisfactory to the Lenders, the following:
 - (i) this Agreement duly executed and delivered by the Borrowers;
 - (ii) each other Credit Document being delivered in connection herewith (including the Credit Documents required by Section 5.2 above), duly executed and delivered by each Credit Party which is a party thereto;
 - (iii) an agency fee agreement between each Borrower, the applicable Swingline Lender and the applicable Administrative Agent;

- (iv) each Lender's anti-money laundering and anti-terrorist financing loan information statement in the Lender's standard form, completed by the Borrowers;
 - (v) a *pro forma* Compliance Certificate confirming compliance with the Financial Covenants and all non-financial covenants herein contained;
 - (vi) a certificate of status or equivalent in respect of BDC and each Restricted Subsidiary, and a partnership search result in respect of BDLP, issued under the laws of its jurisdiction of incorporation or formation, as applicable;
 - (vii) if not previously delivered in connection with the Prior Credit Agreement, a certified copy of the Constatting Documents of each Credit Party;
 - (viii) a certified copy of the resolutions of the directors of BDC and each Restricted Subsidiary, or of the General Partner for and on behalf of BDLP, in each case with respect to the authorization, execution and delivery of the Credit Documents to which each Credit Party is respectively a party being delivered in connection herewith;
 - (ix) a favourable opinion of Borrower's Counsel, addressed to the Collateral Agent, the Administrative Agents, the Lenders and Lenders' Counsel, relating to (among other things) existence and capacity of the Credit Parties, and the due authorization, execution, delivery and enforceability of the Credit Documents to which each Credit Party is a party being delivered in connection herewith;
 - (x) a favourable opinion from Lenders' Counsel addressed to the Collateral Agent, the Administrative Agents and the Lenders as to such matters as may be reasonably required to be addressed therein; and
 - (xi) such other documents, certificates, opinions and agreements which the Administrative Agents and the Lenders may reasonably request.
- (b) **Due Diligence:** the Lenders shall have completed and be satisfied with their financial, business, legal and environmental due diligence review in respect of the Credit Parties.
- (c) **Fees:** the Borrowers shall have paid all fees and expenses then due in respect of this Agreement.
- (d) **Security Interests:** all Security Interests pursuant to the Security Documents shall have been duly registered in first priority position in each applicable Relevant Jurisdiction as required by the Collateral Agent.
- (e) **Payout of Existing Indebtedness:** the Administrative Agents and the Lenders shall be satisfied that, subject to the provision in Section 2.1(a)(i) with respect to Existing Letters of Credit, the 2014 Lenders shall release and discharge BDLP from all indebtedness under the Prior Credit Facilities owing to the 2014 Lenders on the Effective Date upon being repaid in full or arrangements satisfactory to the 2014 Lenders for repayment in full have been made, and the Prior Credit Agreement shall be terminated and cancelled forthwith after making such repayments or arrangements.
- (f) **Other:** satisfaction (or waiver) of the additional conditions precedent set out in Section 6.2 below.

6.2 Conditions Precedent to All Advances (other than Rollovers and Conversions)

The obligation of the Lenders to make any Advance hereunder (excluding Rollovers and Conversions) is subject to the satisfaction of the following conditions precedent:

- (a) **No Default:** no Default or Event of Default has occurred and is continuing on the Drawdown Date, or would result from the making of any such Advance;
- (b) **Representations and Warranties:** the representations and warranties contained in Article VII and in any other Credit Document shall be true and correct as if made on and as of the Drawdown Date and the date of any Compliance Certificate;
- (c) **No Material Adverse Effect:** since the date of delivery by the Borrowers to the Administrative Agents of the most recent Compliance Certificate required pursuant to Section 8.3(c), there shall not have occurred any change, development or event relating to the Credit Parties which would reasonably be expected to have a Material Adverse Effect;
- (d) **Delivery of Notice:** the applicable Borrower shall have delivered to the applicable Administrative Agent a duly completed Drawdown Notice if required hereunder; and
- (e) **Other:** all other terms and conditions of this Agreement upon which the Borrowers may obtain an Advance are fulfilled, including without limitation, the aggregate amount of any proposed Advance when added to the then outstanding Credit Obligations shall not exceed the Canadian Facility Limit or the US Facility Limit, as applicable.

6.3 Conditions Precedent to Rollovers and Conversions

The obligation of the Lenders to effect a Rollover or Conversion, as applicable, is subject to the satisfaction of the following conditions precedent:

- (a) **No Default:** no Default or Event of Default has occurred and is continuing on the Rollover Date or the Conversion Date, as applicable, or would result from the making of any such Advance; and
- (b) **Delivery of Notice:** the applicable Borrower shall have delivered to the applicable Administrative Agent a duly completed Rollover Notice or Conversion Notice, as applicable.

6.4 Limitation

The conditions in this Article VI are inserted for the sole benefit of the Lenders, and may be waived by the Administrative Agents upon the instructions of the Lenders in whole or in part (with or without terms or conditions) in respect of the effectiveness of this Agreement or any particular Advance.

ARTICLE VII **REPRESENTATIONS AND WARRANTIES**

7.1 Representations and Warranties

The Borrowers represent and warrant to the Administrative Agents, the Collateral Agent and the Lenders (all of which representations and warranties the Borrowers hereby acknowledge are being relied upon by the Administrative Agents, the Collateral Agent and the Lenders in entering into this Agreement) that:

- (a) **Existence of BDLP:** BDLP is a limited partnership duly formed and recognized, and validly subsisting and in good standing under the laws of Alberta, and is duly registered and qualified

as an extra-provincial limited partnership under the laws of each other jurisdiction in Canada in which the nature of any business transacted by it or the character of any Property owned or leased by it requires such registration and qualification, except to the extent that failure to maintain such registration or qualification does not have a Material Adverse Effect; as of the date hereof, BDL is the General Partner of BDLP, and BDL and Fieldtek are the sole limited partners of BDLP;

- (b) **Existence of BDC and Restricted Subsidiaries:** BDC and each corporate Restricted Subsidiary is duly incorporated, amalgamated or continued, and each Restricted Subsidiary which is a partnership is duly formed and recognized, and each is duly organized, validly subsisting and in good standing under the laws of its jurisdiction of incorporation, amalgamation, continuance or formation, as the case may be, and each is duly registered and qualified as an extra-jurisdictional corporation or partnership under the laws of each other Relevant Jurisdiction in which the nature of any business transacted by it or the character of any Property owned or leased by it requires such registration and qualification, except to the extent that failure to maintain such registration or qualification does not have a Material Adverse Effect;
- (c) **Power and Capacity:** each Credit Party has full corporate or partnership power and capacity, as the case may be, to own its Property and conduct its business as presently conducted; and in the case of each Borrower, to borrow money and perform its obligations hereunder; and in the case of BDL, to act as the General Partner of BDLP; in each case, pursuant to the delegation or appointment provisions of the Partnership Agreement, respectively;
- (d) **Authorization:** the execution, delivery and performance by each Credit Party of the Credit Documents to which it is a party has been duly authorized by all necessary corporate, partnership or other action, as applicable, and are within its corporate, partnership or other power and capacity, as applicable;
- (e) **Execution and Delivery:** each Credit Document to which each Credit Party is a party has been duly executed and delivered by such Credit Party, as applicable;
- (f) **Binding Obligations:** each Credit Document to which any Credit Party is a party is a legal, valid and binding obligation enforceable against such Credit Party, as the case may be, in accordance with its respective terms, except as enforceability may be limited by general principles of equity and by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally;
- (g) **No Legal Bar or Resultant Lien:** the execution, delivery and performance by any Credit Party of the Credit Documents to which it is a party will not violate any provision of Applicable Law or of its respective Constating Documents, and will not result in a breach of or constitute a default or require any consent under, or result in the creation of any Security Interest (other than Permitted Encumbrances) upon, any of its Property pursuant to any indenture or other agreement or instrument to which it is a party or by which it or its Property may be bound or affected; and the execution, delivery and performance by any Credit Party of the Credit Documents to which it is a party does not require any governmental action, license, consent or approval of, or notice to or filing with, any Governmental Authority which has not been obtained and does not and will not contravene any provision of Applicable Law or any governmental action applicable to such Credit Party, or any of its Property;
- (h) **Title to Property:** subject to Permitted Title Defects, each Credit Party has good and marketable title to all of its Property free and clear of all claims and Security Interests, other than Permitted Encumbrances;
- (i) **Default of Other Contracts:** no Credit Party is in material breach or material default of, nor has any event or circumstance occurred which, but for the passage of time or the giving of

notice, or both, would constitute a breach or default under any material agreement or instrument by which it or any of its Property is bound, except to the extent any failure to do so would not reasonably be expected to have a Material Adverse Effect;

- (j) **Ownership of Partnership Units:** as of the date hereof, BDL is the legal and beneficial owner of 99% of the limited partnership units of the Borrower, and Fieldtek is the legal and beneficial owner of 1% of the limited partnership units of the Borrower;
- (k) **Litigation:** there are no material actions, suits or proceedings (whether or not purportedly on behalf of any Credit Party) pending or threatened against any Credit Party at law or in equity by or before any court, arbitrator or other Governmental Authority, domestic or foreign, of any kind, and no Credit Party is in default with respect to any judgment, order, writ, injunction, decree, award, rule or regulation of any court, arbitrator or other Governmental Authority, domestic or foreign, of any kind, except in each case to the extent it would not reasonably be expected to have a Material Adverse Effect;
- (l) **Financial Condition:** all Financial Statements submitted to the Administrative Agents fairly reflect, as of the dates thereof, the consolidated financial condition of the entities referred to therein and the results of operations for the periods covered thereby, have been prepared in accordance with GAAP and, from the date of the latest such Financial Statements submitted to the Administrative Agents, there has been no material adverse change in the consolidated financial condition of the entities referred to therein which has not been disclosed in writing to the Administrative Agents;
- (m) **Swaps:** as of the date hereof, no Credit Party is a party to any Swaps other than, in the case of the Borrowers, Eligible Swaps or Permitted Swaps;
- (n) **Restricted Subsidiaries:** BDL has no Restricted Subsidiaries other than those Subsidiaries specifically listed in the definition of "Restricted Subsidiary";
- (o) **Taxes:** each Credit Party has filed all tax returns which were required to be filed, have paid or made provision for payment (in accordance with GAAP) of all Taxes which are due and payable, and have provided adequate reserves (in accordance with GAAP) for the payment of any Taxes, the payment of which is being contested, except to the extent that any failure to do so would not reasonably be expected to have a Material Adverse Effect;
- (p) **Insurance:** each Credit Party has in full force and effect such policies of insurance in such amounts issued by insurers of recognized standing insuring its Property and operations, and providing such coverage as would be maintained by a prudent operator engaged in the same or similar business in the Relevant Jurisdictions where its Property and operations are located, except to the extent that any failure to do so would not reasonably be expected to have a Material Adverse Effect;
- (q) **Compliance with Laws:** each Credit Party is in material compliance with all Applicable Law, except to the extent that any failure to comply would not reasonably be expected to have a Material Adverse Effect;
- (r) **Environmental Laws:** each Credit Party has obtained all material permits, licenses and other authorizations which are required under Environmental Law, except to the extent any failure to do so would not reasonably be expected to have a Material Adverse Effect;
- (s) **Environmental Condition of Property:** no Property of any Credit Party:
 - (i) is the subject of any material outstanding orders from a Governmental Authority or otherwise alleging violation of any Environmental Law; and

- (ii) does not comply, with respect to its use and condition and in all material respects, with Environmental Law and all terms and conditions of all permits, licenses and other authorizations which are required under Environmental Law, except to the extent that any failure to not comply would not reasonably be expected to have a Material Adverse Effect;
- (t) **Margin Regulations:** no Credit Party is engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulations T, U or X of the U.S. Federal Reserve Board, as each is from time to time in effect, and all official rulings and interpretations thereunder or thereof;
- (u) **Investment Company Act:** none of the Borrowers nor any of their respective Subsidiaries is an "investment company" or a company "controlled" by an "investment company" within the meaning of the *U.S. Investment Company Act of 1940*, as amended;
- (v) **Anti-Corruption Laws and Sanctions:** the Borrowers have instituted and maintain in effect, and have conducted their business in compliance with, policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance by the Borrowers, their Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions in all material respects, and the Borrowers, their Subsidiaries and their respective officers and employees, and to the knowledge of the Borrowers their directors and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of the Borrowers, any Subsidiary or any of their respective directors, officers or employees, or to the knowledge of the Borrowers, any agent of the Borrowers or any Subsidiary that will act in any capacity in connection with or benefit from the Credit Facilities established hereby, is a Sanctioned Person, or is located, organized or resident in a Sanctioned Country, or has taken any action, directly or indirectly, what would result in a violation by such persons of Anti-Corruption Laws or Sanctions;
- (w) **Events of Default:** no event or circumstance has occurred which constitutes, or which with the giving of notice, lapse of time or both would constitute, an Event of Default hereunder; and
- (x) **Disclosure:** as of the date hereof, there is no fact that it has not disclosed to the Administrative Agents, the Collateral Agent and the Lenders in writing that could reasonably be expected to have a Material Adverse Effect.

7.2 Survival of Representations and Warranties

Unless expressly stated to be made as of a specific date, the representations and warranties made in this Agreement shall survive the execution of this Agreement and all other Credit Documents, and shall be deemed to be repeated as of the date of each Advance (but not including any deemed Advance) and as of the date of delivery of each Compliance Certificate, subject to modifications made by the Borrowers to the Administrative Agents, the Collateral Agent and the Lenders in writing and accepted by the Administrative Agents, the Collateral Agent and the Lenders. The Administrative Agents, the Collateral Agent and the Lenders shall be deemed to have relied upon such representations and warranties at each such time as a condition of making an Advance hereunder or continuing to extend the Credit Facilities hereunder.

