

**REVOLVING TERM FACILITY CREDIT AGREEMENT**

**BETWEEN**

**STORAGEVAULT CANADA INC.**

**AND**

**THE BANK OF NOVA SCOTIA  
as Administrative Agent**

**AND**

**THE FINANCIAL INSTITUTIONS  
from time to time parties hereto**

**AND**

**THE GUARANTORS  
as Guarantors**

**AND**

**THE BANK OF NOVA SCOTIA  
as Lead Arranger and Sole Bookrunner**

**AND**

**NATIONAL BANK OF CANADA  
as Documentation Agent**

**AND**

**THE TORONTO-DOMINION BANK  
as Syndication Agent**

**MADE AS OF**

**July 31, 2017**

**[REDACTED VERSION]**

**McCarthy Tétrault LLP**

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**REVOLVING TERM FACILITY CREDIT AGREEMENT**

THIS AGREEMENT is made as of July 31, 2017

BETWEEN

**STORAGEVAULT CANADA INC.** (the “**Borrower**”),

- and –

**THE BANK OF NOVA SCOTIA**, in its capacity as agent for the Lenders (the “**Administrative Agent**”)

- and -

**THE FINANCIAL INSTITUTIONS** from time to time parties to this Agreement (each, a “**Lender**” and collectively, the “**Lenders**”)

- and -

**THE GUARANTORS** identified on Schedule 1.01(A) of this Agreement.

WHEREAS the Borrower has requested the Credit Facility and the Lenders have agreed to provide the Credit Facility to the Borrower for the purposes set out in Section 2.02 and upon and subject to the terms and conditions set out in this Agreement;

AND WHEREAS it is a condition of providing the Credit Facility that the Guarantors guarantee the obligations of the Borrower on the terms and conditions herein set forth;

AND WHEREAS the Lenders wish the Administrative Agent to act on their behalf with regard to certain matters associated with the Credit Facility on the terms and conditions herein set forth; and

AND WHEREAS each Guarantor acknowledges that it will receive substantial direct and indirect benefits from the financing arrangements contemplated by this Agreement and the Loan Documents and each of the Credit Parties acknowledges that they are jointly and severally liable for the Obligations.

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the parties agree as follows:

## **ARTICLE 1- INTERPRETATION**

### 1.01 **Definitions**

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

“**Acceptable Appraisal**” means a “market value” appraisal of a Secured Property prepared in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Institute of Canada and conducted in accordance with the standards of the Appraisal Institute of Canada by an Independent Appraiser, which is approved by the Administrative Agent in form, substance and date, acting reasonably and which is addressed to the Administrative Agent, as administrative agent for the Lenders.

“**Access**” means Access Property Developments Ltd. its successors and assigns.

“**Access Agreement**” means the non-competition agreement dated April 28, 2015, made among Access Self Storage Inc., Cubeit Portable Storage Canada Inc., the Borrower, Steven Scott, Iqbal Khan, Shannon Bisset and Anthony Cavallin, as amended, restated or modified as permitted hereunder.

“**Acquisition**” means the acquisition by the Borrower of all of the Equity Interests in Sentinel pursuant to the terms of the Share Purchase Agreement.

“**Actual Debt to Assets Ratio**” means the ratio of Consolidated Indebtedness of the Borrower and Sentinel to Fair Market Value, such calculation to be satisfactory to the Administrative Agent, such calculations as of the date hereof being shown in the most recent Compliance Certificate delivered pursuant to the provision of Section 3.01(1) and Section 10.03(3) of the Credit Agreement.

“**Actual Debt Service Coverage Ratio**” means the ratio of obtained by dividing: (a) Corporate Net Operating Income for the Borrower and Sentinel all for the most recently completed Calculation Period divided by (b) Consolidated Interest Expense plus principal payments required to be made in respect of Consolidated Indebtedness during the same period, such calculation to be satisfactory to the Administrative Agent, such calculations as of the date hereof being shown in the most recent Compliance Certificate delivered pursuant to the provision of Section 3.01(1) and Section 10.03(3) of the Credit Agreement.

“**Additional Compensation**” has the meaning set forth in Section 14.01(3).

“**Adjusted Net Operating Income**” means, with respect to a Secured Property (and for other real property for the purposes of calculation of Actual Debt Service Coverage Ratio, Actual Debt to Assets Ratio and Tangible Net Worth) and for a given period, the sum of the following (without duplication): (i) rents and other revenues received in the ordinary course from the leasing or operating of such assets (including proceeds of rent loss insurance but excluding prepaid rents and revenues and security deposits except to the extent applied in satisfaction of tenants’ obligations for rent) determined in accordance with GAAP, plus (ii) any applicable Normalization Adjustment, minus (iii) all expenses paid or accrued by the relevant owner related

to the ownership, operation or maintenance of such assets, including but not limited to taxes, assessments and other similar charges, insurance, utilities, payroll costs, maintenance, repair and landscaping expenses and on site marketing expenses, but in any event excluding amortization and depreciation and general and administrative expenses of the relevant owner, determined in accordance with GAAP, minus (iv) non-recoverable expenses. For certainty, paragraphs (iii) and (iv) of this definition of Adjusted Net Operating Income shall exclude any extraordinary or non-recurring expenses, any payments on account of interest, fees and amortization of principal in respect of any Indebtedness and cash reserves.

“**Administrative Agent**” means The Bank of Nova Scotia, in its capacity as administrative agent for the Lenders under this Agreement and any successor appointed pursuant to Section 18.07.

“**Advance**” means an advance of funds made hereunder to any Borrower by the Lender by way of a Loan.

“**Affiliate**” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified.

“**Agent’s Office**” means the branch of the Administrative Agent as set out in the signature page of the Administrative Agent hereto, or such other office that the Administrative Agent may from time to time designate by notice to the Borrower and the Lenders.

“**Aggregate Hedge Exposure**” means, at any time, the negative net marked to market amount, if any, that would be carried in the accounts of any Borrower on a consolidated basis at such time with respect to Qualifying Hedge Arrangements as a liability.

“**Aggregate Outstandings**” means, at any time, the aggregate amount of all Loans outstanding, unpaid or unsatisfied under the Credit Facility (including, without limitation, Loans under the Swingline Facility. In determining the Aggregate Outstandings under the Credit Facility, (i) in the case of Prime Rate Loans, the aggregate amount in Cdn. Dollars thereof shall be determined on the basis of the aggregate principal amount of all advances of Prime Rate Loans, and (ii) in the case of Bankers’ Acceptances and BA Equivalent Advances issued in Canadian Dollars, the aggregate face amounts thereof.

“**Agreement**” means this credit agreement, including its recitals and schedules, as refinanced, amended, restated, supplemented and otherwise modified from time to time.

“**Applicable Canadian Pension Laws**” means any law (statutory or common), rule, regulation, guideline, directive, order or notice of any Canadian federal or provincial (or other political subdivision thereof) Governmental Authority or any entity exercising executive, legislative, quasi-judicial, regulatory or administrative functions pertaining to, having jurisdiction over or affecting any Canadian Pension Plan or Canadian Plan in each case to the extent having the force of law.

“**Applicable Law**” means, at any time, in respect of any Person, property, transaction, event or other matter, as applicable, all then current laws, rules, statutes, regulations, treaties, orders, judgments and decrees and all official directives, rules, guidelines, orders, policies, decisions and

other requirements of any Governmental Authority (collectively, the “**Law**”) relating or applicable to such Person, property, transaction, event or other matters and shall also include any interpretation of the Law, or any part of the Law, by any person having jurisdiction over it or charged with its administration or interpretation.

“**Applicable Margin**” means on any date for any period, the percentage rate *per annum* determined in accordance with the applicable table below:

<i>Level (see Notes)</i>	<i>Margined Value</i>	<i>Prime Rate Margin</i>	<i>BA Stamping Fee Rate</i>	<i>Standby Fee Rate</i>
1	< 55%	[Redacted - Prime Rate Margin]%	[Redacted - BA Stamping Fee Rate]%	[Redacted - Standby Fee Rate]%
2	≥ 55% but < 65%	[Redacted - Prime Rate Margin]%	[Redacted - BA Stamping Fee Rate]%	[Redacted - Standby Fee Rate]%
3	≥ 65% but < 71%	[Redacted - Prime Rate Margin]%	[Redacted - BA Stamping Fee Rate]%	[Redacted - Standby Fee Rate]%
4	≥ 71%	[Redacted - Prime Rate Margin]%	[Redacted - BA Stamping Fee Rate]%	[Redacted - Standby Fee Rate]%

Notes:

- (a) Level 4 pricing shall be in effect from first Drawdown until at least first quarterly Compliance Certificate is delivered.
- (b) the Applicable Margin shall be adjusted as of the date of the most recent Compliance Certificate (the “**Margin Adjustment Date**”). For greater certainty, at the time of a change in an Applicable Margin applicable to a Bankers’ Acceptance or BA Equivalent Advance, such adjusted Applicable Margin shall be applied from and after such date with respect to any Bankers’ Acceptance issued, or BA Equivalent Advance made, on or after the Margin Adjustment Date and shall not modify or otherwise affect the Applicable Margin applicable with respect to any Bankers’ Acceptance or BA Equivalent Advance outstanding on such date.

“**Applicable Market Capitalization Rate**” means, for each relevant property (and for the purposes of the calculation of Estimated Market Value means each Secured Property) the capitalization rates in respect of: (a) the Secured Properties: (i) for the first four Fiscal Quarters, as set out in the relevant Acceptable Appraisal, and (ii) thereafter, as set out in the relevant Appraisal, provided that the Administrative Agent, on the advice of the Required Lenders, where they reasonably believe that market conditions relating to one or more of the Secured Properties has changed, may require that such capitalization rate be amended (and in conjunction therewith

may require update Acceptable Appraisals of such Secured Properties) and such rate shall apply in respect of such Secured Property, and (b) other properties, the proposed capitalization rate by the Borrower for such property (and the Borrower shall provide evidence in support thereof) for review and consideration by the Lenders, and, if acceptable to, the Required Lenders, acting reasonably, such rate shall apply in respect of such property (it being further acknowledged that after the first four Fiscal Quarters that the Required Lenders may, acting reasonably, request updated Acceptable Appraisals of some or all of the Secured Properties, and, at any time, appraisals in respect of other properties, to substantiate the applicable market capitalization rate).