ARTICLE VIII
COVENANTS

8.1 General Covenants

Each Borrower covenants and agrees with the Administrative Agents and the Lenders (and with the Collateral Agent for the purpose of paragraphs (i), (k), (m), (o) and (p) below) that, during the term of this Agreement, unless the Administrative Agents acting on the instructions of the Majority Lenders (acting reasonably) otherwise provide their prior written consent, it shall and shall cause each Restricted Subsidiary, as applicable, to:

- (a) **Pay and Perform Obligations:** duly and punctually pay all Credit Obligations owing hereunder on the dates, times and places, and in the manner specified herein, and perform all other Credit Obligations on its part to be performed under the terms of the Credit Documents;
- (b) **Maintain Existence:** subject to Section 8.5, maintain and preserve its existence, organization and status in its jurisdiction of organization, and make all corporate and other filings and registrations in each Relevant Jurisdiction necessary or advisable in connection therewith except to the extent failure to make such filings would not have a Material Adverse Effect;
- (c) **Conduct Business:** carry on and continuously conduct its business in an efficient, diligent and businesslike manner;
- (d) **Comply With Laws:** obtain, as and when required, and maintain in good standing all permits and approvals necessary to the ownership of its Property and to the conduct of its business in each Relevant Jurisdiction, and operate its business in substantial compliance with and comply with all Applicable Law (including Environmental Law) which, if not obtained, maintained, operated in compliance with or complied with would reasonably be expected to have a Material Adverse Effect;
- (e) **Anti-Corruption Laws and Sanctions:** the Borrowers will maintain in effect and enforce policies and procedures designed to ensure compliance by the Borrowers, their Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions in all material respects;
- (f) **Pay Taxes:** duly file on a timely basis all Tax returns required to be filed by it, and duly and punctually pay all Taxes levied or assessed against it or its Property (except for those Taxes which are due but are then the subject of a Permitted Contest), except to the extent failure to do so would not have a Material Adverse Effect;
- (g) **Provide Access:** upon reasonable notice, permit any representative of the Administrative Agents and the Lenders to discuss with its senior management its business, material Property, financial condition and prospects;
- (h) **Use Advances:** use the proceeds of any Advance hereunder only for the purposes set out in Section 2.7, and shall not use or part with the proceeds of any Advance or Letter of Credit:
 - (i) for any purpose which violates, or is inconsistent with, Regulations T, U or X of the U.S Federal Reserve Board, as each is from time to time in effect, and all official rulings and interpretations thereunder or thereof, or
 - (ii) lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person to fund, finance or facilitate any activities or business

of or with any Sanctioned Person, or in any Sanctioned Country, that at the time of such funding is, or whose government is, the subject of Sanctions, or

- (iii) in furtherance of an offer, payment, promise to pay or authorization of the payment or giving of money, or anything else of value, to any person in violation of Anti-Corruption Laws, or
- (iv) under the US Syndicated Facility for the benefit of, or transfer to, any of the following entities: any entity containing "Hongkong and Shanghai Banking Corporation" or "HSBC" in its name, Bank of Communications, Hang Seng Bank or Saudi British Bank. No outstanding loans from any of the foregoing entities to the US Borrower, and of the US Borrower's Subsidiaries or any Affiliates of the US Borrower or the US Borrower's Subsidiaries shall be repaid with the proceeds of any Advance under the US Syndicated Facility;
- (i) **Revenue and Assets:** ensure that the unconsolidated revenue attributable to the Credit Parties shall be not less than ninety percent (90%) of the consolidated revenue of BDL, and ensure that the Tangible Assets attributable to the Credit Parties shall be not less than ninety percent (90%) of the Consolidated Tangible Assets;
- (j) **Deliver Security:** execute and deliver to the Collateral Agent the Security Documents required by Section 5.3 upon any new Subsidiary becoming a Restricted Subsidiary, as and when required by Section 5.3;
- (k) **Maintain Accounts:** maintain all deposit banking accounts of each Credit Party with the Lenders, other than in respect of foreign exchange and money market investment transactions;
- (l) **Co-Operate:** co-operate with the Collateral Agent so as to permit the Collateral Agent to:
 - (i) forthwith register, file and record the Security Documents (or notices, financing statements or other registrations, including amending registrations, in respect thereof) as and when required in accordance with the terms hereof in all proper offices where such registration, filing or recording may be necessary or advantageous to perfect or protect the Security Interests constituted by the Security Documents; and
 - (ii) maintain all such registrations in full force and effect;
- (m) **Maintain Intercorporate Relations:** for so long as there remains any Credit Obligations of the Borrowers owing to the Lenders hereunder, ensure that each Credit Party (other than BDL) remains a direct or indirect wholly-owned Subsidiary of BDL;
- (n) **Give Notice:** promptly give written notice to the Administrative Agents of:
 - (i) any Default or Event of Default of which it becomes aware, using reasonable diligence including without limitation, any default under any provision of the 2014 Senior Secured Note Documents,
 - (ii) any material amendment to its method of financial reporting, together with full particulars thereof, the reasons therefore and effect thereof,
 - (iii) any damage to or destruction of any Property which might give rise to a claim for insurance monies in excess of \$2,000,000,

- (iv) any proposed change in its name, at least 20 days prior to any action being taken to effect such name change, and thereafter within 10 days provide certified copies of the certificate and supporting documents effecting such name change,
- (v) any proposed change in the location of its chief executive office from the province in which it is currently located, at least 20 days prior to any action being taken to effect such location change together with particulars of the new address,
- (vi) on becoming aware of any Environmental Liability occurring on or in relation to its Property, or the receipt of any order from a Governmental Authority or otherwise alleging violation of any Environmental Law, which could reasonably be expected to have a Material Adverse Effect, including without limitation, the existence of any Hazardous Materials located on, above or below the surface of any land which it controls or contained in the soil or water constituting such land, and any Release of Hazardous Materials that has occurred on or from such land (except those Hazardous Materials being stored, used or otherwise handled in the ordinary course of business in substantial compliance with Applicable Law),
- (vii) any material litigation, arbitration or other proceeding commenced or threatened against or affecting it which could reasonably be expected to have a Material Adverse Effect,
- (viii) any Security Interest of which it becomes aware that has become registered, filed or recorded against the interest of any Credit Party which is not a Permitted Encumbrance;
- (ix) any optional prepayment proposed to be made by BDLP in respect of the 2014 Senior Secured Notes under section 8.2 of the 2014 Senior Secured Note Purchase Agreement;
- (x) any proposed termination, cancellation or non-renewal of BDL as General Partner of BDLP; or
- (xi) any other change (financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of any Credit Party that has or could reasonably be expected to have a Material Adverse Effect,

and from time to time provide the Administrative Agents with all reasonable information requested by the Administrative Agents concerning the status of any of the foregoing;

- (o) **Maintain Common Fiscal Year End**: maintain a common Fiscal Year end among the Credit Parties;
- (p) **Maintain Insurance**: maintain insurance on all its Property with financially sound and reputable insurance companies or associations including all-risk property insurance, comprehensive general liability insurance and business interruption insurance, in amounts and against risks that are determined to be appropriate by the Borrower acting prudently, except to the extent that any failure to do so would not reasonably be expected to have a Material Adverse Effect; furnish to the Collateral Agent, upon written request but in any event annually, satisfactory evidence of the insurance carried; and deliver to the Collateral Agent upon its reasonable request certificates of insurance naming the insureds, naming the Collateral Agent as first loss payee, and providing the particulars of all policies of insurance; and
- (q) **Provide Documents**: use reasonable efforts to provide the Administrative Agents, the Collateral Agent or the Lenders from time to time with such other documents, opinions,

consents, acknowledgments and agreements as are requested by them and are reasonably necessary to implement this Agreement.

8.2 Financial Covenants

Each Borrower covenants and agrees with the Administrative Agents and the Lenders that, during the term of this Agreement, it shall observe and maintain the following Financial Covenants, at all times, to be tested as of the last day of each Fiscal Quarter based on the consolidated Financial Statements:

- (a) ensure that the Funded Debt to EBITDA Ratio shall be not greater than 2.75:1, tested on a trailing four quarter basis; and
- (b) ensure that the Consolidated Interest Coverage Ratio shall be not less than 3.0:1, tested on a trailing four quarter basis.

The Borrowers shall furnish to the Administrative Agents a Compliance Certificate at the end of each Fiscal Quarter to evidence such ratios as at such dates (provided that it shall only be an Event of Default for the purpose of Section 9.1(b) if any of such ratios are not met as at the end of any Fiscal Quarter).

8.3 Reporting Requirements

During the term of this Agreement, unless the Administrative Agents acting on the instructions of the Majority Lenders (acting reasonably) otherwise provide their prior written consent, the Borrowers shall:

- (a) cause to be prepared and delivered to the Administrative Agents as soon as practicable, and in any event within 45 days of the end of each Fiscal Quarter (excluding the fourth quarter), the interim unaudited consolidated Financial Statements of BDL, in each case as at the end of each such Fiscal Quarter;
- (b) cause to be prepared and delivered to the Administrative Agents as soon as practicable, and in any event within 120 days after the end of each Fiscal Year, the annual audited consolidated Financial Statements of BDL, such Financial Statements to be audited by an internationally recognized accounting firm and to be prepared in accordance with GAAP on a consolidated basis;
- (c) concurrently with the delivery of the Financial Statements referred to in paragraphs (a) and (b) above provide the Administrative Agents with a Compliance Certificate, together with (i) details of the calculations of all ratios, (ii) details of all outstanding Eligible Swaps with any Swap Lender; and (iii) details of any transaction that results in an amalgamation, merger or consolidation of any Credit Party;
- (d) within 120 days after the end of each Fiscal Year, provide the Administrative Agents with an annual business plan together with a four-year financial forecast (quarterly for the first year and annually for the remaining term of this Agreement), including capital expenditures and assumptions. For greater certainty, the capital expenditure budget shall include all planned expenditures and planned acquisitions; and
- (e) promptly provide the Administrative Agents with such other information from time to time as the Lenders may reasonably request respecting any Credit Party.

8.4 Property

Each Borrower covenants and agrees with the Administrative Agents, the Collateral Agent and the Lenders that, during the term of this Agreement, unless the Administrative Agents acting on the instructions of

the Majority Lenders (acting reasonably) otherwise provide their prior written consent, it shall and shall cause each Restricted Subsidiary, as applicable, to:

- (a) defend its Property against any person claiming or attempting to claim the same, or asserting any interest adverse to its interests therein, and keep at an appropriate office accurate and complete records of its Property;
- (b) subject to normal safety precautions of the operators of same, upon reasonable notice, permit any representatives of the Administrative Agents, the Collateral Agent and the Lenders to visit and inspect its Property during ordinary business hours, and furnish the Administrative Agents and the Collateral Agent with any information thereon reasonably requested by the Lenders from time to time as may be available to it;
- (c) maintain, protect and preserve its Property which it operates in accordance with good industry practice and take reasonable steps to cause the operator(s) of its Property which it does not operate to do likewise, except to the extent that any failure to do so would not reasonably be expected to have a Material Adverse Effect; and
- (d) comply in all material respects with Applicable Law, except to the extent that any failure to comply would not reasonably be expected to have a Material Adverse Effect; and
- (e) pay or cause to be paid all rents, royalties and other obligations to pay money validly imposed upon it, or upon its Property or any part thereof, as and when the same become due and payable or provide adequate reserves (in accordance with GAAP) for payment of any such obligations, the payment of which is being contested in good faith by appropriate proceedings, except in each case to the extent that any failure to do so would not reasonably be expected to have a Material Adverse Effect.

8.5 Negative Corporate Covenants

Each Borrower covenants and agrees with the Administrative Agents and the Lenders that, so long as any Credit Obligations remain outstanding or any Commitment remains in effect, without the prior written consent of the Administrative Agents acting on the instructions of the Majority Lenders (acting reasonably), the Borrowers shall not and shall not permit any Restricted Subsidiary, as applicable, to:

- (a)
 - (i) merge, amalgamate or consolidate with any persons other than Credit Parties, or
 - (ii) enter into any corporate reorganization or other transaction intended to effect a consolidation, amalgamation or merger with any persons other than Credit Parties, or
 - (iii) become party to any transaction whereby directly or indirectly all or any substantial part of its Property would become the property of any person other than a Credit Party, whether by way of reorganization, dissolution, winding-up, liquidation, amalgamation, arrangement, transfer, lease or otherwise,if, in any such case, a Default or Event of Default is then in existence or would be caused as a result thereof; or
- (b) initiate or participate in the Hostile Acquisition of any person, or any attempt to complete the Hostile Acquisition of any person; or
- (c) change in any material respect the nature of its business or operations, or engage directly or indirectly in any material business activity or purchase or otherwise acquire any material property, in either case, that could reasonably be expected to have a Material Adverse Effect.

8.6 Restrictions on Additional Debt, Guarantees, Security and Swaps

Each Borrower covenants and agrees with the Administrative Agents and the Lenders (and with the Collateral Agent for the purpose of paragraphs (d) and (e) below) that, so long as any Credit Obligations remain outstanding or any Commitment remains in effect, without the prior written consent of the Administrative Agents acting on the instructions of the Majority Lenders (acting reasonably), the Borrowers shall not and shall not permit any Restricted Subsidiary, as applicable, to:

- (a) create, incur, assume or permit to exist any Debt, other than Permitted Indebtedness;
- (b) provide any Guarantee to any person other than: (i) to the holders of the 2014 Senior Secured Notes in respect of the Note Obligations, (ii) to the Collateral Agent in respect of the Credit Obligations, or (iii) one or more Guarantees (including without limitation to agents or franchisees of any Credit Party under a marketing, franchise or similar agreement) in an aggregate amount exceeding \$2,500,000 at any time;
- (c) provide any investments or other financial assistance (excluding any Guarantees permitted under paragraph 8.6(b) above) to persons other than a Credit Party in an aggregate amount exceeding \$2,500,000 at any time;
- (d) create, assume, suffer to exist or otherwise have outstanding any Security Interest on any Property, except for Permitted Encumbrances;
- (e) move all or substantially all assets outside any Relevant Jurisdictions; or
- (f) enter into or otherwise become a party to or obligated under any Financial Instrument or other similar agreement ordinarily used for the purpose of hedging currency risk, interest rate risk or commodity risk, unless such Financial Instrument or other agreement is entered into by a Borrower in the ordinary course of business and for the purpose of managing any such risk and not for speculative purposes (determined, where relevant, by reference to GAAP); provided, for greater certainty, that no consent of the Administrative Agents will be required for any such Financial Instrument which is an Eligible Swap or a Permitted Swap.