“**Applicable Percentage**” means, with respect to any Lender, the percentage of the total Commitments represented by such Lender’s Commitment. If the Commitments have terminated or expired, the Applicable Percentages shall be the percentages of the total outstanding Loans by such Lender’s outstanding Loans. Where reference is made in this Agreement to Lender’s Applicable Percentage with reference to the Credit Facility and the Swingline Facility, such Applicable Percentage shall mean the percentage set out in Schedule “A” under the headings “Credit Facility Percentage” and “Swingline Facility Applicable Percentage”, as applicable.

“**Appraised Value**” means the appraised value of the relevant Secured Property as set forth in the most recent Acceptable Appraisal.

“**Available Credit**” means the lesser of the Total Commitment and the Maximum Availment Amount.

“**Availability Period**” means the period commencing on the Closing Date and ending on the Maturity Date.

“**BA Discount Proceeds**” means, with respect to a particular Bankers’ Acceptance, the following amount:

$$\left( \frac{1}{1 + (DR*(IP/365))} \right) \times BA$$

Where:

- (a) BA = the face amount of the Bankers’ Acceptance;
- (b) DR = the BA Discount Rate applicable to the Bankers’ Acceptance expressed as a decimal;
- (c) IP = the applicable Interest Period in days; and
- (d) the product of (DR\*(IP/365)) is rounded up or down to the fifth (5<sup>th</sup>) decimal place and .000005 is rounded up,

with the amount as so determined being rounded to the nearest whole cent, with one half of one cent being rounded up.

“**BA Discount Rate**” means, for any Drawdown Date in respect of Bankers’ Acceptances to be purchased pursuant to Article 5, CDOR.

“**BA Equivalent Advance**” means, in relation to a Drawdown of, Conversion to or Rollover of Bankers’ Acceptances, a Loan in Canadian Dollars made by a Non BA Lender as part of such Drawdown, Conversion or Rollover.

“**BA Lender**” means any Lender that is a bank chartered under the *Bank Act* (Canada) and that has not notified the Administrative Agent in writing that it is unwilling or unable to accept Drafts as provided for in Article 5.

“**BA Market Disruption Notice**” has the meaning set out in Section 2.11.

“**BA Stamping Fee**” means the amount calculated by multiplying the face amount of a Bankers’ Acceptance or a BA Equivalent Advance by the BA Stamping Fee 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 or purchase of such BA Equivalent Advance by a Lender up to but excluding the maturity date of such Bankers’ Acceptance or BA Equivalent Advance, and the denominator of which is the number of days in the calendar year in question.

“**BA Stamping Fee Rate**” means, with respect to a Bankers’ Acceptance or a BA Equivalent Advance, the applicable percentage rate *per annum* indicated below the reference to “BA Stamping Fee Rate in the definition of “Applicable Margin”.

“**Bankers’ Acceptance**” means a depository bill, as defined in the *Depository Bills and Notes Act* (Canada), in Canadian Dollars that is in the form of a Draft signed by the applicable Borrower and accepted by a BA Lender as contemplated under Section 5.09(1), or for Lenders not participating in clearing services as contemplated in that Act, a draft or other bill of exchange in Canadian Dollars that is signed on behalf of the applicable Borrower and accepted by a Lender.

“**Beneficial Owners**” means the Credit Parties identified as “Beneficial Owners” opposite the applicable Secured Property on Schedule 1.01(E), and “**Beneficial Owner**” means any one of them.

“**Borrower**” means StorageVault Canada Inc., and its successors and assigns permitted by this Agreement.

“**Borrower’s Account**” means the account maintained by the Borrower and designated by the Borrower from time to time as such Borrower’s Account hereunder.

“**Borrower’s Counsel**” means Marrelli & Co., DLA Piper (Canada) LLP, or such other firm of legal counsel as the Borrower may from time to time designate and that is acceptable to the Administrative Agent, acting reasonably.

“**Borrowing Base**” means, at any time, the aggregate of the Lending Values of all the Secured Properties.

**“Borrowing Base Certificate”** means the certificate required pursuant to Section 8.06(1)(b) or Section 10.03(3), substantially in the form attached as Schedule 10.03(3), signed by any one of the President or the Chief Financial Officer of the Borrower or such other senior financial officer of the Borrower approved by the Administrative Agent.

**“Borrowing Base Shortfall”** means has the meaning set out in Section 6.01(3)(a).

**“Business Day”** means a day on which chartered banks are open for over-the-counter business in the Province of Ontario and excludes Saturday, Sunday and any other day which is a statutory holiday in the Province of Ontario.

**“Calculation Period”** means the trailing twelve month period, provided that for the purposes of such calculations, in respect of each: (a) Secured Property historical calculations for the period prior to the Closing Date may be utilized for the relevant period prior to the Closing Date until such time as twelve months have elapsed since the Closing Date, and (b) other property which is not a Secured Property, historical calculations for the period prior to the acquisition thereof by the relevant Credit Party (or Subsidiary thereof) until such time as twelve months have elapsed since the acquisition date thereof (such calculation to be acceptable to the Administrative Agent, acting reasonably), after which, in the case of either of the foregoing clauses (a) or (b), the Calculation Period as of any time shall be deemed to be the trailing twelve month period.

**“Canadian Dollars”, “Cdn. Dollar” and “Cdn. \$”** mean the lawful money of Canada.

**“Canadian Pension Plan”** means each and every registered pension plan established under Canadian federal or provincial law and sponsored, maintained or contributed to, by or on behalf of the Borrower or any of the Guarantors for the benefit of any of their respective employees.

**“Canadian Plan”** shall mean any employee benefit plan (other than a Canadian Pension Plan) established or maintained by, or on behalf of the Borrower or any Guarantor for the benefit of their respective employees.

**“Capital Expenditures”** means any capital expenditure made by a Credit Party for the construction, maintenance, repair, replacement, addition, alteration or refurbishment of a Secured Property.

**“Capital Lease Obligation”** of any Person means the obligation of such Person, as lessee, to pay rent or other payment amounts under a lease of real or personal property which is required to be classified and accounted for as a capital lease or a liability on a consolidated balance sheet of such Person in accordance with GAAP.

**“CCQ”** means the Civil Code of Quebec.

**“CDOR”** means, for any day and relative to Bankers’ Acceptances or BA Equivalent Advances, the stated average of the annual rates that appears on the Reuters Screen CDOR page as of at 10:00 a.m. (Toronto time) on such day (or, if such day is not a Business Day, as of 10:00 a.m. on the next preceding Business Day) for bankers’ acceptances issued on that day for a term equal or comparable to the term of such Bankers’ Acceptances or BA Equivalent Advances, provided that (a) if such rate does not appear on the Reuters Screen CDOR page at such time on such day,

CDOR for such day will be the discount rate (calculated on an annual basis) as of 10:00 a.m. on such day at which the Administrative Agent is then offering to purchase bankers' acceptances accepted by it having an aggregate face amount equal to the aggregate face amount of, and with a term equal or comparable to the term of, such Bankers' Acceptances or BA Equivalent Advances, and (b) if any such rate is below zero, then the CDOR will be deemed to be zero.

**"Change in Laws"** means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any Applicable Laws, (b) any change in any Applicable Laws or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any Applicable Laws by any Governmental Authority; provided that notwithstanding anything herein to the contrary, (x) the *Dodd-Frank Wall Street Reform and Consumer Protection Act* and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or Canada, the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Laws", regardless of the date enacted, adopted or issued.

**"Change of Control"** means:

- (a) the acquisition by any Person, or group of such Persons acting jointly or in concert, of greater than 50% of the outstanding Equity Interests of the Borrower; or
- (b) any Guarantor (including any general partners) is (i) no longer a wholly-owned Subsidiary, directly or indirectly, of the Borrower or (ii) no longer Controlled by the Borrower.

**"Claims"** means, in respect of any event, circumstance, matter or thing, all actions, proceedings, losses, damages, liabilities, taxes, claims, demands, judgments, rights (including set-off), remedies, costs and expenses of any nature or kind, including legal fees and disbursements on a full indemnity basis, and "Claim" means any one of them.

**"Closing Date"** means July 31, 2017.

**"Collateral"** means the Secured Properties and all real and personal property (and the revenues, insurance proceeds, issues, profits, proceeds and products of the foregoing) which are subject, or are intended or required to become subject, to the security or Encumbrance granted under any of the Loan Documents.

**"Commitment"** means, in respect of any Lender, the amount specified with respect to such Lender in Schedule A (which will be amended and distributed to all parties by the Administrative Agent from time to time as other Persons become Lenders), being the sum of the maximum aggregate amount of Loans that such Lender is obliged to make under the Credit Facility (including, as a sub-facility thereof, the Swingline Facility), as such amount may be reduced from time to time by such Lender's Applicable Percentage of the amount of any permanent repayments, reductions or prepayments required or made hereunder.

“**Compliance Certificate**” means the certificate required pursuant to Section 10.03(3), substantially in the form attached as Schedule 1.01(B), signed by any one of the Chief Executive Officer or the Chief Financial Officer of the Borrower or such other senior financial officer of the Borrower approved by the Administrative Agent.

“**Consolidated Indebtedness**” means, with respect to the Borrower, as at any date the consolidated Indebtedness (without duplication) as at such date determined in accordance with GAAP.

“**Consolidated Interest Expense**” means, with respect to the Borrower, for any period, the aggregate amount of interest expense in respect of Consolidated Indebtedness, the original issue discount of any Consolidated Indebtedness issued at a price less than the face amount thereof paid, accrued or scheduled to be paid or accrued by such party during such period and, to the extent interest has been capitalized on projects that are under development or held for future development during the period, the amount of interest so capitalized, all as determined on a consolidated basis in accordance with GAAP (provided that, notwithstanding its presentation under GAAP, all interest expense in respect of convertible debt Indebtedness will be included (without duplication) in determining Consolidated Interest Expense).

“**Construction Lien Legislation**” has the meaning ascribed thereto in Section 10.01(23).

“**Contingent Obligation**” means, with respect to any Person, any obligation, whether secured or unsecured, of such Person guaranteeing or indemnifying, or in effect guaranteeing or indemnifying, any indebtedness, leases, dividends, letters of credit or other monetary obligations (the “primary obligations”) of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, including any obligation of such Person as an account party in respect of a letter of credit or letter of guarantee issued to assure payment by the primary obligor of any such primary obligation and any obligations of such Person, whether or not contingent, (i) to purchase any such primary obligation or any property constituting direct or indirect security therefor, (ii) to advance or supply funds for the purchase or payment of any such primary obligation or to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor, (iii) to purchase property, securities or services primarily for the purpose of assuring the obligee under any such primary obligation of the ability of the primary obligor to make payment of such primary obligation, or (iv) otherwise to assure or hold harmless the obligee under such primary obligation against loss in respect of such primary obligation; provided, however, that the term Contingent Obligation does not include endorsements of instruments for deposit or collection in the ordinary course of business.

“**Control**” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “**Controlling**” and “**Controlled**” have corresponding meanings.

“**Conversion**” means a conversion of one type of Loan into another type of Loan pursuant to Section 2.05 or Section 5.06.

“**Conversion Date**” means the Business Day specified by the applicable Borrower in a Conversion Notice as being the date on which the applicable Borrower has elected to convert one type of Loan into another type of Loan.

“**Conversion Notice**” means a Notice, substantially in the form set out in Schedule 1.01(C), to be given to the Administrative Agent by the applicable Borrower pursuant to Section 2.05.

“**Corporate Net Operating Income**” means, with respect to the Borrower, determined for any period on a consolidated basis in accordance with GAAP, the sum of the following (without duplication): (i) all revenues received in the ordinary course (including proceeds of rent loss insurance but excluding: A) prepaid rents and revenues and security deposits except to the extent applied in tenants’ obligations for rent, B) investment income, C) non-cash income and expenses, and D) net income attributable to non-controlling interests, provided that net income attributable to the [Redacted - name of third party] shall be included (in each case in accordance with GAAP), plus (ii) any applicable Normalization Adjustment, minus (iii) all expenses paid or accrued by the relevant owner related to the ownership, operation or maintenance of its assets and properties, including but not limited to taxes, assessments and other similar charges, insurance, utilities, payroll costs, maintenance, repair and landscaping expenses and on site marketing expenses of the relevant owner, determined in accordance with GAAP, and for certainty, this definition of Corporate Net Operating Income shall exclude (to the extent deducted in calculation of consolidated net income) extraordinary or non-recurring expenses, any payments on account of Consolidated Interest Expense, fees and amortization of principal in respect of any Indebtedness, income tax expense for such period and depreciation and amortization for such period.

“**Credit Facility**” has the meaning set out in Section 2.01.

“**Credit Parties**” means the Borrower and the Guarantors and their respective successors and assigns permitted by this Agreement, and “**Credit Party**” means any one of them. For the purposes of Article 9, Article 10, Article 11 and Article 12 of this Agreement, reference to “Credit Party” or “Credit Parties” therein shall include each general partner of such Credit Parties.

“**DBRS**” means DBRS Limited and its successors and assigns.

“**Debtor Relief Laws**” means the *Bankruptcy and Insolvency Act* (Canada), the *Companies’ Creditors Arrangement Act* (Canada) and any similar federal, provincial state or foreign law (including all liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization or similar laws of any applicable jurisdictions and affecting the rights of creditors generally) for the relief of debtors.

“**Default**” means any event or condition, the occurrence of which would, with the lapse of time or giving of notice, or both, becomes an Event of Default.

“**Defaulting Lender**” means, subject to Section 14.03(4), any Lender that:

- (a) has failed to (i) fund all or any portion of its Loans within two Business Days of the date such Loans were required to be funded hereunder unless such Lender

notifies the Administrative Agent and the Borrower in writing that such failure is the result of such Lender's determination that one or more conditions precedent to funding (each of which conditions precedent, together with any applicable default, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the Administrative Agent or any Lender any other amount required to be paid by it hereunder within two Business Days of the date when due,

- (b) has notified the Borrower or the Administrative Agent in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lender's obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with any applicable default, shall be specifically identified in such writing or public statement) cannot be satisfied),
- (c) has failed, within three Business Days after written request by the Administrative Agent or the Borrower, to confirm in writing to the Administrative Agent and the Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by the Administrative Agent and the Borrower), or
- (d) has, or has a direct or indirect parent company that has, (i) become the subject of a proceeding under any Debtor Relief Law, or (ii) had appointed for it a receiver, custodian, conservator, trustee, administrator, assignee for the benefit of creditors or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority acting in such a capacity; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any equity interest in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within Canada, the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender.

Any determination by the Administrative Agent that a Lender is a Defaulting Lender under clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 14.03(4)) upon delivery of written notice of such determination to the Borrower and each Lender.

“**discretion**” means sole, absolute and subjective discretion.

“**Disposition**” means, with respect to a Person, any sale, assignment, transfer, conveyance, lease, licence or other disposition of any nature or kind whatsoever of any property, asset or of any

right, title or interest in or to any property or asset, and the verb “**Dispose**” has a corresponding meaning.

“**Distribution**” means (i) any payment, declaration of dividend or other distribution, whether in cash or property, (but expressly excluding any distribution by way of the payment of dividends by the issuance of equity securities of an issuer) to any holder of Equity Interests of any class of any of the Credit Parties, (ii) any repurchase, redemption, retraction or other retirement or purchase for cancellation of Equity Interests of any Credit Party or of any options, warrants or other rights to acquire any of such Equity Interests; (iii) the payment by any Credit Party of any royalty, consulting fee, management fee, bonus or other fee to any Credit Party, any Affiliate of any Credit Party or to any director, officer or other management personnel, any Credit Party or any Affiliate of any Credit Party; or (iv) making of any payment on account of any fees, principal, interest or otherwise on any subordinated debt (including the Intercompany Indebtedness) to any Credit Party or any of their Affiliates.

“**Draft**” has the meaning set out in Section 5.09(1).

“**Drawdown**” means:

- (a) the advance of a Prime Rate Loan; and/or
- (b) the issue of one or more Bankers’ Acceptances or BA Equivalent Advances.

“**Drawdown Date**” means the date on which a Drawdown is made by the applicable Borrower pursuant to the provisions hereof.

“**Drawdown Notice**” means a notice, substantially in the form set out in Schedule 1.01(D), to be given to the Administrative Agent by the applicable Borrower pursuant to Section 2.05.

“**Eligible Assignee**” means any proposed assignee (other than a natural person, any Credit Party or any Affiliate of a Credit Party) of an assignment pursuant to Article 21 that is:

- (a) approved by the Borrower (such approval not to be unreasonably withheld or delayed) unless an Event of Default has occurred and is continuing;
- (b) following an Event of Default that has occurred and is continuing, any Person (other than a natural person, any Credit Party or any Affiliate of a Credit Party);
- (c) an Affiliate of a Lender and is a resident of Canada for the purposes of the *Income Tax Act* (Canada); or
- (d) a bank whose senior, unsecured, non-credit enhanced, long-term debt is rated at least A3, A- or A low by at least two (2) of Moody’s, S&P and DBRS, respectively.

“**Encumbrance**” means, with respect to any Person, any mortgage, debenture, pledge, hypothec, lien, charge, lease, sublease, easement, preference, priority, assignment by way of security, hypothecation or security interest granted or permitted by such Person or arising by operation of

law, in respect of any of such Person's property or assets, or any consignment by way of security or Capital Lease Obligations by such Person as consignee or lessee, as the case may be, or any other security agreement, trust or arrangement having the effect of security for the payment of any debt, liability or other obligation, including title reservations, limitations, provisos or conditions, and "**Encumbrances**", "**Encumbrancer**", "**Encumber**" and "**Encumbered**" have corresponding meanings.

"**Environmental Law**" means any Applicable Law in the jurisdiction where a Secured Property is located relating to the natural environment including those pertaining to:

- (a) reporting, licensing, permitting, investigating, remediating and cleaning up in connection with any presence or Release, or the threat of the same, of Hazardous Substances, and
- (b) the manufacture, processing, distribution, use, treatment, storage, disposal, transport, handling and the like of Hazardous Substances, including those pertaining to occupational health and safety.

"**Equity Interests**" means, with respect to any Person, shares of capital stock of (or other ownership or profit interests in) such Person, warrants, options or other rights for the purchase or other acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or other acquisition from such Person of such shares (or such other interests), and other ownership or profit interests in such Person (including, without limitation, partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are authorized on any date of determination.

"**Estimated Market Value**" means, for each Fiscal Quarter of Sentinel, as determined on the last day of each Fiscal Quarter of Sentinel, the notional value of the Secured Properties calculated, on an aggregate basis, by dividing the sum of Adjusted Net Operating Income for the most recently completed Calculation Period for each Secured Property by the Applicable Market Capitalization Rate for such Secured Property, as calculated by the Borrower (or, where applicable, allocated, estimated or adjusted) to the satisfaction of the Administrative Agent in respect of the relevant Secured Property (which for the purposes of such calculation shall exclude any value attributable to excess lands of such Secured Property as determined by the Independent Appraiser or the Administrative Agent), such calculations as they relate to the Secured Properties as of the date hereof being shown in the most recent Compliance Certificate or Borrowing Base Certificate, as applicable, delivered pursuant to the provision of Section 3.01(l) and Section 10.03(3) of the Credit Agreement.

"**Event of Default**" has the meaning set out in Section 11.01.