8.7 Restrictions on Acquisitions

Each Borrower covenants and agrees with the Administrative Agents and the Lenders that, so long as any Credit Obligations remain outstanding or any Commitment remains in effect, without the prior written consent of the Administrative Agents acting on the instructions of the Majority Lenders (acting reasonably), the Borrowers shall not undertake, and shall not permit any Restricted Subsidiary to undertake, any acquisitions exceeding in aggregate in any Fiscal Year fifteen percent (15%) of Consolidated Tangible Assets; provided that any request by the Borrowers for such consent shall be accompanied by the following information:

- (a) confirmation that the assets or businesses to be acquired are in a substantially similar line of business as that conducted by the Borrowers or the Restricted Subsidiary, or reasonably related, complimentary or ancillary thereto;
- (b) confirmation that, in the case of any equity acquisition, the target entity to be acquired will have a positive cash flow at the time of closing;
- (c) historical financial statements (for the last 3 years if available) for the target entity which is the subject of the acquisition;
- (d) *pro forma* consolidated financial information confirming compliance with all Financial Covenants on a pre and post-acquisition basis;

- (e) a revised financial forecast for the period ending on the Maturity Date incorporating the acquisition; and
- (f) evidence of completion of environmental due diligence in respect of the acquisition, including a copy of each Borrower's summary of its internally conducted environmental and regulatory audit (if any) in connection therewith, satisfactory to the Lenders.

8.8 Restrictions on Property Dispositions

Each Borrower covenants and agrees with the Administrative Agents and the Lenders that, so long as any Credit Obligations remain outstanding or any Commitment remains in effect, without the prior written consent of the Administrative Agents acting on the instructions of the Majority Lenders (acting reasonably), the Borrowers shall not and shall not permit any Restricted Subsidiary, as applicable, to effect a proposed sale, transfer, assignment, abandonment, surrender, exchange, conveyance or other disposition of any Property, other than Permitted Dispositions, in aggregate in excess of five percent (5%) of Consolidated Tangible Assets in any Fiscal Year.

8.9 Restrictions on Distributions

Each Borrower covenants and agrees with the Administrative Agents and the Lenders that, so long as any Credit Obligations remain outstanding or any Commitment remains in effect, without the prior written consent of the Administrative Agents acting on the instructions of the Majority Lenders (acting reasonably), the Borrowers shall not and shall not permit any Restricted Subsidiary, as applicable, to make any Distribution when a Default or an Event of Default has occurred and is continuing, or would reasonably be expected to occur as a result of making such Distribution.

8.10 2014 Senior Secured Notes

So long as any Credit Obligations remain outstanding or any Commitment remains in effect, without the prior written consent of the Administrative Agents acting on the instructions of the Majority Lenders (acting reasonably), the Borrowers shall not use any Advances under the Credit Facilities to make any unscheduled or optional prepayment of principal on the 2014 Senior Secured Notes.

8.11 Most Favored Lender

If at any time the 2014 Senior Secured Note Purchase Agreement or any other agreement or document related to the 2014 Senior Secured Notes includes: (a) any one or more covenants or events of default that are not provided for in the Credit Documents, or (b) any one or more covenants or events of default that are more restrictive than the same or similar covenants or events of default provided in this Agreement or the other Credit Documents, then (i) such additional or more restrictive covenants or events of default shall immediately and automatically be incorporated by reference in this Agreement as if set forth fully herein, *mutatis mutandis*, and no such provision may thereafter be waived, amended or modified under this Agreement except pursuant to the provisions of Section 10.6(b), and (ii) the Borrowers shall promptly, and in any event within 5 days after entering into any such additional or more restrictive covenant or event of default (if such additional or more restrictive covenant or event of default was entered into after the date of this Agreement), so advise the Administrative Agents in writing. Thereafter, upon the request of the Majority Lenders, the Borrowers and the Majority Lenders shall enter into an amendment to this Agreement evidencing the incorporation of such additional or more restrictive covenants or events of default, it being agreed that any failure to make such request or to enter into any such amendment shall in no way qualify or limit the incorporation by reference described in subparagraph (i) of the immediately preceding sentence.

ARTICLE IX DEFAULT

9.1 Events of Default

Each of the following events shall constitute an "**Event of Default**" under this Agreement:

- (a) if a Borrower fails to pay any amount of principal when the same becomes due and payable hereunder, whether at maturity or otherwise, or a Borrower fails to pay any amount of interest, fees or other Credit Obligations within two (2) Business Days after the same becomes due and payable hereunder; or
- (b) if any Credit Party fails to observe or perform any covenant or obligation contained herein or in any other Credit Document in any material respect (not otherwise specifically dealt with in this Section 9.1) and such breach or omission shall continue unremedied for more than ten (10) Business Days after the earlier of a Responsible Officer first having knowledge of such breach or omission, or such Credit Party receiving notice from the Administrative Agents of such breach or omission; or
- (c) if any Credit Party makes any representation or warranty under any of the Credit Documents which is incorrect or incomplete in any material respect when made or deemed to be made and (i) the incorrect or incomplete representation or warranty is not capable of being remedied by such Credit Party, or (ii) if the matter is capable of being remedied by such Credit Party, the same shall continue unremedied for more than twenty (20) Business Days after the earlier of a Responsible Officer first having knowledge of such incorrect or misleading representation or warranty, or such Credit Party receiving written notice from the Administrative Agents of such incorrect or misleading representation or warranty; or
- (d) if any event or circumstance (including non-payment) shall occur under any agreement or instrument relating to Debt of any Credit Party, including without limitation, under the 2014 Senior Secured Note Documents and under any Swap Demand for Repayment by a Swap Lender, which would permit a person to declare (whether immediately or with lapse of time or both) an amount in excess of 2.5% of Consolidated Tangible Assets to become due prior to the stipulated date for repayment thereof, or maturity (or in the case of Debt payable on demand or a guarantee if any demand is made at all), and such circumstance shall continue unremedied for more than ten (10) Business Days (provided that such grace period shall cease to apply if a demand has been made and any applicable grace period has expired or if the default is not being contested in good faith in appropriate proceedings); or
- (e) if any Credit Party shall:
 - (i) become insolvent, or generally not pay its debts or meet its liabilities as the same become due, or suspends or threatens to suspend the conduct of its business, or admit in writing its inability to pay its debts generally, or declare any general moratorium on payment of its indebtedness or interest thereon, or propose a compromise or arrangement between it and any of its creditors;
 - (ii) make an assignment of its Property for the general benefit of its creditors whether or not under the *Bankruptcy and Insolvency Act* (Canada), or make a proposal (or file a notice of its intention to do so) whether or not under such Act;
 - (iii) institute any proceeding seeking to adjudicate it an insolvent, or seeking compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors generally (or any class of creditors), or composition of it or its debts under any other statute, rule or regulation relating to bankruptcy, winding-

up, insolvency, administration, plans of arrangement, relief or protection of debtors (including under any Insolvency Legislation);

- (iv) apply for the appointment of, or the taking of possession by, a receiver, interim receiver, administrative receiver, receiver/manager, custodian, administrator, trustee, liquidator or other similar official for it or any material part of its Property; or
 - (v) take any overt action to approve, consent to or authorize any of the actions described in this paragraph (e) or in paragraph (f) below; or
- (f) if any petition shall be filed, application be made or other proceeding be instituted by a third party against or in respect of any Credit Party:
- (i) seeking to adjudicate it an insolvent, or a declaration that an act of bankruptcy has occurred;
 - (ii) seeking a receiving order against it including under the *Bankruptcy and Insolvency Act* (Canada);
 - (iii) seeking liquidation, dissolution, winding-up, reorganization, administration, compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors generally (or any class of creditors), or composition of it or its debts under any statute, rule or regulation relating to bankruptcy, winding-up, insolvency, administration, plans of arrangement, relief or protection of debtors (including under any Insolvency Legislation), or
 - (iv) seeking the entry of an order for relief or the appointment of a receiver, interim receiver, administrative receiver, receiver/manager, custodian, administrator, trustee, liquidator or other similar official for it or any material part of its Property,

and such petition, application or proceeding shall continue undismissed, or unstayed and in effect, for a period of ten (10) Business Days after the institution thereof, provided that if an order, decree or judgment which is not stayed has been granted (whether or not entered or subject to appeal) against such Credit Party thereunder in the interim, such grace period shall cease to apply; or

- (g) if any Property of any Credit Party having a fair market value in excess of 2.50% of Consolidated Tangible Assets shall be seized (including by way of execution, attachment, garnishment or distraint) or any Security Interest thereon shall be enforced, or such Property shall become subject to any receivership, or any charging order or equitable execution of a court, or any writ of enforcement, writ of execution or distress warrant with respect to obligations in excess of 2.50% of Consolidated Tangible Assets shall exist in respect of such Credit Party or such Property, or any receiver, sheriff, civil enforcement agent or other person shall become lawfully entitled to seize or distrain upon any such Property under the *Civil Enforcement Act* (Alberta), the *Workers' Compensation Act* (Alberta), the *Personal Property Security Act* (Alberta) or any other Applicable Law whereunder similar remedies are provided, and in any case such seizure, execution, attachment, garnishment, distraint, receivership, charging order or equitable execution, or other seizure or right, shall continue in effect and not stayed, released or discharged for more than thirty (30) days; or
- (h) if one or more judgments for the payment of money in the aggregate in excess of 2.50% of Consolidated Tangible Assets from time to time, and not substantially covered by insurance, shall be rendered by a court of competent jurisdiction against any Credit Party and such Credit Party shall not have (i) provided for its discharge in accordance with its terms within thirty (30) days from the date of entry thereof, or (ii) procured a stay of execution thereof within thirty (30) days from the date of entry thereof and within such period, or such longer

period during which execution of such judgment shall have been stayed, appealed such judgment and caused the execution thereof to be stayed during such appeal; or

- (i) if any Credit Party denies, to any material extent, its obligations under the Credit Documents or claims any of the Credit Documents to be invalid or withdrawn in whole or in part; or if any of the Credit Documents or any material provision thereof becomes unlawful or is materially adversely changed by virtue of legislation or by a court, statutory board or commission; or
- (j) if there is, in the opinion of the Lenders (acting reasonably) an event which has not been approved by the Administrative Agents in writing and which could reasonably be expected to have a Material Adverse Effect as described in paragraphs (a), (b) and (c) of the definition of Material Adverse Effect; or
- (k) if there occurs a Change of Control in respect of BDL and the Administrative Agents have not consented to such Change of Control. In this Section 9.1(k), "**Change of Control**" means the occurrence of any of the following events:
 - (i) a person or group of persons, acting jointly or in concert, acquires, directly or indirectly (other than by way of security for a bona fide debt), a sufficient number of Securities of BDL that the votes attached to those Securities are sufficient, if exercised, to elect a majority of the directors of BDL; or
 - (ii) BDL amalgamates or otherwise merges its business and Property with or into any other person if that amalgamation or merger is not otherwise permitted by the other provisions of this Agreement.

9.2 Acceleration, Demand and Termination of Rights

Upon the occurrence of an Insolvency Default, the Credit Obligations shall become immediately due and payable without the necessity of any demand upon or notice to the Borrowers by the Administrative Agents. Upon the occurrence and during the continuance of any Event of Default (other than an Insolvency Default) which has not been remedied or waived, the Administrative Agents may give notice to the Borrowers (with a copy to the Collateral Agent) declaring all Credit Obligations to be forthwith due and payable, whereupon they shall become and be forthwith due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrowers. The Lenders shall not be obliged to make any further Advances or to accept drafts or bills of exchange as Bankers' Acceptances from and after the delivery to the Borrowers of an Acceleration Notice, or the occurrence of an Insolvency Default.

9.3 Payment of Bankers' Acceptances and Letters of Credit

Immediately upon the making of a declaration by the Administrative Agents referred to in Section 9.2, the Borrowers shall, without necessity of further act or evidence, be and become thereby unconditionally obligated to provide forthwith to the applicable Swingline Lenders or the Canadian Administrative Agent, for the benefit of the Lenders, cash collateral equal to the full principal amount at maturity of all Bankers' Acceptances, Notional Bankers' Acceptances and Letters of Credit then outstanding and issued by the Lenders, and the Borrowers hereby unconditionally promise and agree to deposit with the applicable Swingline Lenders or the Canadian Administrative Agent, immediately upon demand, cash collateral in the amount so demanded. Each Borrower authorizes the applicable Swingline Lenders or the Canadian Administrative Agent to debit its account with the amount required to pay such Bankers' Acceptances, and the amount required to pay any drawings under Letters of Credit, notwithstanding that such Bankers' Acceptances may be held by the Canadian Administrative Agent in its own right at maturity. Amounts paid to the Canadian Administrative Agent pursuant to such a demand in respect of Bankers' Acceptances shall be applied against, and in respect of a demand by the Canadian Administrative Agent shall reduce the obligation of the Canadian Borrower to pay amounts then or thereafter payable under such Bankers' Acceptances accepted or issued under the

Canadian Syndicated Facility at the times amounts become payable under or in respect thereof, as the case may be.