"**Excluded Taxes**" means, with respect to the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder or under any other Loan Document, (a) taxes imposed on or measured by its net income, capital gains, or capital, and franchise taxes imposed on it by the jurisdiction (or any

political subdivision thereof) under the laws of which such recipient is organized or in which its principal office is located or, in the case of any Lender, in which its applicable Lending Office is located, (b) any branch tax, branch profits tax or any similar tax imposed by any jurisdiction, or (c) any taxes imposed under FATCA.

“**Fair Market Value**” means, at a specified date, the aggregate amount of the fair market values of all real properties 100% owned (directly or indirectly) by the Borrower and Sentinel, being determined on a property by property basis based on Adjusted Net Operating Income for the most recently completed Calculation Period for each such property divided by the percentage of the Applicable Market Capitalization Rate plus the total book value of all other real property assets and portable storage units of the Borrower and Sentinel plus accumulated amortization and depreciation of such other assets, on a consolidated basis, as shown on the consolidated financial statements of the Borrower and Sentinel prepared in accordance with GAAP, such calculations to be satisfactory to the Required Lenders, acting reasonably.

“**FATCA**” means Sections 1471 through 1474 of the IRC, 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) and any current or future regulations or official interpretations thereof.

“**Financial Assistance**” means, without duplication and with respect to any Person, all loans granted by that Person and guarantees or Contingent Obligations incurred by that Person for the purpose of or having the effect of providing financial assistance to another Person or Persons, including letters of guarantee, letters of credit, legally binding comfort letters or indemnities issued in connection therewith, endorsements of bills of exchange (other than for collection or deposit in the ordinary course of business), obligations to purchase assets regardless of the delivery or non-delivery thereof and obligations to make advances or otherwise provide financial assistance to any other Person.

“**Fiscal Quarter**” means each successive three-month period of each Credit Party’s and each Secured Property’s Fiscal Year ending on or about March 31, June 30, September 30 and December 31.

“**Fiscal Year**” means, in respect of each Credit Party and each Secured Property, the twelve month period ending on or about the last day of December in any year.

“**Foreign Lender**” means any Lender that is not organized under the laws of the jurisdiction in which a Borrower is resident for tax purposes and that is not otherwise considered or deemed in respect of any amount payable to it hereunder or under any Loan Document to be resident for income tax or withholding tax purposes in the jurisdiction in which a Borrower is resident for tax purposes by application of the laws of that jurisdiction. For purposes of this definition, Canada and each Province and Territory thereof shall be deemed to constitute a single jurisdiction and the United States of America, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

“**GAAP**” means those accounting principles in Canada as applicable to public entities that are from time to time approved by the Chartered Professional Accountants of Canada, or any successor institute, and for greater certainty includes IFRS.

“**Government of Canada Rate**” means, at any particular date, that rate of interest and referred to as the “benchmark bond yield” (expressed as a percentage rate per annum) published by the Bank of Canada correlating to the Government of Canada bond having a term of five years.

“**Governmental Authority**” means the government of Canada, the United States or any other nation, or of any political subdivision thereof, whether state, provincial, territorial or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, including a Minister of the Crown, Superintendent of Financial Institutions or other comparable authority or agency.

“**Guarantors**” means Sentinel and each Person identified on Schedule 1.01(A) (other than the Borrower) and, in each case, their successors and assigns permitted by this Agreement, and “**Guarantor**” means any one of them.

“**Hazardous Substance**” means any substance or material that is prohibited, controlled or regulated by any Governmental Authority pursuant to Environmental Laws, including pollutants, contaminants, dangerous goods or substances, toxic or hazardous substances or materials, wastes (including solid non-hazardous wastes and subject wastes), petroleum and its derivatives and by-products and other hydrocarbons, all as defined in or pursuant to any Environmental Law.

“**Hedge Arrangement**” means, with respect to any Person, any arrangement or transaction between such Person and any other Person that is a rate swap transaction, basis swap, forward rate transaction, commodity swap, interest rate option, forward foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of such transactions or arrangements) designed to protect or mitigate against risks in interest, currency exchange or commodity price fluctuations.

“**Hypothec**” means a hypothec granted in favour of the Administrative Agent, in its capacity as hypothecary representative (*fondé de pouvoir*), in respect of each Secured Property in the Province of Quebec.

“**IFRS**” mean International Financial Reporting Standards for public companies, as adopted by the Canadian Accounting Standards Board, in effect from time to time.

“**Impermissible Qualification**” means relative to the financial statements (including notes thereto) of any Person or report or opinion of any independent auditor in respect thereof, any qualification or exemption to such financial statements (or notes thereto) or report or opinion thereon which is of a “going concern” or similar nature.

“**Indebtedness**” of any Person means (without duplication), on a consolidated basis and in accordance with GAAP:

- (a) any obligation of such Person for money borrowed and any interest thereon, or any financial accommodation (including the amount of any money raised from the sale or securitization of any receipts or receivables) (including, for greater

certainty, the full principal amount of convertible debt, notwithstanding its presentation under GAAP),

- (b) a transfer with recourse or with an obligation to repurchase, to the extent of the liability of such Person with respect thereto,
- (c) any obligation of such Person issued or assumed as the deferred purchase price of property or any obligation under conditional sale or other title retention agreements relating to property acquired by such person,
- (d) any Capital Lease Obligation of such Person,
- (e) any reimbursement obligation or other obligation in connection with a bankers' acceptance or any similar instrument, or letter of credit or letter of guarantee issued by or for the account of such Person,
- (f) the aggregate amount at which any securities of such Person that are redeemable or retractable at the option of the holder of such shares (except where the holder is such Person) may be redeemed or retracted prior to the Maturity Date for cash or obligations constituting Indebtedness or any combination thereof,
- (g) any Contingent Obligations or any Financial Assistance,
- (h) Aggregate Hedge Exposure relating to Hedge Arrangements, and
- (i) any other obligation arising under arrangements or agreements that, in substance, provide financing to such Person and which, in accordance with GAAP, would be classified upon a balance sheet as a liability (absolute or contingent) of such Person including an obligation to accept or deliver goods or services designed to provide credit support or a take or pay arrangement,

Obligations referred to in clauses (a) through (c) exclude (A) trade accounts payable, (B) distributions payable to holders of securities, (C) accrued liabilities arising in the ordinary course of business which are not overdue or which are being contested in good faith, (D) intangible liabilities and (E) deferred revenues, all of which will be deemed not to be Indebtedness for the purposes of this definition. In calculating the amount of any Indebtedness under (i) any securitization of any receipts or receivables, the amount shall be the discounted amount of proceeds paid in exchange for the receipts or receivables, (ii) any Capital Lease Obligations, the amount shall be the aggregate portion of all rent in the nature of principal, and (iii) any Hedge Arrangements, the amount shall be the net amount owing calculated on a mark to market basis.

**“Indemnified Taxes”** means Taxes other than Excluded Taxes.

**“Indemnitee”** has the meaning set out in Section 20.01(2).

**“Independent Appraiser”** means a professional real estate appraiser who is a member in good standing of the Appraisal Institute of Canada (and its successors), who is independent of the

Credit Parties, who is certified and licensed in the jurisdiction of the relevant Secured Properties, who has a minimum of five years' experience in the subject property type and market, and who is approved by the Administrative Agent, acting reasonably.

**“Independent Insurance Consultant”** means InTech Risk Management Inc. or such other insurance consultant appointed by the Administrative Agent.

**“Intellectual Property”** means any and all intellectual and industrial property, whether recorded or not and regardless of form or method of recording, including all works in which copyright subsists or may subsist (such as computer software), data bases (whether or not protected by copyright), designs, documentation, manuals, specifications, industrial designs, trade secrets, confidential information, ideas, concepts, know-how, trade marks, service marks, trade names, domain names, discoveries, inventions, formulae, recipes, product formulations, processes and processing methods, technology and techniques, improvements and modifications, integrated circuit topographies and mask works.

**“Intellectual Property Rights”** includes all intellectual and industrial and other proprietary rights in any Intellectual Property.

**“Interbank Reference Rate”** means the interest rate expressed as a percentage *per annum* that is customarily used by the Administrative Agent when calculating interest due by it or owing to it arising from the correction of errors and other adjustments between the Administrative Agent and other Canadian chartered banks.

**“Intercompany Indebtedness”** means all unsecured, subordinated and postponed indebtedness, liabilities and obligations, of any nature or kind, present or future, direct or indirect, absolute or contingent, whether as primary debtor or surety, matured or not and at any time owing by each Credit Party to each other Credit Party.

**“Interest Payment Date”** means, with respect to each Prime Rate Loan, the first Business Day of each calendar month.

**“Interest Period”** means:

- (a) with respect to each Prime Rate Loan, the period commencing on the applicable Drawdown Date or Conversion Date, as the case may be, and ending on the date selected by the applicable Borrower for the Conversion of such Loan into another type of Loan or for the repayment of such Loan; and
- (b) with respect to each Bankers' Acceptance and each BA Equivalent Advance, the period selected by the applicable Borrower hereunder and being of one, two, three or six months duration commencing on the Drawdown Date, Rollover Date or Conversion Date of such Loan.

provided that in any case the last day of each Interest Period will be also the first day of the next Interest Period and further provided that the last day of each Interest Period will be a Business Day. If the last day of an Interest Period selected by the applicable Borrower is not a Business Day the applicable Borrower will be deemed to have selected an Interest Period the last day of

which is the Business Day next following the last day of the Interest Period otherwise selected unless such next following Business Day falls in the next calendar month in which event the applicable Borrower will be deemed to have selected an Interest Period the last day of which is the Business Day next preceding the last day of the Interest Period otherwise selected and further provided that the last Interest Period hereunder must expire on or prior to the Maturity Date.