9.4 Remedies

Upon the making of a declaration contemplated by Section 9.2 or a demand as contemplated by Section 9.3, the Administrative Agents may take such action or proceedings as the Administrative Agents in their sole discretion deem expedient to instruct the Collateral Agent to enforce the Security Documents in accordance with the provisions of the Intercreditor Agreement (such direction is herein referred to as an "**Enforcement Notice**"), all without any additional notice, presentment, demand, protest or other formality, all of which are hereby expressly waived by the Borrowers.

9.5 Waivers

Subject to Section 10.6(d), the Administrative Agents may from time to time waive an Event of Default, absolutely or for a limited time and subject to such terms and conditions as the Administrative Agents may specify. No such waiver shall be construed to extend to the occurrence of any other Event of Default. Any such waiver may be given prospectively or retrospectively. No failure of the Administrative Agents or the Majority Lenders to exercise, or delay by the Administrative Agents or the Majority Lenders in exercising, any of their rights or remedies shall be construed as a waiver of any Event of Default.

9.6 Saving

The Collateral Agent shall not be under any obligation to the Borrowers or any other person to realize any collateral or enforce any Security Documents or any part thereof or to allow any of the collateral to be sold, dealt with or otherwise disposed of. The Collateral Agent shall not be responsible or liable to the Borrowers or any other person for any loss or damage upon the realization or enforcement of any Security Documents, the failure to realize or enforce the collateral or any part thereof or the failure to allow any of the collateral to be sold, dealt with or otherwise disposed of or for any act or omission on its part or on the part of any director, officer, agent, servant or adviser in connection with any of the foregoing, except that the Collateral Agent will be responsible or liable for any loss or damage arising from the willful misconduct or gross negligence of the Collateral Agent.

9.7 Perform Obligations

If an Event of Default has occurred and is continuing and if the Borrowers have failed to perform any of their covenants or agreements in the Credit Documents, the Administrative Agents may, on notice to the Borrowers, but shall be under no obligation to, perform any such covenants or agreements in any manner deemed fit by the Administrative Agents without thereby waiving any rights to instruct the Collateral Agent to enforce the Security Documents. The reasonable expenses (including any legal costs) paid by the Administrative Agents in respect of the foregoing shall be added to and become part of the Credit Obligations.

9.8 Third Parties

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

9.9 Remedies Cumulative

The rights and remedies of the Administrative Agents, the Collateral Agent and the Lenders under the Credit Documents are cumulative and are in addition to and not in substitution for any rights or remedies

provided by Applicable Law. Any single or partial exercise by the Administrative Agents or the Collateral Agent of any right or remedy on behalf of the Lenders for a default or breach of any term, covenant, condition or agreement herein contained shall not be deemed to be a waiver of or to alter, affect, or prejudice any other right or remedy or other rights or remedies to which the Administrative Agents or the Collateral Agent may be lawfully entitled for the same default or breach. Any waiver by the Administrative Agents or the Collateral Agent of the strict observance, performance or compliance with any term, covenant, condition or agreement herein contained, and any indulgence granted by the Administrative Agents or the Collateral Agent shall be deemed not to be a waiver of any subsequent default.

9.10 Set-off

In addition to any rights now or hereafter granted under Applicable Law and not by way of limitation of any such rights, upon the occurrence of an Event of Default which remains unremedied (whether or not the Credit Facilities have been accelerated hereunder), the Administrative Agents (subject to the provisions of the Intercreditor Agreement) shall have the right (and are hereby authorized by the Borrowers) at any time and from time to time to combine all or any of the accounts of the Credit Parties with the Administrative Agents, and to set-off and appropriate, and to apply, any and all deposits (general or special, term or demand) including, but not limited to, indebtedness evidenced by certificates of deposit whether matured or unmatured, and any other indebtedness at any time held by the Borrowers or owing by the Administrative Agents to or for the credit or account of the Borrowers against and towards the satisfaction of any Credit Obligations, and may do so notwithstanding that the balances of such accounts and the liabilities are expressed in different currencies. The Administrative Agents shall notify the Borrowers of any such set-off from such accounts within a reasonable period of time thereafter, although the Administrative Agents shall not be liable to the Borrowers for their failure to so notify.

9.11 Payments by the Credit Parties

Subject to the provisions of the Intercreditor Agreement, all payments made by or on behalf of any Credit Party pursuant to this Agreement shall be made to and received by the Administrative Agents and shall be distributed by the Administrative Agents as soon as possible upon receipt by the Administrative Agents. The Administrative Agents shall distribute in the following order:

- (a) unpaid fees, costs and expenses of the Administrative Agents;
- (b) payments of interest and fees owing to the applicable Lenders and the Administrative Agents; and
- (c) repayments of Outstanding Principal owing to the Lenders.

Notwithstanding the foregoing, any such distribution that would otherwise be made on account of any outstanding Bankers' Acceptances or Letters of Credit shall be set aside in a separate collateral account for the primary benefit of the Lenders or the Swingline Lenders until and to the extent that such Obligations become matured and not contingent, at which time such distributions shall be made by the Administrative Agents for whose primary benefit such amounts are held.

ARTICLE X THE AGENTS AND THE LENDERS

10.1 Authority of the Canadian Administrative Agent and Relationship with the Lenders

Each Lender under the Canadian Syndicated Facility hereby appoints The Toronto-Dominion Bank as Canadian Administrative Agent and The Toronto-Dominion Bank hereby accepts such appointment. Such appointment may only be terminated as expressly provided in this Agreement. Each such Lender hereby authorizes the Canadian Administrative Agent to take such action on its behalf under the provisions of this Agreement and the other Credit Documents and to exercise such powers and perform such duties as are

expressly delegated to the Canadian Administrative Agent by the terms of this Agreement and the other Credit Documents, together with all powers reasonably incidental thereto. Notwithstanding any provision to the contrary contained elsewhere in this Agreement, the Canadian Administrative Agent in such capacity shall have no duties or obligations except those expressly set forth herein and no other duties or obligations of the Canadian Administrative Agent shall be implied in this Agreement or in any other Credit Document. The Canadian Administrative Agent may perform such duties or obligations by or through its agents or employees. The Canadian Administrative Agent shall not by reason of this Agreement or any other Credit Document have a fiduciary duty in respect of any Lender. As to any matters not expressly provided for by this Agreement, the Canadian Administrative Agent is not required to exercise any discretion or to take any action, but is required to act or to refrain from acting (and is fully protected in so acting or refraining from acting) upon the instructions of the Lenders under the Canadian Syndicated Facility or the Majority Lenders, as the case may be. Those instructions shall be binding upon all Lenders, but the Canadian Administrative Agent is not required to take any action which exposes the Canadian Administrative Agent to personal liability or which is contrary to this Agreement or Applicable Law.

10.2 Authority of the US Administrative Agent and Relationship with the Lenders

Each Lender under the US Syndicated Facility hereby appoints Toronto-Dominion (Texas) LLC as US Administrative Agent and Toronto-Dominion (Texas) LLC hereby accepts such appointment. Such appointment may only be terminated as expressly provided in this Agreement. Each such Lender hereby authorizes the US Administrative Agent to take such action on its behalf under the provisions of this Agreement and the other Credit Documents and to exercise such powers and perform such duties as are expressly delegated to the US Administrative Agent by the terms of this Agreement and the other Credit Documents, together with all powers reasonably incidental thereto. Notwithstanding any provision to the contrary contained elsewhere in this Agreement, the US Administrative Agent in such capacity shall have no duties or obligations except those expressly set forth herein and no other duties or obligations of the US Administrative Agent shall be implied in this Agreement or in any other Credit Document. The US Administrative Agent may perform such duties or obligations by or through its agents or employees. The US Administrative Agent shall not by reason of this Agreement or any other Credit Document have a fiduciary duty in respect of any Lender. As to any matters not expressly provided for by this Agreement, the US Administrative Agent is not required to exercise any discretion or to take any action, but is required to act or to refrain from acting (and is fully protected in so acting or refraining from acting) upon the instructions of the Lenders under the US Syndicated Facility or the Majority Lenders, as the case may be. Those instructions shall be binding upon all Lenders, but the US Administrative Agent is not required to take any action which exposes the US Administrative Agent to personal liability or which is contrary to this Agreement or Applicable Law.

10.3 Authority of the Collateral Agent and Relationship with the Lenders

Each Lender hereby appoints The Toronto-Dominion Bank as Collateral Agent and The Toronto-Dominion Bank hereby accepts such appointment. Such appointment may only be terminated as expressly provided in this Agreement or the Intercreditor Agreement. Each Lender hereby authorizes the Collateral Agent to take such action on its behalf under the provisions of this Agreement and the Intercreditor Agreement and to exercise such powers and perform such duties as are expressly delegated to the Collateral Agent by the terms of this Agreement and the Intercreditor Agreement, together with all powers reasonably incidental thereto. Notwithstanding any provision to the contrary contained elsewhere in this Agreement or the Intercreditor Agreement, the Collateral Agent in such capacity shall have no duties or obligations except those expressly set forth herein or therein, and no other duties or obligations of the Collateral Agent shall be implied in this Agreement or any other Credit Document. The Collateral Agent may perform such duties or obligations by or through its agents or employees. The Collateral Agent shall not by reason of this Agreement or any other Credit Document have a fiduciary duty in respect of any Lender. As to any matters not expressly provided for by this Agreement or the Intercreditor Agreement, the Collateral Agent is not required to exercise any discretion or to take any action, but is required to act or to refrain from acting (and is fully protected in so acting or refraining from acting) upon the instructions of the Majority Secured Creditors, as the case may be. Those instructions shall be binding upon all Lenders, but the Collateral Agent is not required to take any action

which exposes the Collateral Agent to personal liability or which is contrary to this Agreement or Applicable Law.

10.4 Disclaimer

None of the Administrative Agents or the Collateral Agent makes any representation or warranty, and assumes no responsibility with respect to the due execution, legality, validity, sufficiency, enforceability or collectability of this Agreement, the Security Documents or any other Credit Document. None of the Administrative Agents or the Collateral Agent assumes any responsibility for the financial condition of any Credit Party or for the performance of the obligations of any Credit Party under this Agreement or any other Credit Document. None of the Administrative Agents or the Collateral Agent assumes any responsibility with respect to the accuracy, authenticity, legality, validity, sufficiency or enforceability of any documents, papers, materials or other information furnished by any Credit Party, and none of the Administrative Agents or the Collateral Agent shall be required to ascertain or inquire as to the performance or observance of any of the terms, conditions, provisions, covenants or agreements contained herein or as to the use of the proceeds of the Credit Facilities or of the existence or possible existence of any Default or Event of Default. None of the Administrative Agents or the Collateral Agent, nor any of their respective directors, officers, agents or employees, shall be liable for any action taken or omitted to be taken by it or them under or in connection with this Agreement or any other Credit Document except for its or their own gross negligence or wilful misconduct. With respect to its Commitment, the Lender acting as an Administrative Agent and as Collateral Agent shall have the same rights and powers hereunder as any other Lender, and may exercise the same as though it were not performing the duties and functions delegated to it as an Administrative Agent or as Collateral Agent hereunder.

10.5 Failure of a Lender to Fund Advances

- (a) Unless the applicable Administrative Agent has actual knowledge that a Lender has not made or will not make available to the Administrative Agent for value on a Drawdown Date the applicable amount required from such Lender pursuant to Sections 2.19, 2.20 or 2.23, such Administrative Agent shall be entitled to assume that such amount has been or will be received from such Lender when so due and the Administrative Agent may (but shall not be obliged to), in reliance upon such assumption, make available to a Borrower a corresponding amount (except that no such amount shall be made available to the Borrower in the case of a deemed Advance). If such amount is not in fact received by the applicable Administrative Agent from such Lender on such Drawdown Date and the Administrative Agent has made available a corresponding amount to a Borrower on such Drawdown Date as aforesaid (or is deemed to have made an Advance to the Borrower in such amount), such Lender shall pay to the applicable Administrative Agent on demand an amount equal to the aggregate of the applicable amount required from such Lender pursuant to Sections 2.19, 2.20 or 2.23, plus an amount equal to the product of: (i) the rate per annum applicable to overnight deposits made with the applicable Administrative Agent for amounts approximately equal to the amount required from such Lender multiplied by (ii) the amount that should have been paid to the applicable Administrative Agent by such Lender on such Drawdown Date and was not, multiplied by (iii) a fraction, the numerator of which is the number of days that have elapsed from and including such Drawdown Date to but excluding the date on which the amount is received by the Administrative Agent from such Lender and the denominator of which is 365, in the case of all Advances. A certificate of an Administrative Agent containing details of the amount owing by a Lender under this Section shall be binding and conclusive in the absence of manifest error. If any such amount is not in fact received by the applicable Administrative Agent from such Lender on such Drawdown Date, the Administrative Agent shall be entitled to recover from a Borrower, on demand, the related amount made available by the Administrative Agent to a Borrower as aforesaid together with interest thereon at the applicable rate per annum payable by the Borrower hereunder.
- (b) Notwithstanding the provisions of Section 10.5(a), if any Lender fails to make available to the applicable Administrative Agent its Proportionate Share of any Advance, which for greater

certainty includes a deemed Advance (such Lender being herein called the "**Defaulting Lender**"), the Administrative Agent shall forthwith give notice of such failure by the Defaulting Lender to the applicable Borrower (except where such failure relates to a deemed Advance) and to the other Lenders. The applicable Administrative Agent shall then forthwith give notice to the other Lenders that any Lender may make available to the Administrative Agent all or any portion of the Defaulting Lender's Proportionate Share of such Advance (but in no way shall any other Lender or the Administrative Agent be obliged to do so) in the place of the Defaulting Lender. If more than one Lender gives notice that it is prepared to make funds available in the place of a Defaulting Lender in such circumstances and the aggregate of the funds which such Lenders (herein collectively called the "**Contributing Lenders**" and individually called the "**Contributing Lender**") are prepared to make available exceeds the amount of the Advance which the Defaulting Lender failed to make, then each Contributing Lender shall be deemed to have given notice that it is prepared to make available its Proportionate Share of such Advance based on the Contributing Lenders' relative commitments to advance in such circumstances. If any Contributing Lender makes funds available in the place of a Defaulting Lender in such circumstances, then the Defaulting Lender shall pay to any Contributing Lender making the funds available in its place, forthwith on demand, any amount advanced on its behalf together with interest thereon at the rate applicable to such Advance from the date of advance to the date of payment, against payment by the Contributing Lender making the funds available of all interest received in respect of the Advance from the Borrower. The failure of any Lender to make available to the applicable Administrative Agent its Proportionate Share of any Advance as required herein shall not relieve any other Lender of its obligations to make available to the applicable Administrative Agent its Proportionate Share of any Advance as required herein.