**“Investment”** means any direct or indirect (i) acquisition of any shares, partnership interests, participation interests in any arrangement, options or warrants, or any indebtedness, whether or not evidenced by any bond, debenture or other written evidence of a Person, (ii) an investment (including, without limitation, by way of loan) made or held by a Person, directly or indirectly, in another Person (whether such investment was made by the first-mentioned Person in such other Person or acquired from a third party), (iii) acquisition, by purchase or otherwise, of all or substantially all of the business, assets or stock or other evidence of beneficial ownership of a Person, or (iv) acquisition by purchase or otherwise of any real property and related personal property of a Person, other than purchases from Access Self Storage Inc. in the normal course of business. Any binding commitment to make an Investment in any Person or property and assets, as well as any option of another Person to require an Investment in such Person or property and assets, shall constitute an Investment. The amount of any Investment will be the original cost of such Investment, plus the cost of all additions thereto and minus the amount of any portion of such Investment repaid to such Person in cash as a return of capital, but without any other adjustments for increases or decreases in value, or write-ups, write-downs or write-offs with respect to such Investment. In determining the amount of any Investment involving a transfer of any property other than cash, such property will be valued at its fair market value at the time of such transfer.

**“IRC”** means the Internal Revenue Code of 1986 of the United States of America.

**“Leases”** means any leases, subleases, agreements to lease, licences or grants of rights of occupation (including storage unit agreements) (other than an easement, servitude or a right in the nature of an easement or servitude) granted, from time to time, by any Person entitling the lessee, sublessee, licensee or grantee thereunder to use or occupy any part of any Secured Property, and **“Lease”** means any one of them.

**“Lender Assignment and Assumption”** means an assignment and assumption entered into by a Lender and an assignee pursuant to Section 21.01 and accepted by the Administrative Agent, in substantially the form of Schedule 1.01(K) or any other form approved by the Administrative Agent.

**“Lender’s Counsel”** means the firm of McCarthy Tétrault LLP or such other firm of legal counsel as the Lender may from time to time designate.

**“Lenders”** means (i) the Persons from time to time party to this Agreement and identified as a Lender or Swingline Lender in Schedule A (which will be amended and distributed to all parties by the Administrative Agent from time to time as other persons become Lenders) and reference to **“Lender”** in this Agreement may mean that Lender in its capacity as a Lender or Swingline Lender, as the case may be, if the context so requires and (ii) such Persons described in paragraph (i) of this definition (or an Affiliate of such Persons that at all times remains an

Affiliate of such Person(s) and signs a joinder agreement in a form satisfactory to the Administrative Agent agreeing to be bound as “Lender” as defined in this paragraph (ii) of this definition) that are party to a Qualifying Hedge Arrangement and/or party to a Qualifying Cash Management Arrangement, with no rights or benefits hereunder and under the Loan Documents other than the limited rights and benefits set out in Sections 8.05, 11.02(3) and 11.07 (subject at all times to the restriction in Section 8.05), and “Lender” means any one of them.

“**Lending Office**” means, with respect to a particular Lender, the branch or office specified in Schedule A from which such Lender makes advances and to which the Administrative Agent disburses payments received for the benefit of such Lender.

“**Lending Value**” in respect of a Secured Property means:

- (a) [Redacted - Percentage] of the Appraised Value thereof; and
- (b) thereafter, the lesser of:
  - (i) the Margined Value of such Secured Property; and
  - (ii) the Net Refinancing Value of such Secured Property.

The Lending Value calculations as they relate to the Secured Properties being shown in the most recent Compliance Certificate or Borrowing Base Certificate, as applicable, delivered pursuant to Section 3.01(l), Section 8.06(1)(b) and Section 10.03(3), as applicable

“**Loan**” means any extension of credit by a Lender under this Agreement, including by way of Bankers’ Acceptance, BA Equivalent Advances or Prime Rate Loan.

“**Loan Documents**” means (a) this Agreement, (b) the Security, (c) Qualifying Hedge Arrangements; (d) Qualifying Cash Management Arrangements and (e) all present and future agreements, documents, certificates and instruments delivered by any Credit Party to the Administrative Agent or the Lenders pursuant to or in respect of this Agreement or the Security, in each case as the same may from time to time be amended, restated, supplemented and otherwise modified, and “**Loan Document**” means any one of the Loan Documents.

“**Margined Value**” means, in respect of each Secured Property, for the following periods: (i) October 1 to ending and June 29, 2018; [Redacted - Percentage], (ii) June 30, 2018 to December 30, 2018; [Redacted - Percentage], and (iii) thereafter; [Redacted - Percentage], of the lesser of:

- (A) the Estimated Market Value thereof; and
- (B) the Appraised Value thereof.

in each case, as calculated to the satisfaction of the Administrative Agent, such calculations as they relate to the Secured Properties as of the date hereof being shown in the most recent Compliance Certificate or Borrowing Base Certificate, as applicable, delivered pursuant to the provision of Section 3.01(l), Section 8.06(1)(b) and Section 10.03(3) of the Credit Agreement.

**“Material Adverse Change”** means:

- (a) with respect to any Credit Party or any Secured Property, any change, event or circumstance having a material adverse effect on the:
  - (i) business, assets (including the Secured Properties), liabilities, operations, results of operations, condition (financial or other) or
  - (ii) prospects of such Borrower or the ability of such Credit Party to carry on its business or a significant part of its business;

which, individually or in the aggregate, would reasonably be expected to result in, or has resulted in, an impairment of the ability of such Credit Party to perform any of its Obligations;

- (b) any change, event or circumstance having an adverse effect on the legality, validity or enforceability of any of the Loan Documents which could reasonably be considered material having regard to any Loan Document, including the validity, enforceability, perfection or priority of any Encumbrance created under any of the Security which could reasonably be considered material having regard to the Security considered as a whole;
- (c) any change, event or circumstance having a material adverse effect on the ability of any Credit Party, to pay or perform any of its debts, liabilities or obligations under any of the Loan Documents, which could reasonably be considered material having regard to such Credit Party, or
- (d) any change, event or circumstance having an adverse effect on the right, entitlement or ability of the Administrative Agent or Lenders to enforce its rights or remedies under any of the Loan Documents which could reasonably be considered material.

**“Material Agreements”** means, with respect to each a particular Credit Party, the contracts set out in Schedule 1.01(F) and all other contracts to which such Person is a party or by which it is bound or may hereafter become a party or be bound, which are material and which relate to the operation or ownership of the Secured Properties (or its business, where such agreement is designated by the Administrative Agent, acting reasonably, as a “Material Agreement” provided the Administrative Agent has notified the Borrower of such designation), in each case as amended, restated, supplemented and otherwise modified from time to time in accordance with the terms of this Agreement and the other Loan Documents, and **“Material Agreement”** means any one thereof.

**“Material Licences”** means all licences, permits or approvals issued by any Governmental Authority, or any applicable stock exchange or securities commission, to any Credit Party, and which are at any time on or after the date of this Agreement,

- (a) necessary or material to the business and operations of such Credit Party or to the listing of its securities, or
- (b) designated by the Administrative Agent, in the sole discretion of the Administrative Agent, as a Material Licence, provided that the Administrative Agent has notified the Borrower of such designation.

**“Maturity Date”** means July 31, 2019.

**“Maximum Availment Amount”** means the notional amount of Loans that the Borrower could borrow hereunder and comply with the then applicable Borrowing Base.

**“Moody’s”** means Moody’s Investors Service Inc. and its successors and assigns.

**“Net Refinancing Value”** means the notional principal amount, from time to time, calculated to the satisfaction of the Administrative Agent, acting reasonably, in respect of a Secured Property that can be serviced (in blended monthly payments of principal and interest) by the quotient obtained by dividing the Adjusted Net Operating Income for the relevant Secured Property for the previous four Fiscal Quarters (including any applicable portion of the Calculation Period) by, for the period from: (a) the date of first Drawdown until June 29, 2018, 1.15:1, and (b) from June 30, 2018 and all times thereafter, 1.25:1, and assuming:

- (a) a **[Redacted - Number]** year amortization period; and
- (b) an annual interest rate, compounded semi-annually, equal to the greater of:
  - (i) the then current Government of Canada Rate plus **[Redacted - Percentage]**; and
  - (ii) **[Redacted - Percentage]** per annum,

such notional debt service payments being shown in the most recent Compliance Certificate or Borrowing Base Certificate, as applicable, to be delivered pursuant to Section 3.01(1) and Section 10.03(3) of the Credit Agreement, as applicable.

**“Nominee Agreements”** means, collectively, the nominee agreements in respect of each Secured Property between each Beneficial Owner and each Registered Owner as described in Schedule 1.01(E).

**“Non BA Lender”** means any Lender that is not a BA Lender or a Lender who elects to accept BA Equivalent Advances in lieu of accepting Bankers’ Acceptances.

**“Non-Consenting Lender”** means any Lender that does not approve any consent, waiver or amendment that (i) requires the approval of all affected Lenders in accordance with the terms of Section 14.03(3) and (ii) has been approved by the Required Lenders.

**“Non-Defaulting Lender”** means, at any time, each Lender that is not a Defaulting Lender at such time.

**“Normalization Adjustment”** means for the calculation of Adjusted Net Operating Income for any portion of a Calculation Period that includes a portion of the Normalization Period, the positive adjustment to historical net operating income relating to the Secured Properties made by the Borrower to reflect increases in revenue streams and operating expense savings, which would have been anticipated had the Borrower been the owner of Sentinel during the Normalization Period calculated to the satisfaction of the Administrative Agent and provided that: (a) the maximum amount of any adjustment shall not exceed \$[Redacted - Amount] per Secured Property per month during the Normalization Period, and (b) after the Normalization Period, no such adjustment shall be made.

**“Normalization Period”** means the period commencing August 1, 2016 and ending on July 31, 2017.

**“Obligations”** means all obligations of the Credit Parties to the Administrative Agent, the Lenders, or any of them, under or in connection with this Agreement, the other Loan Documents and the Qualifying Hedge Arrangements and the Qualifying Cash Management Arrangements, including all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, and obligations of performance, at any time and howsoever arising, owing by the Credit Parties to the Administrative Agent or the Lenders, or any of them, in any currency or remaining unpaid by the Credit Parties to the Administrative Agent or the Lenders, or any of them, under or in connection with this Agreement, the other Loan Documents, the Qualifying Hedge Arrangements or the Qualifying Cash Management Arrangements whether arising from dealings between the Administrative Agent or the Lenders, or any of them, and the Credit Parties or from any other dealings or proceedings by which the Administrative Agent or the Lenders, or any of them, may be or become in any manner whatever a creditor or obligee of the Credit Parties pursuant to this Agreement, the other Loan Documents, the Qualifying Hedge Arrangements and the Qualifying Cash Management Arrangements, and wherever incurred, and whether incurred by any Credit Party alone or with another or others and whether as principal or surety, and all principal, interest, Termination Amount, fees, legal and other costs, charges and expenses relating thereto.

**“Officer’s Certificate”** means a certificate in writing signed by any one of the Chief Executive Officer, the President, the Chief Financial Officer, an Executive Vice-President, a Senior Vice-President, a Vice-President, an Assistant Vice-President, the Treasurer, the Secretary, an Assistant Treasurer or an Assistant Secretary or any other duly authorized signing officer of the applicable Credit Party, which certificate shall be to the best of such person’s knowledge and not in his or her personal capacity.

“**Opinion of Counsel**” means an opinion or opinions in writing in form and subject to qualifications satisfactory to the Administrative Agent, acting reasonably, signed by Borrower’s Counsel.

“**Organizational Documents**” means, with respect to any Person, such Person’s articles, memorandum or other charter documents, partnership agreement, joint venture agreement, declaration of trust, trust agreement, by-laws, unanimous shareholder agreement, or any and all other similar agreements, documents and instruments pursuant to which such Person is constituted, organized or governed, including, without limitation, the Declaration of Trust.

“**Other Taxes**” means all present or future stamp or documentary taxes or any other similar excise or property taxes, charges or levies arising from any payment made hereunder or under any other Loan Document or from the execution, delivery or enforcement of this Agreement or any other Loan Document, but does not include Excluded Taxes.

“**Participant**” has the meaning set out in Section 21.01(4).

“**Pension Plan**” means (i) a “pension plan” or “plan” which is a “registered pension plan” as defined in the *Income Tax Act* (Canada) or is subject to the funding requirements of applicable pension benefits legislation in any Canadian jurisdiction and is applicable to employees resident in Canada of a Credit Party, or (ii) any other pension benefit plan or similar arrangement applicable to employees of a Credit Party.

“**Permitted Distributions**” means:

- (a) all cash amounts and dividends paid by any Subsidiary of any Credit Party to (a) the Borrower or to (b) another Credit Party that owns (either by itself or in conjunction with one or more other Credit Parties) all of the issued and outstanding Equity Interests of the paying Subsidiary of any such Credit Party(ies), including for greater certainty, pursuant to any Intercompany Indebtedness;
- (b) cancellation payments made by the Borrower to the holders of options or warrants for Equity Interests in the Borrower;
- (c) all cash amounts and dividends paid by the Borrower to the holders of the Equity Interests of the Borrower so long as: (i) there exists no Default or Event of Default, and (ii) such payment would not result in a Default or Event of Default as a result thereof;
- (d) construction management fees paid by the Borrower to Access in the normal course of business; and
- (e) royalty fees payable to Pups pursuant to the Pups Agreement.

“**Permitted Encumbrances**” means, the following (for greater certainty the term “property” includes, without limitation, a Secured Property):

- (a) privileges or liens for Taxes and/or, utilities (including levies or imposts for sewers and other municipal utility services), not yet due or, if due, the validity or amount of which is being contested at the time by the appropriate proceeding in good faith and provided further, with respect to any Taxes which are overdue relating to the Secured Properties, such Taxes shall only be a Permitted Encumbrance if the applicable Credit Party has posted security with the Lender equal to **[Redacted - Percentage]**% of the amount of such overdue Taxes or utility charges, as the case may be, together with interest accruing thereon from time to time (by cash or letter of credit in form and content satisfactory to the Lender in its sole discretion);
- (b) unregistered, undetermined or inchoate construction or mechanic's liens or legal hypothec, pursuant to the applicable legislation in the Province in which such property is situated incidental to construction of improvements on any property or operation of any property, a claim for which shall not at the time have been registered against any Secured Property and of which notice in writing shall not at the time have been given to any Credit Party pursuant to the applicable builders, construction or mechanic's lien legislation in the province in which such Secured Property is situated (a "**Borrower Lien**") provided that no such Borrower Lien shall have priority at any time, in whole or in part, over the Security and where such notice has been given the applicable Credit Party shall have either: (i) where relevant Construction Lien Legislation permits, deposited with the Administrative Agent cash or indemnity bonds in an amount satisfactory to the Administrative Agent to secure the payment of such Borrower Lien and any other amounts relating thereto (including, without limitation, security for costs as required under applicable Construction Lien Legislation), and the Administrative Agent shall be satisfied, acting reasonably, that Drawdowns may continue to be made and the priority of the Security relating to same shall enjoy priority over any such Borrower Liens (and the Administrative Agent may require opinions of counsel in respect thereof) or (ii) posted a payment bond of such amount, or by payment into court of such amount, as is necessary to remove such Borrower Lien;
- (c) any Encumbrance against any property for any judgment rendered or claim filed against a Credit Party which is being contested by such Credit Party in good faith and in respect of which, where such property is a Secured Property, there shall have been paid into court or deposited with the Administrative Agent an amount sufficient to pay such judgment or claim together with any interest and costs in respect thereof provided that no such Encumbrance may be registered on title to such Secured Property at the time of a Drawdown;
- (d) permits, reservations, covenants, servitudes, watercourse, rights of water, rights of access or user licenses, easements, rights-of-way and rights in the nature of easements (including, without in any way limiting the generality of the foregoing, licenses, easements, rights-of-way and rights in the nature of easements for railways, sidewalks, public ways, sewers, drains, gas and oil pipelines, steam and water mains or electric light and power, or telephone and telegraph conduits, poles, wires and cables) in favour of any Governmental Authority or utility

company in connection with the development, servicing, use or operation of a property, so long as same, in the case of a Secured Property, do not materially adversely affect the value or use of such Secured Property for its current use as determined by the Lender in its discretion and so long as same have been complied with by each Credit Party in all material respects;

- (e) permits, reservations, restrictions, covenants, servitudes, rights of access or user licenses, easements, rights-of-way and rights in the nature of easements and other similar rights and agreements in favour of any Person which do not in the aggregate materially and adversely affect the value or the use of a property for its current use, so long as same have been complied with by each Credit Party in all material respects, provided, in the case of a Secured Property, any such rights and agreements between any Credit Party and any other Credit Party or Affiliate of any Credit Party must be approved by the Lender in its discretion;
- (f) any encroachments, title defects or irregularities which do not in the aggregate materially and adversely affect the use or value of any property affected thereby for the current use of such property, unless, in the case of a Secured Property the Required Lenders shall have consented in writing;
- (g) any matters disclosed by any survey relating to a Secured Property delivered to the Administrative Agent (and any errors or omissions any such survey) provided survey coverage reasonably acceptable to the Administrative Agent is included under the title insurance policy delivered to the Administrative Agent in respect of the Loans, or where no survey is delivered, any matters which would have been disclosed by an up to date survey of any Secured Property provided such matters are fully covered by the survey coverage included in such title insurance policy;
- (h) development agreements, subdivision agreements, site plan control agreements, servicing agreements and other similar agreements with any Governmental Authority or utility company in effect as of the Closing Date affecting the development, servicing, use or operation of a property, provided in respect of each Secured Property so long as same do not materially adversely affect the value or use of a Secured Property for its current use and so long as same have been complied with by each Credit Party in all material respects; provided that, either (a) in the Opinion of Counsel, acting reasonably, any such agreement does not materially adversely affect the current use of a Secured Property to which it relates and provided further that the obligations of the applicable Credit Party under such agreement have been complied with in all material respects, or (b) security satisfactory to the Required Lenders shall have been provided to the applicable Governmental Authority or utility company in order to guarantee the performance of any remaining obligations thereunder;
- (i) cost sharing, servicing, reciprocal or other similar agreements in effect as of the Closing Date which are necessary or of advantage to the use and/or operation of such property, provided, in the case of a Secured Property, so long as same do not materially adversely affect the value or use of such Secured Property for its

current use and so long as same have been complied with by each Credit Party in all material respects, provided any such rights and agreements between any Credit Party and any other Credit Party or Affiliate must be approved by the Lender in its discretion;

- (j) municipal zoning, land use and building restrictions, by-laws, regulations and ordinances of federal, provincial, municipal or other Governmental Authority, including municipal by-laws and regulations, airport zoning regulations, restrictive covenants, building schemes and other land use limitations, public or private, by-laws and regulations and other restrictions as to the use of a property, provided in the case of a Secured Property, so long as same do not materially adversely affect the value or use of a Secured Property for its current use and so long as same have been complied with by each Credit Party in all material respects provided any such rights and agreements between any Credit Party and any other Credit Party or Affiliate must be approved by the Lender in its discretion;
- (k) Leases of any property, and, in the case of the Secured Property, those existing as at the Drawdown Date and all new Leases and Lease renewals, extensions, modifications, restatements and replacements entered into subsequent to the Drawdown Date in compliance with the Loan Documents, and any notices, caveats or encumbrances registered in respect of the foregoing;
- (l) security interests granted in connection with the leasing or financing of personal property and similar transactions (including renewals of existing leases of personal property) in the ordinary course of business to secure the unpaid purchase price or lease cost of such personal property, provided that, in the case of the Secured Properties: (i) the aggregate amounts secured by such security interests does not exceed \$[Redacted - Amount]; (ii) the equipment leased is readily replaceable without material interference or interruption to the operation of a Secured Property taken as a whole, and (iii) such lease is secured only by the equipment leased therein and any proceeds thereof;
- (m) any covenants limiting claims against the Crown or restricting or prohibiting access to or from lands abutting on controlled access highways;
- (n) in respect of the Borrower, the existing \$[Redacted - Amount] secured financing provided by the [Redacted - Name of lender] and any replacement therefor (provided any Encumbrance relating thereto shall not relate to any Secured Property);
- (o) Encumbrances relating to *bona fide* debt financing relating to properties other than the Secured Properties;
- (p) the Security;
- (q) any Encumbrance described in Schedule 1.01(J) relating to the Secured Properties, provided each such Encumbrance at all times qualifies as a Permitted

Encumbrance described in paragraphs (a) to (m) of this definition of Permitted Encumbrance;

- (r) any subsisting restrictions, exceptions, reservations, limitations, provisos and conditions (including, without limitation, royalties, reservation of mines, mineral rights and timber rights, access to navigable waters and similar rights) expressed in any original grants from the Crown and any statutory limitations, exceptions, reservations and qualifications to title; and
- (s) such other Encumbrances as are agreed to in writing by the Administrative Agent in its discretion.