10.6 Decision-Making

- (a) Any amendment to this Agreement relating to the following matters shall be effective only if agreed to between the Borrowers and the Lenders acting unanimously:
 - (i) interest rates and fees in respect of the Credit Facilities;
 - (ii) the Total Commitment;
 - (iii) the scheduled dates or the scheduled amounts for repayments hereunder;
 - (iv) any change to the definition of "Majority Lenders";
 - (v) any provision herein relating to the Security Documents, except to the extent provided in Section 10.6(c) below; and
 - (vi) this Section 10.6.
- (b) Except for the matters described in Section 10.6(a) above, any amendment to this Agreement shall be effective if made between the Borrowers and the Majority Lenders, and for greater certainty any such amendment which is agreed to by the Majority Lenders shall be final and binding upon all Lenders.
- (c) The Collateral Agent shall hold and maintain the Security Documents to the extent provided in Section 10.11 below and may from time to time without notice to or the consent of the Lenders execute and deliver partial releases of the Security Interests in respect of any item of collateral (whether or not the proceeds of sale thereof are received by the Collateral Agent) which any Credit Party is permitted to dispose of without obtaining the prior written consent of the Lenders; and in releasing any such security the Collateral Agent may rely upon and assume the correctness of all information contained in any certificate or document provided by the applicable Credit Party, without further enquiry. Otherwise, any release or discharge in

respect of the Security Interests or any portion thereof shall require the written consent of the Lenders acting unanimously.

- (d) Except for the matters which require the unanimous consent of the Lenders as set out above, any action to be taken or decision to be made by the Administrative Agents pursuant to this Agreement (specifically including for greater certainty the issuance of written notice to the Borrowers of the occurrence of a Default or Event of Default, the issuance of a demand for payment of the Credit Obligations, the provision of any waiver in respect of a breach of any covenant or the issuance of any consent which may be required hereunder) shall be effective if approved by the Majority Lenders; and any such decision or action shall be final and binding upon all the Lenders.
- (e) Any action to be taken or decision to be made by the Lenders pursuant to this Agreement which is required to be unanimous shall be made at a meeting of the Lenders called by the Administrative Agents pursuant to Section 10.10(i) or by a written instrument executed by all of the Lenders. Any action to be taken or decision to be made by the Lenders pursuant to this Agreement which is required to be made by the Majority Lenders shall be made at a meeting of the Lenders called by the Administrative Agents pursuant to Section 10.10(i) or by a written instrument executed by the Majority Lenders. Any such instrument may be executed by fax and in counterparts.

10.7 Application of Proceeds of Realization

Notwithstanding any other provision of this Agreement, the Proceeds of Realization of the Security Documents or any portion thereof shall be distributed in accordance with the provisions of the Intercreditor Agreement.

10.8 Payments by Administrative Agents

- (a) The following provisions shall apply to all payments made by the applicable Administrative Agent to the Lenders hereunder:
 - (i) the Administrative Agent shall be under no obligation to make any payment (whether in respect of principal, interest, fees or otherwise) to any Lender until an amount in respect of such payment has been received by the Administrative Agent from the applicable Borrower;
 - (ii) if the Administrative Agent receives a payment of principal, interest, fees or other amount owing by the applicable Borrower which is less than the full amount of any such payment due, the Administrative Agent shall distribute such amount received among the Lenders in each Lender's Proportionate Share thereof;
 - (iii) if the Administrative Agent receives payments in respect of principal, interest, fees or other amounts owing by the applicable Borrower which are due on the same day, and if the amounts received are insufficient to satisfy all payments required thereunder on such day, the Administrative Agent shall distribute such amounts received among the Lenders in each Lender's Proportionate Share;
 - (iv) if any Lender has advanced more or less than its Proportionate Share of its Commitment under the Credit Facilities, such Lender's entitlement to such payment shall be increased or reduced, as the case may be, in proportion to the amount actually advanced by such Lender;
 - (v) if a Lender's Proportionate Share of an Advance under the Credit Facilities has been advanced for less than the full period to which any payment by a Borrower relates, such Lender's entitlement to receive a portion of any payment of interest or fees shall

be reduced in proportion to the length of time such Lender's Proportionate Share has actually been outstanding;

- (vi) the Administrative Agent acting reasonably and in good faith shall, after consultation with the applicable Lenders in the case of any dispute, determine in all cases the amount of all payments to which each Lender is entitled and such determination shall be deemed to be *prima facie* correct;
 - (vii) upon request, the Administrative Agent shall deliver a statement detailing any of the payments to the Lenders referred to herein;
 - (viii) all payments by the Administrative Agent to a Lender hereunder shall be made to such Lender at its address previously notified to the Administrative Agent unless notice to the contrary is received by the Administrative Agent from such Lender; and
 - (ix) if the Administrative Agent has received a payment from the applicable Borrower on a Business Day (not later than the time required for the receipt of such payment as set out in this Agreement) and fails to remit such payment to any Lender entitled to receive its Proportionate Share of such payment on such Business Day, the Administrative Agent agrees to pay interest on such late payment at a rate determined by the Administrative Agent in accordance with prevailing banking industry practice on interbank compensation.
- (b) Each Borrower hereby irrevocably authorizes the applicable Administrative Agent to debit any account maintained by it with the Administrative Agent in order to make payments to the Lenders as contemplated herein, if the Borrower has not paid such amount within two (2) Business Days after receipt from the Administrative Agent of a written request for such payment.
- (c) Each Administrative Agent may in its discretion from time to time make adjustments in respect of any Lender's share of a Drawdown, Conversion, Rollover or repayment under a Syndicated Facility in order that the Outstanding Principal due to such Lender under the Syndicated Facility shall be approximately in accordance with such Lender's Proportionate Share of the Syndicated Facility.

10.9 Protection of Administration Agents and Collateral Agent

- (a) Unless an Administrative Agent has actual knowledge or actual notice to the contrary, it may assume that each Lender's address as provided to the Administrative Agent is correct, unless and until it has received from such Lender a notice designating a different address.
- (b) Each Administrative Agent may engage and pay for the advice or services of any lawyers, accountants or other experts (including Lenders' Counsel in respect of the ongoing administration of this Agreement) whose advice or services may to it seem necessary, expedient or desirable and rely upon any advice so obtained (and to the extent that such costs are not recovered from the Borrowers pursuant to this Agreement, each Lender agrees to reimburse the Administrative Agent in such Lender's Proportionate Share of such costs). Each Administrative Agent will endeavour to provide prior notice of such action to the Lenders unless it is not practicable to do so, in which case the Administrative Agent will provide notice of such action to the Lenders as soon as reasonably possible after the fact.
- (c) Unless an Administrative Agent has actual knowledge or actual notice to the contrary, it may rely as to matters of fact which might reasonably be expected to be within the knowledge of any Credit Party upon a statement contained in any Credit Document.

- (d) Unless an Administrative Agent has actual knowledge or actual notice to the contrary, it may rely upon any communication or document believed by it to be genuine.
- (e) Each Administrative Agent may refrain from exercising any right, power or discretion vested in it under this Agreement unless and until instructed by the Majority Lenders as to whether or not such right, power or discretion is to be exercised and, if it is to be exercised, as to the manner in which it should be exercised (provided that such instructions shall be required to be provided by all of the Lenders in respect of any matter for which the unanimous consent of the Lenders is required as set out herein).
- (f) Each Administrative Agent may refrain from exercising any right, power or discretion vested in it which would or might in its opinion in its sole discretion be contrary to any law of any jurisdiction or any directive or otherwise render it liable to any person, and may do anything which is in its opinion in its sole discretion necessary to comply with any such law or directive.
- (g) Each Administrative Agent may delegate to such other person, such duties and responsibilities of the Administrative Agent hereunder as it shall determine to be appropriate in respect of dealings with or relating to the applicable Borrower or any other person.
- (h) Each Administrative Agent may refrain from acting in accordance with any instructions of the Majority Lenders to begin any legal action or proceeding arising out of or in connection with this Agreement or take any steps to instruct the Collateral Agent to enforce or realize upon any Security Documents, until it shall have received such security as it may reasonably require (whether by way of payment in advance or otherwise) against all costs, claims, expenses (including legal fees) and liabilities which it will or may expend or incur in complying with such instructions.
- (i) Each Administrative Agent shall not be bound to disclose to any person any information relating to any Credit Party if such disclosure would or might in its opinion in its sole discretion constitute a breach of any law or regulation or be otherwise actionable at the suit of any person.
- (j) Each Administrative Agent shall not accept any responsibility for the accuracy and/or completeness of any information supplied in connection herewith or for the legality, validity, effectiveness, adequacy or enforceability of any Credit Document and shall not be under any liability to any Lender as a result of taking or omitting to take any action in relation to any Credit Document except in the case of the Administrative Agent's negligence or wilful misconduct.
- (k) For greater certainty, each of the foregoing paragraphs (a) to (j) of this Section, as applicable, shall apply in respect of the Collateral Agent, *mutatis mutandis*.

10.10 Duties of Administrative Agents

Each Administrative Agent shall:

- (a) provide to each Lender copies of all financial information received from the Credit Parties promptly after receipt thereof, and copies of any Drawdown Notices, Conversion Notices, Rollover Notices, Repayment Notices and other notices received by the Administrative Agent from the applicable Borrower upon request by any Lender;
- (b) promptly advise each Lender of Advances required to be made by it hereunder and disburse all repayments to the Lenders hereunder in accordance with the terms of this Agreement;
- (c) promptly notify each Lender of the occurrence of any Default or Event of Default of which the Administrative Agent has actual knowledge or actual notice;

- (d) account for any monies received by it in connection with this Agreement, the Intercreditor Agreement and any other agreement delivered in connection herewith or therewith;
- (e) each time the applicable Borrower requests the written consent of the Lenders in connection with any matter, use its best efforts to obtain and communicate to the Borrower the response of the Lenders in a reasonably prompt and timely manner having due regard to the nature and circumstances of the request;
- (f) give written notice to the applicable Borrower in respect of any other matter in respect of which notice is required in accordance with or pursuant to this Agreement, promptly or promptly after receiving the consent of the Lenders, if required under the terms of this Agreement;
- (g) except as otherwise provided in this Agreement, act in accordance with any instructions given to it by the Majority Lenders;
- (h) if so instructed by the Majority Lenders, refrain from exercising any right, power or discretion vested in it under this Agreement or any document incidental thereto; and
- (i) call a meeting of the Lenders at any time not earlier than five (5) days and not later than thirty (30) days after receipt of a written request for a meeting provided by any Lender or the applicable Borrower.

10.11 Collateral Agent Duties With Respect to Security Documents

The Security Documents shall be granted in favour of and held by the Collateral Agent for and on behalf of the Secured Creditors in accordance with the provisions of the Intercreditor Agreement. The Collateral Agent shall, in accordance with its usual practices in effect from time to time, take all steps required to perfect and maintain the Security Documents, including: taking possession of the certificates representing the securities required to be pledged hereunder; filing renewals and change notices in respect of such Security Documents; and ensuring that the name of the Collateral Agent is noted as loss payee or mortgagee on all property insurance policies covering the collateral. If the Collateral Agent becomes aware of any matter concerning the Security Documents which it considers to be material, it shall promptly inform the Secured Creditors. The Collateral Agent shall comply with all instructions provided by the Secured Creditors in connection with the enforcement or release of the Security Interests which it holds. The Collateral Agent agrees to permit the Secured Creditors to review and make photocopies of the original Security Documents from time to time upon reasonable notice. At the time of engaging any agent, receiver, receiver-manager, consultant, monitor or other party in connection with the Security Documents or the enforcement thereof, obtain the agreement of such party to comply with the applicable terms of this Agreement in carrying out any such enforcement activities and dealing with any Proceeds of Realization.

10.12 Lenders' Obligations Several; No Partnership

The obligations of each Lender under this Agreement are several. The failure of any Lender to carry out its obligations hereunder shall not relieve the other Lenders of any of their respective obligations hereunder. No Lender shall be responsible for the obligations of any other Lender hereunder. Neither the entering into of this Agreement nor the completion of any transactions contemplated herein shall constitute the Lenders as a partnership.

10.13 Sharing of Information

The Administrative Agents, the Collateral Agent and the Lenders may share among themselves any information they may have from time to time concerning the Credit Parties whether or not such information is confidential; but shall have no obligation to do so (except for any obligations of the Administrative Agents to provide information to the extent required in this Agreement or for the Collateral Agent to provide information to the extent required in the Intercreditor Agreement).

10.14 Acknowledgement by Borrowers

Each Borrower hereby acknowledges notice of the provisions of this Article X and agrees to be bound hereby to the extent of its obligations hereunder, and further agrees not to make any payments, take any action or omit to take any action which would result in the non-compliance by the Administrative Agents, the Collateral Agent or any Lender with its obligations hereunder.

10.15 Amendments to Article X

Except in respect of Section 10.1 and as otherwise specifically provided herein, the Administrative Agents, the Collateral Agent and the Lenders may amend any provision in this Article upon notice but without the prior consent of the Borrowers, and the Administrative Agents shall provide a copy of any such amendment to the Borrowers reasonably promptly thereafter; provided however if any such amendment would materially adversely affect any rights, entitlements, obligations or liabilities of the Borrowers or any other Credit Party, such amendment shall not be effective until the Borrowers provide their written consent thereto, such consent not to be unreasonably withheld or arbitrarily delayed.