“**Person**” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, limited partnership, Governmental Authority or other entity.

“**Prime Rate**” means the greater of (i) the variable *per annum* reference rate of interest announced and adjusted by the Administrative Agent from time to time for Canadian Dollar loans in Canada, and (ii) the rate of interest *per annum* that is equal to the sum of (A) CDOR on the particular day for one-month Bankers’ Acceptances, and (B) **[Redacted - Percentage]**% *per annum*.

“**Prime Rate Loan**” means a Loan in or a Conversion into Canadian Dollars made by the Lenders to the applicable Borrower with respect to which the applicable Borrower has specified that interest is to be calculated by reference to the Prime Rate.

“**Prime Rate Margin**” means, for any period, the applicable percentage rate *per annum* applicable to that period as set out below the heading “Prime Rate Margin” in the definition of “Applicable Margin”.

“**Pups**” means Canadian PUPS Franchises Inc.

“**Pups Agreement**” means the franchise agreement made between the Borrower and Pups dated November 7, 2008 relating to the payment of royalties due to Pups thereunder, as such agreement may be amended, restated or modified as permitted hereunder.

“**Purchase Money Security Interest**” means an Encumbrance created or incurred by a Credit Party securing Indebtedness incurred to finance the acquisition of property (including the cost of installation thereof), provided that (i) such Encumbrance is created substantially simultaneously with the acquisition of such property, (ii) such Encumbrance does not at any time encumber any property other than the property financed by such Indebtedness, (iii) the amount of Indebtedness secured thereby is not increased subsequent to such acquisition, and (iv) the principal amount of Indebtedness secured by any such Encumbrance at no time exceeds **[Redacted - Percentage]**% of the original purchase price of such property and the cost of installation thereof, and for the purposes of this definition the term “acquisition” includes Capital Lease Obligations.

“**Qualifying Cash Management Arrangements**” means all agreements entered into by any Borrower or its Subsidiaries with the Administrative Agent or any other Lender from time to time with respect to cash management arrangements which is collaterally secured by the

Security, as such agreements are amended, modified, supplemented or replaced from time to time.

“**Qualifying Hedge Arrangements**” means a Hedge Arrangement that is entered into on or after the Closing Date and meets the following requirements:

- (a) such Hedge Arrangement is an interest rate swap, interest rate option, forward interest rate transaction, or other transaction related to the hedging of interest rate risk in connection with the Credit Facility;
- (b) the counterparty under such Hedge Arrangement is at all times a Lender and such Hedge Arrangements is contained in and evidenced by an ISDA Master Agreement;
- (c) such Hedge Arrangement is designed to protect the Credit Party against fluctuations in interest rates;
- (d) such Hedge Arrangement has been entered into by the Credit Party bona fide and in good faith in the ordinary course of its business for the purpose of carrying on the same and not for speculative purposes;
- (e) the aggregate amount of such Qualifying Hedge Arrangements and all other outstanding Qualifying Hedge Arrangements shall not at any time exceed a notional or face amount equal to the Total Commitment;
- (f) the term of such Hedge Arrangement does not extend beyond the Maturity Date; and
- (g) concurrently with the entering of such Hedge Arrangement with a Lender that is not the Administrative Agent or its Affiliate, the Administrative Agent has received written notice from the Borrower providing the Administrative Agent with particulars of such Hedge Arrangement together with an Officer’s Certificate that provides the details of all then outstanding Hedge Arrangements, Aggregate Hedge Exposure and certifies that such new Hedge Arrangement to which such certificate relates complies with the limitations set out in this definition and Section 10.04(10) and that no Default or Event of Default will result from entering into such Hedge Arrangement.

“**Registered Owners**” means the Credit Parties identified as “Registered Owners” opposite the applicable Secured Property on Schedule 1.01(E), and “**Registered Owner**” means any one of them.

“**Related Persons**” means, with respect to any Person, such Person’s Affiliates and the directors, officers, employees, agents and advisors of such Person and of such Person’s Affiliates and “**Related Person**” means any one of them.

“**Release**” means any release or discharge of any Hazardous Substance including any discharge, spray, injection, inoculation, abandonment, deposit, spillage, leakage, seepage, pouring,

emission, emptying, throwing, dumping, placing, exhausting, escape, leaching, migration, dispersal, dispensing or disposal.

“**Relevant Jurisdiction**” means, from time to time, with respect to a Person that is granting Security hereunder, any province or territory of Canada or other relevant jurisdiction in which such Person has its chief executive office or chief place of business or has Collateral and, for greater certainty, includes the provinces and jurisdictions set out in Schedule 1.01(G).

“**Rents**” means all revenues, receipts, income, credits, deposits, profits, royalties, rents, additional rents, recoveries, accounts receivable and other receivables of any kind and nature whatsoever arising from or relating to each of the Secured Properties or any part thereof (including all amounts payable to the Credit Parties under any Lease).

“**Repayment Notice**” means the notice substantially in the form set out in Schedule 1.01(H).

“**Required Lenders**” means (i) where there are two Lenders (as defined under paragraph (i) of the definition of Lender) party to this Agreement, each such Lender, and (ii) where there are three or more Lenders (as defined under paragraph (i) of the definition of Lender) party to this Agreement, Lenders whose aggregate Applicable Percentage is equal to at least 66 2/3%. For the purposes of paragraph (i) of this definition, any Defaulting Lender shall be disregarded in determining Required Lenders at any time; for the purposes of paragraph (ii) of this definition, the Applicable Percentage of any Defaulting Lender shall be disregarded in determining Required Lenders at any time.

“**Requirements of Law**” means, with respect to any Person, the Organizational Documents of such Person and any Applicable Law or any determination of a Governmental Authority, in each case applicable to or binding upon such Person or any of its business or property or to which such Person or any of its business or property is subject.

“**Rollover**” means the acceptance of a Bankers’ Acceptance in like face amount upon the maturity of a Bankers’ Acceptance or a BA Equivalent Advance for an additional Interest Period.

“**Rollover Date**” means the date of commencement of a new Interest Period applicable to a Bankers’ Acceptance or BA Equivalent Advance that is being rolled over.

“**Rollover Notice**” means the notice, substantially in the form set out in Schedule 1.01(I), to be given to the Administrative Agent by the applicable Borrower in connection with the Rollover of a Bankers’ Acceptance or BA Equivalent Advance.

“**Schedule I Lenders**” means those banks that are chartered under the *Bank Act* (Canada) and named in Schedule I thereto, and “**Schedule I Lender**” means each such bank.

“**Secured Properties**” means the real property described on Schedule 1.01(E) and the undertaking and personal property relating thereto which are security for the Obligations of the Credit Parties hereunder and the property subject to the Security, on terms satisfactory to the Administrative Agent and the Lenders; and includes the lands, premises, buildings, improvements, structures, lease rights and rights of superficies and personal property and

appurtenant rights relating thereto owned or leased by the Credit Parties from time to time; and “**Secured Property**” means any one of them.

“**Security**” means the documents creating an Encumbrance in favour of, or any collateral held from time to time by, the Lenders or on behalf of the Lenders by the Administrative Agent, in each case securing or intended to secure repayment of the Obligations, including all security described in Article 8.

“**Sentinel**” means Sentinel Self-Storage Corporation, and its successors and assigns as permitted hereunder.

“**Share Purchase Agreement**” means the share purchase agreement made between **[Redacted - name of third party]** and the Borrower dated March 21, 2017, as such agreement may, from time to time, be amended, modified or restated as permitted hereunder.

“**Shareholders Equity**” means, with respect to any Person, at any time, the shareholders’ equity, as shown on the most recent consolidated balance sheet of the Borrower, calculated in accordance with GAAP.

“**Shares**” means common shares of the Borrower issued and outstanding from time to time.

**[Redacted - Name of Third Party]**

“**S&P**” means Standard & Poor’s Ratings Group, a division of the McGraw-Hill Companies and its successors and assigns.

**[Redacted - Name of third party]**

“**Subsidiary**” means, at any time, with respect to any Person, any other Person, if at such time the first mentioned Person (i) owns, directly or indirectly, securities or other ownership interests in such other Person, having ordinary voting power to elect a majority of the board of directors or persons performing similar functions for such other Person, and (ii) directly or indirectly, through the operation of any agreement or otherwise, the ability to elect or cause the election of a majority of the board of directors or other persons performing similar functions for such other Person or otherwise exercise Control over the management and policies of such other Person, and in either case will include any other Person in like relationship to a Subsidiary of such first mentioned Person.

“**Swingline Facility**” has the meaning set out in Section 2.12(1).

“**Swingline Facility Commitment**” means the Swingline Lender’s Commitment as indicated opposite the Swingline Lender’s name in Schedule A hereto under the heading “Swingline Facility Commitment” or such lesser amount pursuant to this Agreement.

“**Swingline Lender**” means that Lender identified from time to time as the Swingline Lender in Schedule A.