10.16 Deliveries

As between the Borrowers on the one hand and the Administrative Agents, the Collateral Agent and the Lenders on the other hand:

- (a) all statements, certificates, consents and other documents which an Administrative Agent purports to deliver to the applicable Borrower on behalf of the Lenders shall be binding on each of the Lenders, and the Borrower shall not be required to ascertain or confirm the authority of the Administrative Agent in delivering such documents;
- (b) all certificates, statements, notices and other documents which are delivered by a Borrower to the applicable Administrative Agent or the Collateral Agent in accordance with this Agreement or the Intercreditor Agreement shall be deemed to have been duly delivered to each of the Lenders; and
- (c) all payments which are delivered by a Borrower to the applicable Administrative Agent in accordance with this Agreement shall be deemed to have been duly delivered to each of the Lenders.

10.17 Agency Fees

- (a) Each Borrower hereby agrees to pay to the applicable Administrative Agent an annual agency fee in such amount as may be agreed in writing from time to time between the Borrower and the Administrative Agent, payable in advance on the Effective Date and annually on each anniversary of the Effective Date.
- (b) Each Borrower hereby agrees to pay to the Collateral Agent an annual agency fee in such amount as may be agreed in writing from time to time between the Borrowers and the Collateral Agent, payable in advance on the Effective Date and annually on each anniversary of the Effective Date.

ARTICLE XI ADDITIONAL LENDERS, SUCCESSORS AND ASSIGNS

11.1 Successors and Assigns

- (a) The Credit Documents shall be binding upon and enure to the benefit of the Lenders, the Administrative Agents, the Collateral Agent and the Credit Parties party thereto and their

successors and assigns (including any successor resulting from the amalgamation of a Borrower with one or more Persons or resulting from the winding-up of one or more Persons into a Borrower), except that, other than as provided herein, no Credit Party shall assign any rights or obligations with respect to this Agreement or any of the other Credit Documents without the prior written consent of the Administrative Agents acting on the instructions of all of the Lenders. The collective rights and obligations of the Lenders under this Agreement are assignable in whole or in part and any Lender shall be entitled to assign in whole or in part its individual rights and obligations hereunder or to permit other financial institutions or other Persons to participate in the Credit Facilities, all in accordance with and subject to the provisions of Section 11.2 and the other terms of this Agreement. The Borrowers hereby consent to the disclosure of any information and opinions relating to it to any potential future Lender or Participant provided that the potential future Lender or Participant agrees in writing upon terms acceptable to the Borrowers to keep the information confidential and to return such information if it does not become a Lender or a Participant. Each assignment shall be of a uniform, and not a varying, percentage of all rights and obligations of the assignor Lender under or in respect of the Credit Facilities.

- (b) A Participation by any Lender of its interest (or a part thereof) hereunder or a payment by a Participant to any Lender as a result of the Participation will not constitute a payment hereunder to the Lender or an Advance to the Borrowers.

11.2 Assignments of Lender Commitments

- (a) Any Lender may at any time assign to one or more banks or other financial institutions (each, an “**Assignee**”) all or a portion of its rights and obligations under this Agreement (including, without limitation, all or a portion of its Commitments) and under the Intercreditor Agreement, and such Assignee shall assume such rights and obligations, pursuant to an Assignment Agreement in substantially the form of Schedule “F” attached hereto executed by such transferor Lender and such Assignee, with (and subject to) the consent of the applicable Borrower and the applicable Administrative Agent (which consents shall not be unreasonably withheld or delayed); provided, that: (i) no such consent by the applicable Borrower shall be required (A) after an Event of Default has occurred and is continuing, or (B) if any Assignee is an existing Lender or is an Affiliate of such transferor Lender, and (ii) no assignment pursuant to this Section 11.2(a), other than an assignment to an existing Lender, shall be in an amount less than \$5,000,000 unless such assignment constitutes an assignment of all of the transferor Lender’s Commitments and Advances hereunder to a single Assignee. Except in the case of an assignment by a transferor Lender to an Affiliate of that Lender, the transferor Lender shall pay to the applicable Administrative Agent a processing and recording fee of \$3,500.
- (b) Each Administrative Agent shall maintain at its address referred to herein a copy of each Assignment Agreement delivered to and acknowledged by it and a register for recording the names and addresses of the Lenders and their respective Commitments from time to time. The entries in the register shall be conclusive and binding for all purposes, absent manifest error. The Borrowers, the Administrative Agents and each of the Lenders may treat each Person whose name is recorded in the register as a Lender hereunder for all purposes of this Agreement, and need not recognize any Person as a Lender unless it is recorded in the register as a Lender. The register shall be available for inspection by the Borrowers or any Lender at any reasonable time and from time to time upon reasonable prior notice. Upon its receipt of an Assignment Agreement executed by an assigning Lender and an Assignee and approved by the Borrowers (if applicable), the applicable Administrative Agent shall, if the Assignment Agreement has been completed and is in the required form with such immaterial changes as are acceptable to the Administrative Agent:
 - (i) acknowledge the Assignment Agreement; and

- (ii) record the information contained therein in the register.
- (c) After such execution, delivery, acknowledgement and recording: (i) the Assignee shall be a party to this Agreement and, to the extent that rights and obligations hereunder have been assigned to it, have the rights and obligations of a Lender hereunder, and (ii) the transferor Lender shall, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment Agreement, relinquish its rights and be released from its obligations under this Agreement, other than obligations in respect of which it is then in default or which arose prior to its assignment, and, in the case of an Assignment Agreement covering all or the remaining portion of the transferor Lender's rights and obligations under this Agreement, such transferor Lender shall cease to be a party hereto.
- (d) Any assignment contemplated by this Section 11.2 will not constitute a repayment by the applicable Borrower to the transferor Lender of the assigned portion of the Facilities, nor an Advance to the applicable Borrower by the Assignee, and the parties acknowledge that the Borrowers' obligations hereunder with respect to the assigned portion of the Facilities shall continue and will not constitute new obligations.

11.3 Participation

Any Lender may at any time grant to one or more banks or other financial institutions (each, a **"Participant"**) participating interests (other than by way of an assignment pursuant to Section 11.2) in or to all or a portion of its rights and obligations (including all or a portion of its Commitments) under this Agreement (such interest is referred to herein as a **"Participation"**), without the consent of the applicable Borrower or the applicable Administrative Agent; provided, that:

- (a) such Lender shall remain responsible for the performance of its obligations hereunder (including in respect of its Commitments),
- (b) the Credit Parties, the Administrative Agents and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement,
- (c) such Lender shall retain the sole right and responsibility to enforce the obligations of the Borrowers hereunder including, without limitation, the right to approve any amendment, modification or waiver of any provision of this Agreement or any other Credit Document, and no Participant shall have any right to approve any amendment or waiver of any provision of this Agreement or any other Credit Document, or any consent to any departure by any person therefrom, and
- (d) the Borrowers shall not be required to pay any additional amounts relating to this Agreement to compensate any Participant hereunder (or such Lender, on behalf of a Participant) in respect of the rights and obligations of such Participant relating to this Agreement in excess of the amount that the Borrowers would otherwise be required to pay to such Lender had the Participation not been granted.

ARTICLE XII MISCELLANEOUS PROVISIONS

12.1 Capitalized Terms

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

12.2 Severability

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

12.3 Amendment, Supplement or Waiver

No amendment, supplement or waiver of any provision of the Credit Documents, nor any consent to any departure by any Credit Party therefrom, shall in any event be effective unless it is in writing, makes express reference to the provision affected thereby and is signed by the Lenders and the Borrowers (or Restricted Subsidiaries, as applicable), and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No waiver or act or omission of the Lenders shall extend to or be taken in any manner whatsoever to affect any subsequent Event of Default or breach by any Credit Party of any provision of the Credit Documents or the rights resulting therefrom.

12.4 Governing Law; This Agreement to Govern

This Agreement shall be construed in accordance with and governed by the laws of the Province of Alberta and the laws of Canada applicable therein. In the event of any conflict between the terms of this Agreement and the terms of any other Credit Document, the provisions of this Agreement shall govern to the extent necessary to remove the conflict.

12.5 Permitted Encumbrances

The designation of a Security Interest as a Permitted Encumbrance is not, and shall not be deemed to be, an acknowledgment by the Administrative Agents or the Collateral Agent that the Security Interest shall have priority over any Security Document.

12.6 Currency

All payments made hereunder shall be made in Canadian Dollars except in respect of US Base Rate Advances, US Prime Rate Advances, LIBOR Advances and US Dollar denominated Letters of Credit which shall be repaid in US Dollars.

12.7 Expenses and Indemnity

All statements, reports, certificates, opinions, appraisals and other documents or information required to be furnished to the Administrative Agents or the Collateral Agent by the Borrowers under this Agreement shall be supplied without cost to the Administrative Agents or the Collateral Agent. The Borrowers shall pay on demand all reasonable out of pocket costs and expenses of the Administrative Agents or the Collateral Agent (including, without limitation, long distance telephone and courier charges and the reasonable fees and expenses of counsel on a solicitor and his own client basis), incurred in connection with (i) the preparation, execution, delivery, administration, periodic review, modification or amendment of the Credit Documents; (ii) any enforcement of the Credit Documents; (iii) obtaining advice as to their rights and responsibilities in connection with the Credit Facilities and the Credit Documents; (iv) to the extent relevant, reviewing, inspecting and appraising the collateral that is the subject of any Security Document at reasonable intervals; and (v) other matters relating to the Credit Facilities. Such costs and expenses shall be payable whether or not an Advance is made under this Agreement.

The Borrowers shall indemnify the Administrative Agents and the Collateral Agent from and against any liability, obligation, loss or expense which it may sustain or incur as a consequence of (i) any representation or warranty made herein by the Borrowers which was incorrect at the time it was made or deemed to have been made, (ii) a default by the Borrowers in the payment of any sum due from it (irrespective

of whether an Advance is deemed to be made to the Borrowers to pay the amount that the Borrowers have failed to pay), including, but not limited to, all sums (whether in respect of principal, interest or any other amount) paid or payable to lenders of funds borrowed by the Administrative Agents in order to fund the amount of any such unpaid amount to the extent the Administrative Agents are not reimbursed pursuant to any other provisions of this Agreement, (iii) the failure of the Borrowers to complete any Advance or make any payment after notice therefor has been given under this Agreement, (iv) the repayment, prepayment or Conversion (whether by acceleration or otherwise) of a LIBOR Advance or a BA Advance by the Borrowers on a date other than the maturity date thereof, and (v) any other default by the Borrowers hereunder. A certificate of the Administrative Agents or the Collateral Agent as to the amount of any such loss or expense shall be *prima facie* evidence as to the amount thereof, in the absence of manifest error.

In addition, the Borrowers shall indemnify the Administrative Agents and the Collateral Agent and their directors, officers, employees and representatives (the "**Indemnified Parties**"), from and against any and all actions, proceedings, claims, losses, damages, liabilities, expenses and obligations of any kind that may be incurred by or asserted against any of them as a result of or in connection with the making of any Advance hereunder, other than arising from the gross negligence or willful misconduct of the Administrative Agents or the Collateral Agent or any other Indemnified Party. Whenever any such claim shall arise, the Indemnified Party shall promptly notify the Borrowers of the claim and, when known, the facts constituting the basis for such claim, and if known, the amount or an estimate of the amount of the claim. The failure of an Indemnified Party to give notice of a claim promptly shall not adversely affect the Indemnified Party's rights to indemnity hereunder, except to the extent such failure adversely affects the right of the Borrowers to assert any reasonable defence to such claim. The Indemnified Party shall not settle or compromise any claim by a third party for which it is entitled to indemnification under this Section 12.7, without the prior written consent of the Borrowers. The Borrowers at their sole cost and expense may, upon written notice to the Indemnified Party, assume the defense of any such claim or any legal proceeding resulting therefrom. The Indemnified Party shall be entitled to participate in (but not control) the defense of any such action, with its own counsel and at its own expense. If the Borrowers do not assume the defense of any such claim or litigation resulting therefrom, the Indemnified Party may defend against such claim or litigation, in such manner as it may deem appropriate and at the expense of the Borrowers, including, but not limited to, settling such claim or litigation, after giving notice of the same to and receiving the consent of the Borrowers (which consent shall not be unreasonably withheld). In such case the Borrowers shall be entitled to participate in (but not control) the defense of such action, with their own counsel and at their own expense.

The provisions of this Section 12.7 shall survive the termination of this Agreement and repayment of the Credit Obligations.

12.8 Manner of Payment and Taxes

- (a) Any and all payments by or on account of any obligation of a Credit Party pursuant to the Credit Documents shall be made free and clear of and without reduction or withholding for any Indemnified Taxes, provided that if a Credit Party shall be required by Applicable Law to deduct any Indemnified Taxes from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 12.8) the applicable Administrative Agent or Lender, as the case may be, receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Credit Parties shall make such deductions and (iii) the Credit Parties shall timely pay the full amount deducted to the relevant Governmental Authority in accordance with Applicable Law. As soon as practicable after any payment of Indemnified Taxes by the Credit Party to a Governmental Authority, the applicable Borrower shall deliver to the Administrative Agents the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agents. The Credit Parties shall indemnify the Administrative Agents and each Lender, within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section) paid by the applicable Administrative

Agent or such Lender, as the case may be, and any penalties, interest and reasonable expenses arising therefrom or with respect thereto. A certificate as to the amount of such payment or liability delivered to the Canadian Borrower by a Lender (with a copy to the Canadian Administrative Agent), or by the Canadian Administrative Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

- (b) If an Administrative Agent or a Lender determines, in its sole discretion, that it has received a refund of any Indemnified Taxes as to which it has been indemnified by a Credit Party or with respect to which a Credit Party has paid additional amounts pursuant to this Section 12.8, it shall pay to the applicable Credit Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by a Credit Party under this Section 12.8 with respect to the Indemnified Taxes giving rise to such refund), net of all out-of-pocket expenses of such Administrative Agent or such Lender, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the applicable Credit Party, upon the request of such Administrative Agent or such Lender, agrees to repay the amount paid over to the applicable Credit Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to such Administrative Agent or such Lender in the event such Administrative Agent or such Lender is required to repay such refund to such Governmental Authority. This Section 12.8(b) shall not be construed to require any Administrative Agent or any Lender or to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the Borrowers or any other Person.
- (c) Each Lender shall, at such times as are reasonably requested by a Borrower or an Administrative Agent, provide the Borrowers and the Administrative Agent with any properly completed and executed documentation prescribed by Applicable Law, or reasonably requested by a Borrower or the Administrative Agent, certifying as to any entitlement of such Lender to an exemption from, or reduction in, any withholding Tax with respect to any payments to be made to such Lender under the Credit Documents (including any documentation necessary to establish an exemption from, or reduction of, any Taxes that may be imposed under FATCA). Each such Lender shall, whenever a lapse in time or change in circumstances renders such documentation expired, obsolete or inaccurate in any respect, deliver promptly to the Borrowers and the Administrative Agent updated or other appropriate documentation (including any new documentation reasonably requested by the applicable withholding agent) or promptly notify the Borrowers and the Administrative Agent of its inability to do so. In addition, any Lender, if reasonably requested by a Borrower or the Administrative Agent, shall deliver such other documentation prescribed by Applicable Law or reasonably requested by a Borrower or the Administrative Agent as will enable the Borrowers or the Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

12.9 Increased Costs

- (a) If, after the date hereof, the introduction of or any change in any Applicable Laws or in the interpretation or application thereof by any court or by any other Governmental Authority charged with the interpretation or administration thereof, or if compliance by any Lender with any request or directive from any central bank or other fiscal, monetary or other authority issued after the date hereof (whether or not having the force of law):

- (i) subjects the Lender to, or causes the withdrawal or termination of a previously granted exemption with respect to, any taxes (other than taxes on the Lenders' income and U.S. federal withholding taxes imposed under FATCA), or changes the basis of taxation of payments due to the Lender, or increases any existing taxes (other than taxes on the Lenders' income and U.S. federal withholding taxes imposed under FATCA) on payments of principal, interest or other amounts payable by the Borrowers to the Lender under this Agreement;
- (ii) imposes, modifies or deems applicable any reserve, liquidity, special deposit, regulatory or similar requirement against assets or liabilities held by, or deposits in or for the account of, or loans by the Lender, or any acquisition of funds for loans or commitments to fund loans or obligations in respect of undrawn, committed lines of credit or in respect of Bankers' Acceptances accepted by the Lender;
- (iii) imposes on the Lender or requires there to be maintained by the Lender any capital adequacy or additional capital requirements (including, without limitation, a requirement which affects the Lender's allocation of capital resources to its obligations) in respect of any Advance or obligation of the Lender hereunder, or any other condition with respect to this Agreement;
- (iv) otherwise imposes on the Lender any other condition or requirement affecting this Agreement or any Advance or any obligation of the Lender hereunder which directly or indirectly affects the cost to the Lender of making available, funding or maintaining any Advance or the Obligations owing by the Borrowers hereunder;

and the result of (i), (ii), (iii) or (iv) above, in the sole determination of the Lender acting in good faith, is:

- (v) to increase the cost to the Lender of performing its obligations hereunder with respect to any Advance;
- (vi) to reduce any amount received or receivable by the Lender hereunder or its effective return hereunder or on its capital in respect of any Advance;
- (vii) to reduce the interest, commitment fees or other fees payable to the Lender hereunder; or
- (viii) to cause the Lender to make any payment with respect to or to forego any return on or calculated by reference to, any amount received or receivable by the Lender hereunder with respect to any Advance;

the Lender shall determine such additional cost, reduction in income or payment, without duplication (the "**Additional Compensation**") and shall promptly notify the Borrowers. The Lender shall provide to the Borrowers a photocopy of the relevant law, rule, guideline, regulation, treaty, or official directive and a certificate of a duly authorized officer of the Lender setting forth the Additional Compensation and the basis of calculation thereof and for the purposes of calculating such amount the Lender shall treat the Borrowers in a manner consistent with comparable borrowers and transactions. The Borrowers shall pay to the Lender forthwith following the giving of such notice such Additional Compensation calculated from the effective date of the relevant adoption or change; provided that the Lender shall not be entitled to Additional Compensation for any period more than 180 days prior to the date of such notice, and shall not be entitled to Additional Compensation to the extent that such increase in costs or reduction in amounts received or to be received or reduction in return is reflected in or recovered by an increase in the interest or other amounts payable hereunder other than pursuant to this Section. The Lender shall endeavour to minimize the incidence of any Additional Compensation.

- (b) If the Lender notifies the Borrowers that Additional Compensation is owed to the Lender, the Borrowers shall have the right, upon at least two (2) Business Days' irrevocable written notice to the Lender:
 - (i) to (subject to limitations on repayments contained in Section 3.2) repay to the Lender the relevant portion of any Advance on the date specified in such notice together with all interest accrued thereon to the date of repayment, the Additional Compensation if any to the date of payment and all other amounts, if any, payable for the account of the Lender hereunder in respect of such Advance (including any amounts payable under Section 12.7); or
 - (ii) to effect a Conversion of the relevant portion of any Advance (subject always to the provisions of this Agreement).
- (c) Each Lender shall use its reasonable efforts to reduce the amount of Additional Compensation payable pursuant to this Section; provided that the Lender shall not have an obligation to expend its own funds, suffer any economic hardship or take any action detrimental to its interests in connection therewith.

12.10 Interest on Miscellaneous Amounts

If the Borrowers fail to pay any amount payable hereunder (other than principal, interest thereon or interest upon interest which is payable as otherwise provided in this Agreement) on the due date, the Borrowers shall, on demand, pay interest on such overdue amount to the Administrative Agents from and including such due date up to but excluding the date of actual payment, both before and after demand, default or judgment, at a rate of interest per annum equal to the Prime Rate or the US Prime Rate, as applicable, compounded monthly.

12.11 Address for Notice

Notice to be given under the Credit Documents to any of the parties hereto shall, except as otherwise specifically provided, be in writing addressed to the party for whom it is intended and, unless the law deems a particular notice to be received earlier, a notice shall not be deemed received until actual receipt by the other party of an original of such notice or a facsimile thereof if sent by facsimile transmission.

For the purposes hereof notice shall be given:

- (a) to the Borrowers c/o BDL at Suite 1000, 635 - 8th Avenue S.W., Calgary, Alberta T2P 3M3, Attention: Chief Financial Officer, facsimile no: (403) 228-9773,
- (b) to the Canadian Administrative Agent at The Toronto-Dominion Bank, 9th Floor, TD Bank Tower, 66 Wellington Street West, Toronto, Ontario, Attention: Vice President – Loan Syndications, Agency, facsimile no: (416) 944-6976,
- (c) to the US Administrative Agent at Toronto Dominion (Texas) LLC, 15th Floor, E&Y Tower, 222 Bay Street, Toronto, Ontario, Attention: Agency Administration, facsimile no: (416) 982-5535;
- (d) to the Canadian Swingline Lender at The Toronto-Dominion Bank, Suite 1100, 421 - 7th Avenue S.W., Calgary, Alberta, Attention: Director, facsimile no: (403) 292-1317; and
- (e) to the US Swingline Lender at The Toronto-Dominion Bank, New York Branch, 31 West 52nd Street, New York, New York, 10019-6101;

or in each case at such other mailing or facsimile address as each party from to time may notify the others as aforesaid.

12.12 Time of the Essence

Time shall be of the essence in this Agreement.

12.13 Further Assurances

The Borrowers shall, at the request of the Administrative Agents, do all such further acts and execute and deliver all such further documents as may, in the reasonable opinion of the Administrative Agents, be necessary or desirable in order to fully perform and carry out the purpose and intent of the Credit Documents.

12.14 Payments on Business Day

Whenever any payment or performance under the Credit Documents would otherwise be due on a day other than a Business Day, such payment shall be made on the following Business Day.

12.15 Entire Agreement

This Agreement constitutes the entire agreement between the parties hereto concerning the matters addressed in this Agreement, and cancels and supersedes any prior agreements, undertakings, declarations or representations, written or verbal, in respect thereof.

12.16 Counterparts and Facsimile

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

12.17 Anti-Money Laundering Legislation

- (a) Each Borrower acknowledges that, pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and other applicable anti-money laundering, anti-terrorist financing, government sanction and "know your client" laws, whether within Canada or elsewhere (collectively, including any guidelines or orders thereunder, "**AML Legislation**"), the Administrative Agents and the Lenders may be required to obtain, verify and record information regarding BDL, its directors, authorized signing officers, direct or indirect shareholders, partners or other persons in control of the Borrowers, the other Credit Parties and the transactions contemplated hereby. Each Borrower shall promptly provide all such information, including any supporting documentation and other evidence, as may be requested by the Administrative Agents or any Lender, or any prospective assignee or participant of a Lender or the Administrative Agents, in order to comply with any applicable AML Legislation, whether now or hereafter in existence. Each Borrower shall also provide the Administrative Agents with prompt written notice of any change in beneficial ownership, or key officers or directors of BDL after the date of this Agreement.
- (b) If the applicable Administrative Agent has ascertained the identity of any Credit Party, or any authorized signatories of any Credit Party, for the purposes of applicable AML Legislation, then the Administrative Agent shall:
 - (i) be deemed to have done so as an agent for each Lender, and this Agreement shall constitute a "written agreement" in such regard between each Lender and the Administrative Agent within the meaning of applicable AML Legislation; and

- (ii) provide each Lender copies of all information obtained in such regard without any representation or warranty as to its accuracy or completeness.

Notwithstanding the preceding sentence and except as may otherwise be agreed in writing, each of the Lenders agrees that the Administrative Agent has no obligation to ascertain the identity of any Credit Party, or any authorized signatories of any Credit Party, on behalf of any Lender or to confirm the completeness or accuracy of any information that the Administrative Agent obtains from any Credit Party, or any such authorized signatory, in doing so.

12.18 Waiver of Jury Trial

THE BORROWERS HEREBY KNOWINGLY VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHTS THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS AGREEMENT OR ANY OTHER CREDIT DOCUMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF ANY LENDER OR ANY OF THE BORROWERS. THE BORROWERS ACKNOWLEDGE AND AGREE THAT THEY HAVE RECEIVED FULL AND SUFFICIENT CONSIDERATION FOR THIS PROVISION (AND EACH OTHER PROVISION OF EACH OTHER CREDIT DOCUMENT TO WHICH IT IS A PARTY) AND THAT THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE LENDERS ENTERING INTO THIS AGREEMENT AND EACH OTHER CREDIT DOCUMENT.

12.19 USA Patriot Act

The US Swingline Lender, the US Administrative Agent and each applicable Lender under the US Facilities that is subject to the *USA Patriot Act of 2001* (the "**Patriot Act**") hereby notify the Borrowers that pursuant to the requirements of the Patriot Act, it is required to obtain, verify and record information that identifies each Credit Party, which information includes the name and address of each Credit Party and other information that will allow each such Lender to identify each Credit Party in accordance with the requirements of the Patriot Act.

12.20 FATCA

If a payment made to a Lender under any Credit Document would be subject to U.S. federal withholding Taxes imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in the Code, as applicable, or the *Income Tax Act (Canada)*), such Lender shall deliver to the applicable Borrower and the applicable Administrative Agent at the time or times prescribed by Applicable Law and at such time or times reasonably requested by the applicable Borrower or the applicable Administrative Agent such documentation prescribed by Applicable Laws (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the applicable Borrower and the applicable Administrative Agent as may be necessary for the applicable Borrower or the applicable Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or the *Income Tax Act (Canada)* or to determine the amount to deduct and withhold from such payment. Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the applicable Borrower and the applicable Administrative Agent in writing of its legal inability to do so.

12.21 Amendment and Restatement

Effective as of the Effective Date, the Prior Credit Agreement is hereby amended and restated as set forth herein without in any way affecting the rights or obligations of any party which may have accrued pursuant to the provisions of the Prior Credit Agreement prior to their amendment hereby, and is, as so amended and restated, hereby ratified and confirmed.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

BADGER DAYLIGHTING LIMITED PARTNERSHIP,
by its general partner, Badger Daylighting Ltd.,
as Canadian Borrower

By: *[signed: Gerald Schiefelbein]*
Name: Gerald Schiefelbein
Title: VP Finance and CFO

BADGER DAYLIGHTING CORP.,
as US Borrower

By: *[signed: Gerald Schiefelbein]*
Name: Gerald Schiefelbein
Title: VP Finance and CFO

THE TORONTO-DOMINION BANK,
as a Lender and as Canadian Swingline Lender

By: [signed: Jenny Kerr]
Name: Jenny Kerr
Title: Director, Commercial National
Accounts

By: [signed: Curtis Neumann]
Name: Curtis Neumann
Title: Associate Vice President,
Commercial National Accounts

HSBC BANK CANADA
as a Lender

By: [signed: Emile P. Marx]
Name: Emile P. Marx
Title: Assistant Vice President,
Corporate Banking

By: [signed: Carling Barnes]
Name: Carling Barnes
Title: Account Manager, Commercial
Banking

THE BANK OF NOVA SCOTIA,
as a Lender

By: [signed: Wade Talbott]
Name: Wade Talbott
Title: Director, Credit Solutions Group

By: [signed: Jody Korpan]
Name: Jody Korpan
Title: Director, Commercial Banking

**THE TORONTO-DOMINION BANK, NEW YORK
BRANCH,** as a Lender and as US Swingline Lender

By: [signed: Pradeep Mehra]
Name: Pradeep Mehra
Title: Authorized Signatory, US Business
Banking Services – Credit
Management

By: _____
Name:
Title:

HSBC BANK USA, N.A.
as a Lender

By: [signed: Dave Adamowicz]
Name: Dave Adamowicz
Title: Vice President

By: _____
Name:
Title:

THE TORONTO-DOMINION BANK,
as Canadian Administrative Agent

By: [signed: Andi Zeneli]
Name: Andi Zeneli
Title: Vice President, Loan Syndications-
Agency

TORONTO DOMINION (TEXAS) LLC,
as US Administrative Agent

By: [signed: Rayan Karim]
Name: Rayan Karim
Title: Authorized Signatory

THE TORONTO-DOMINION BANK,
as Collateral Agent

By: *[signed: Andi Zeneli]*
Name: Andi Zeneli
Title: Vice President, Loan Syndications-
Agency

SCHEDULE "A"
CREDIT FACILITIES

CANADIAN FACILITIES: (expressed in Cdn Dollars)

Name of Lender	Canadian Swingline Facility Commitment	Canadian Syndicated Facility Commitment
The Toronto-Dominion Bank	\$[] [REDACTED: confidential information]	\$[] [REDACTED: confidential information]
The Bank of Nova Scotia	\$[] [REDACTED: confidential information]	\$[] [REDACTED: confidential information]
HSBC Bank Canada	\$[] [REDACTED: confidential information]	\$[] [REDACTED: confidential information]
Total	\$10,000,000	\$40,000,000

US FACILITIES: (expressed in US Dollars)

Name of Lender	US Swingline Facility Commitment	US Syndicated Facility Commitment
The Toronto-Dominion Bank, New York Branch	\$[] [REDACTED: confidential information]	\$[] [REDACTED: confidential information]
The Bank of Nova Scotia	\$[] [REDACTED: confidential information]	\$[] [REDACTED: confidential information]
HSBC Bank USA, N.A.	\$[] [REDACTED: confidential information]	\$[] [REDACTED: confidential information]
Total	\$10,000,000	\$65,000,000

SCHEDULE "B"

COMPLIANCE CERTIFICATE

TO: The Toronto-Dominion Bank, as Canadian Administrative Agent
Toronto Dominion (Texas) LLC, as US Administrative Agent

Ladies and Gentlemen:

1. Reference is made to the Amended and Restated Credit Agreement dated as of August 11, 2017, made among Badger Daylighting Limited Partnership, as Canadian Borrower, Badger Daylighting Corp., as US Borrower, The Toronto-Dominion Bank and the other banks and financial institutions from time to time party thereto, as Lenders, The Toronto-Dominion Bank, as Canadian Swingline Lender and Canadian Administrative Agent, Toronto Dominion (Texas) LLC, as US Administrative Agent, The Toronto-Dominion Bank, New York Branch, as US Swingline Lender, and The Toronto-Dominion Bank, as Collateral Agent, as amended, supplemented, restated or replaced from time to time (the "**Credit Agreement**"). All terms and expressions used herein but not otherwise defined, shall have the same meanings herein as are ascribed thereto in the Credit Agreement.

2. I, [name], in my capacity as a Responsible Officer of each Borrower and not in any personal capacity, hereby certify that as of the date hereof:

- (a) the representations and warranties set forth in the Credit Agreement are in all material respects true and correct on the date hereof;
- (b) each Borrower has performed or observed, or caused to be performed or observed, the covenants set forth in the Credit Agreement to be performed or observed by it to the date hereof; and
- (c) there has not occurred any unremedied Default or Event of Default.

3. As at [insert March 31, June 30, September 30 or December 31, as applicable], 20____ pursuant to Section 8.2 of the Credit Agreement:

- (a) the Funded Debt to EBITDA Ratio is •:1, and
- (b) the Consolidated Interest Coverage Ratio is •:1.

Particulars of the calculation of each of the above ratios are as set out on Schedule "A" attached hereto, and also attached hereto is the management discussion and analysis of financial results for the most recently completed Fiscal Quarter.

4. Attached hereto is a detailed list and description of all Currency Swaps and Interest Swaps to which either Borrower is a party.

5. Based on the Funded Debt to EBITDA Ratio in Section 3(a) above, the Applicable Margin [remains the same as the last Fiscal Quarter][changes to •]:

[insert applicable row amounts]

DATED this _____ day of _____, 20_____.

BADGER DAYLIGHTING LIMITED PARTNERSHIP,
by its general partner, Badger Daylighting Ltd.,
as Canadian Borrower

By: _____
Name: _____
Title: _____

BADGER DAYLIGHTING CORP.,
as US Borrower

By: _____
Name: _____
Title: _____

SCHEDULE "D"

REPAYMENT NOTICE

TO: [The Toronto-Dominion Bank, as Canadian Administrative Agent]
[Toronto Dominion (Texas) LLC, as US Administrative Agent]
[The Toronto-Dominion Bank, as Canadian Swingline Lender]
[The Toronto-Dominion Bank, New York Branch, as US Swingline Lender]

Ladies and Gentlemen:

1. Reference is made to the Amended and Restated Credit Agreement dated as of August 11, 2017, made among Badger Daylighting Limited Partnership, as Canadian Borrower, Badger Daylighting Corp., as US Borrower, The Toronto-Dominion Bank and the other banks and financial institutions from time to time party thereto, as Lenders, The Toronto-Dominion Bank, as Canadian Swingline Lender and Canadian Administrative Agent, Toronto Dominion (Texas) LLC, as US Administrative Agent, The Toronto-Dominion Bank, New York Branch, as US Swingline Lender, and The Toronto-Dominion Bank, as Collateral Agent, as amended, supplemented, restated or replaced from time to time (the "**Credit Agreement**"). All terms and expressions used herein but not otherwise defined, shall have the same meanings herein as are ascribed thereto in the Credit Agreement.

2. Pursuant to Section 2.11(e) of the Credit Agreement, the [Canadian][US] Borrower hereby gives notice of the following repayment:

- (a) Date of repayment: _____
- (b) Type of Advance: _____
- (c) Amount of repayment: _____
- (d) Applicable Borrower's Account(s) to be debited: _____
- (e) Special Instructions (if any): _____

DATED this _____ day of _____, 20_____.

[Name of Borrower]

By: _____
Name: _____
Title: _____

SCHEDULE "E"

ACCORDION REQUEST

TO: The Toronto-Dominion Bank, as Canadian Administrative Agent
 Toronto-Dominion (Texas) LLC, as US Administrative Agent

Ladies and Gentlemen:

1. Reference is made to the Amended and Restated Credit Agreement dated as of August 11, 2017, made among Badger Daylighting Limited Partnership, as Canadian Borrower, Badger Daylighting Corp., as US Borrower, The Toronto-Dominion Bank and the other banks and financial institutions from time to time party thereto, as Lenders, The Toronto-Dominion Bank, as Canadian Swingline Lender and Canadian Administrative Agent, Toronto Dominion (Texas) LLC, as US Administrative Agent, The Toronto-Dominion Bank, New York Branch, as US Swingline Lender, and The Toronto-Dominion Bank, as Collateral Agent, as amended, supplemented, restated or replaced from time to time (the "**Credit Agreement**"). All terms and expressions used herein but not otherwise defined, shall have the same meanings herein as are ascribed thereto in the Credit Agreement.
2. Pursuant to Section 2.8 of the Credit Agreement, the Borrowers hereby request that the Syndicated Facilities be increased by an additional increment of \$●.
3. As of the date hereof, there has not occurred any unremedied Default or Event of Default.

Yours very truly,

BADGER DAYLIGHTING LIMITED PARTNERSHIP,
by its general partner, Badger Daylighting Ltd.,
as Canadian Borrower

By: _____
Name: _____
Title: _____

BADGER DAYLIGHTING CORP.,
as US Borrower

By: _____
Name: _____
Title: _____

SCHEDULE "F"

ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT made this • day of •.

B E T W E E N:

• (the "**Lender**")

OF THE FIRST PART

- and -

• (the "**Assignee**")

OF THE SECOND PART

WHEREAS the Lender is a party to an Amended and Restated Credit Agreement dated as of August 11, 2017, Badger Daylighting Limited Partnership, as Canadian Borrower, Badger Daylighting Corp., as US Borrower, The Toronto-Dominion Bank and the other banks and financial institutions from time to time party thereto, as Lenders, The Toronto-Dominion Bank, as Canadian Swingline Lender and Canadian Administrative Agent, Toronto Dominion (Texas) LLC, as US Administrative Agent, The Toronto-Dominion Bank, New York Branch, as US Swingline Lender, and The Toronto-Dominion Bank, as Collateral Agent, as amended, supplemented, restated or replaced from time to time (the "**Credit Agreement**");

AND WHEREAS the Lender desires to assign to the Assignee a portion of its rights and obligations under the Credit Agreement (including, without limitation, that same portion of the Commitments) and the other Credit Documents;

AND WHEREAS pursuant to the terms of the Credit Agreement, the Lender has paid to the applicable Administrative Agent a processing and recording fee, receipt of which shall be evidenced by the Administrative Agent's acknowledgement and approval hereof and the Lender has otherwise complied with the provisions set out in Article 11 of the Credit Agreement;

NOW THEREFORE the parties hereto agree as follows:

1. All capitalized terms used herein and not defined shall have the meaning ascribed thereto in the Credit Agreement.
2. Pursuant to and in accordance with Article 11 of the Credit Agreement, the Lender hereby irrevocably assigns and transfers to the Assignee and the Assignee hereby purchases from the Lender and assumes, all rights and obligations of the Lender under the Credit Agreement with respect to that portion of its Commitment(s) set forth in Appendix I hereto.
3. The Assignee agrees to be bound by the terms and conditions of the Credit Agreement and the Intercreditor Agreement and to perform all of the obligations of a Lender thereunder from and after the effective date of this Assignment Agreement.
4. The Assignee hereby confirms and agrees to the appointment of The Toronto-Dominion Bank as Canadian Administrative Agent and Toronto Dominion (Texas) LLC as US Administrative Agent.
5. All of the acknowledgements and representations of a Lender contained in the Credit Agreement are true and correct with respect to the Assignee and the Assignee hereby agrees to be bound by the covenants of a Lender under the Credit Agreement.

- 6. The representations, warranties, covenants and agreements contained herein shall survive the execution and delivery of this Assignment Agreement.
- 7. The parties hereto acknowledge and agree that the provisions of this Assignment Agreement shall enure to the benefit of the Borrowers, the Lenders, the Administrative Agents and such other Lenders as may from time to time become parties to the Credit Agreement.
- 8. This Assignment Agreement shall be construed in accordance with, and all the rights of the parties hereto, shall be governed by, the laws of the Province of Alberta and the laws of Canada applicable therein.
- 9. This Assignment Agreement and any acknowledgements and approvals thereof may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same agreement.
- 10. This Assignment Agreement shall become effective five (5) Business Days after the date on which the applicable Administrative Agent acknowledges and consents to the assignment and transfer contemplated herein.

• [Lender]

By: _____

By: _____

• [Assignee]

By: _____

By: _____

Acknowledged and Consented to this • day of •

[THE TORONTO-DOMINION BANK,
as Canadian Administrative Agent]

By: _____

[TORONTO DOMINION (TEXAS) LLC,
as US Administrative Agent]

By: _____

If no Default has occurred:

Consented to this • day of •

BADGER DAYLIGHTING LIMITED PARTNERSHIP,
by its general partner, Badger Daylighting Ltd.,
as Canadian Borrower

By: _____
Name: _____
Title: _____

BADGER DAYLIGHTING CORP.,
as US Borrower

By: _____
Name: _____
Title: _____

Appendix I

NAME AND ADDRESS OF LENDER

•

Attention: •

NAME AND ADDRESS OF ASSIGNEE

LENDER'S COMMITMENT TO BE ASSIGNED

\$• of Canadian Swingline Commitment

\$• of Canadian Syndicated Commitment

\$• of US Swingline Commitment

\$• of US Syndicated Commitment

•

Attention: •

Payments

All interest payments or other payments to be made to the Assignee by [bank wire transfer] to:

Notices

All notices and communications, except notice with respect to payment, and written confirmation of each such payment, to be addressed to the Assignee at:

•

Attention: •

Notices with respect to payment, and written confirmation of each such payment, to be addressed to the Assignee at:

•

Attention: •

SCHEDULE "G"

EXISTING LETTERS OF CREDIT

1. Reference No: **G199896**
Issuer: Toronto-Dominion Bank, Trade Finance Group
Houston, Texas (under reference no. G390954)
Applicant: Badger Daylighting Limited Partnership
Currency/Amount: USD 1,475,000.00
Original Issue Date: July 24, 2012
Current Expiry Date: July 18, 2018
Auto Renewal/Term: Yearly
Beneficiary: [] [REDACTED: confidential information]
2. Reference No: **G201754**
Issuer: Toronto-Dominion Bank, Trade Finance Group
Houston, Texas (under reference no. G391055)
Applicant: Badger Daylighting Corp.
Currency/Amount: USD 200,000.00
Original Issue Date: August 28, 2014
Current Expiry Date: December 31, 2020
Auto Renewal/Term: Nil
Beneficiary: [] [REDACTED: confidential information]
3. Reference No: **G203374**
Issuer: Toronto-Dominion Bank, Trade Finance Group
6th Floor, 7250 Mile-End Street, Montreal, Quebec
Applicant: Badger Daylighting Limited Partnership, on behalf of BDC
Currency/Amount: USD 350,000.00
Original Issue Date: July 18, 2016
Current Expiry Date: July 1, 2018
Auto Renewal/Term: Yearly
Beneficiary: [] [REDACTED: confidential information]
4. Reference No: **8060-9254583-18**
Issuer: The Toronto-Dominion Bank
Applicant: Badger Daylighting Limited Partnership
Currency/Amount: CAD 30,000.00
Original Issue Date: November 28, 2016
Current Expiry Date: November 28, 2017
Auto Renewal/Term: Nil
Beneficiary: [] [REDACTED: confidential information]

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