“**Swingline Loan**” has the meaning set out in Section 2.12(2)

“**Tangible Net Worth**” means the sum of share capital, earned and contributed surplus and postponed funds as shown on the consolidated financial statements of the Borrower and Sentinel, less (a) amounts due from officers and Affiliates, (b) investments in Affiliates, and (c) intangible assets as determined by the Administrative Agent and shall be calculated on the basis of Fair Market Value for all of the real properties held by the applicable Person, such calculation to be satisfactory to the Administrative Agent, such calculations as of the date hereof being shown in the most recent Compliance Certificate delivered pursuant to the provision of Section 3.01(l) and Section 10.03(3) of the Credit Agreement.

“**Tax**” and “**Taxes**” means all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto, and including any realty taxes, duties, rates, imposts, levies, assessments and other similar charges, whether general or special, ordinary or extraordinary, or foreseen or unforeseen including municipal taxes, school taxes and local improvement charges and all related interest, penalties and fines which at any time may be levied, assessed, imposed or form an Encumbrances upon real property.

“**Termination Amount**” means, with respect to any Qualifying Hedge Arrangement all amounts due to a Lender party to a Qualifying Hedge Arrangement under the relevant ISDA Master Agreement related thereto as a result of a Termination Event.

“**Termination Event**” means any event that causes a Qualifying Hedge Arrangement to terminate prior to its maturity date.

“**Total Commitment**” means \$270,000,000 (including, in respect of the Swingline Facility, the Swingline Facility Commitment), as such amounts may be reduced or terminated in accordance with the terms of this Agreement from time to time.

## 1.02 **Extended Meanings and References**

In this Agreement words importing the singular number include the plural and vice versa, words importing any gender include all genders and words importing persons include individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and Governmental Authorities. The term “including” means “including without limiting the generality of the foregoing” and the term “third party” means any person other than a person who is a party to this Agreement and any of its Affiliates. References to any document, instrument or agreement (a) shall include all exhibits, schedules and other attachments thereto, (b) shall include all documents, instruments or agreements issued or executed in replacement thereof, and (c) shall

mean such document, instrument or agreement, or replacement or predecessor thereto, as amended, modified and supplemented from time to time in accordance with the terms of this Agreement and in effect at any given time. Any reference to any Person shall include its successors and permitted assigns in the capacity indicated, and in the case of any Governmental Authority, any Person succeeding to its functions and capacities. Any reference to Requirements of Law and Applicable Laws shall include all references to such Requirements of Law and Applicable Laws as amended, supplemented or replaced. The Loan Documents are the result of negotiations between, and have been reviewed by each Credit Party, the Lenders and their respective counsel. Accordingly, the Loan Documents shall be deemed to be the product of all parties thereto, and no ambiguity shall be construed in favour of or against any Credit Party, the Administrative Agent or any Lender except as expressly provided under the Loan Documents. Upon an acceleration of the Loans following the occurrence of an Event of Default pursuant to Section 11.02, any reference in this Agreement or any Loan Document to an Event of Default that has occurred and is “continuing” shall be deemed to be an Event of Default that has occurred and is continuing for all times thereafter unless otherwise agreed in writing by the Administrative Agent (on the instruction of the Required Lenders) in its discretion; and the terms “continued”, “continuation” and “discontinuation” shall have corresponding meanings.

#### 1.03 **Accounting Principles**

(1) Where the character or amount of any asset or liability or item of revenue or expense is required to be determined, or any consolidation or other accounting computation is required to be made, for the purpose of this Agreement or any Loan Document, such determination or calculation will, to the extent applicable and except as otherwise specified herein or as otherwise agreed in writing by the parties, be made in accordance with GAAP applied on a consistent basis.

(2) Each of the parties hereto acknowledges that the financial covenants and financial ratios contained in this Agreement have been established and agreed upon on the basis of the current accounting policies, practises and calculation methods or components thereof adopted by the Credit Parties on a consolidated basis and made on a basis consistent with GAAP, and as reflected in the audited consolidated financial statements of the Borrower as at December 31, 2016. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in this Agreement, and the Credit Party(s) or the Administrative Agent (on the instructions of the Required Lenders) shall so require, the Administrative Agent and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP; provided that, until so amended, (i) such ratio or replacement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Administrative Agent financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

#### 1.04 **Interest Calculations and Payments**

(1) All interest payments to be made under this Agreement will be paid without allowance or deduction for deemed re-investment or otherwise, both before and after maturity

and before and after default and/or judgment, if any, until payment of the amount on which such interest is accruing, and interest will accrue on overdue interest, if any.

(2) Unless otherwise stated, wherever in this Agreement reference is made to a rate of interest or rate of fees “per annum” or a similar expression is used, such interest or fees will be calculated on the basis of a calendar year of 365 days or 366 days, as the case may be, and using the nominal rate method of calculation, and will not be calculated using the effective rate method of calculation or on any other basis that gives effect to the principle of deemed re-investment of interest.

(3) For the purposes of the *Interest Act* (Canada) and disclosure under such act, whenever interest to be paid under this Agreement is to be calculated on the basis of a year of 365 days or 366 days or any other period of time that is less than a calendar year, the yearly rate of interest to which the rate determined pursuant to such calculation is equivalent is the rate so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by either 365, 366 or such other period of time, as the case may be.

(4) Notwithstanding anything herein to the contrary, the Administrative Agent shall calculate all fees and interest according to the terms of this Agreement and any other agreement entered into between the Borrower and the Administrative Agent in connection with the Credit Facility. For greater certainty all such calculations shall be without duplication of any day such that neither interest nor fees shall be calculated in respect of the same day twice.

(5) Notwithstanding any other provisions of this Agreement or the Loan Documents, if the amount of any interest, premium, fees or other monies or any rate of interest stipulated for, taken, reserved or extracted under any Loan Document would otherwise contravene the provisions of section 347 of the Criminal Code (Canada), section 8 of the Interest Act (Canada) or any successor or similar legislation, or would exceed the amounts which any Lender is legally entitled to charge and receive under any law to which such compensation is subject, then such amount or rate of interest shall be reduced to such maximum amount as would not contravene such provision; and to the extent that any excess has been charged or received such Lender shall determine the amount of any such excess and apply such excess against the Obligations and refund any further excess amount.

#### 1.05 **Permitted Encumbrances**

The inclusion of reference to Permitted Encumbrances in any Loan Document is not intended to subordinate and will not subordinate, any Encumbrance created by any of the Security to any Permitted Encumbrance.

#### 1.06 **Currency**

Unless otherwise specified in this Agreement, all references to currency (without further description) are to lawful money of Canada.

1.07 **Entire Agreement and Conflicts**

This Agreement and the other Loan Documents constitute the whole and entire agreement between the Credit Parties, the Lenders and the Administrative Agent and cancels and supersedes any prior agreements, undertakings, declarations, commitments, representations, written or oral, in respect thereof. In the event of a conflict between the provisions of this Agreement and the provisions of any other Loan Document, then, unless such Loan Document or an acknowledgement from the Credit Party and the Administrative Agent relative to such Loan Document expressly states that this Section 1.07 is not applicable to such Loan Document, notwithstanding anything else contained in such other Loan Document, the provisions of this Agreement will prevail and the provisions of such other Loan Document will be deemed to be amended to the extent necessary to eliminate such conflict.

1.08 **Severability**

If any provision of this Agreement is determined by any court of competent jurisdiction to be illegal or unenforceable, that provision will be severed from this Agreement and the remaining provisions will continue in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any of the parties

1.09 **Further Assurances**

Each Credit Party will promptly cure any Default by it in the execution and delivery of this Agreement, the Loan Documents or of any of the agreements provided for hereunder to which it is a party. Each Credit Party, at its expense, will promptly execute and deliver to the Administrative Agent, upon request by the Administrative Agent, all such other and further documents, agreements, opinions, certificates and instruments in compliance with, or for the accomplishment of the covenants and agreements of such Credit Party hereunder or more fully to state the obligations of such Credit Party as set forth herein or to make any recording, file any notice or obtain any consent, all as may be reasonably necessary or appropriate in connection therewith.

1.10 **Schedules**

- Schedule A - Lenders and Commitment
- Schedule 1.01(A) - Guarantors
- Schedule 1.01(B) - Compliance Certificate
- Schedule 1.01(C) - Conversion Notice
- Schedule 1.01(D) - Drawdown Notice
- Schedule 1.01(E) - Secured Properties
- Schedule 1.01(F) - Material Agreements
- Schedule 1.01(G) - Relevant Jurisdictions
- Schedule 1.01(H) - Repayment Notice
- Schedule 1.01(I) - Rollover Notice
- Schedule 1.01(J) - Specific Permitted Encumbrances
- Schedule 1.01(K) - Form of Lender Assignment and Assumption

Schedule 9.01(14) - Ownership Structure  
Schedule 10.03(3) Borrowing Base Certificate

## **ARTICLE 2– THE CREDIT FACILITY**

### 2.01 **Credit Facility**

Subject to the terms and conditions of this Agreement, each Lender hereby establishes in favour of the Borrower a revolving senior secured term credit facility for the Borrower in the maximum principal amount of each Lender’s Commitment or such lesser amount pursuant to this Agreement, which facility will be made available only during the Availability Period and only in an amount up to the Available Credit (the “**Credit Facility**”). The Credit Facility is established by the Lenders severally and not jointly. Each Advance by a Lender under the Credit Facility shall be made by such Lender in its Applicable Percentage of the Credit Facility.

### 2.02 **Purpose of Credit Facility**

Loans under the Credit Facility will only be used to assist in completing the Acquisition and to pay fees and transaction expenses relating to the Acquisition and following the completion of the Acquisition, for capital and operating expenditures relating to the Secured Properties and the properties owned by the **[Redacted - Name of third party]**. The Borrower or any other Credit Party may not use the proceeds of any Loans under the Credit Facility to make a hostile take-over bid for any other Person.

### 2.03 **Manner of Borrowing**

The Borrower may, during the Availability Period, in Canadian Dollars, make Drawdowns, Conversions and Rollovers under the Credit Facility of Prime Rate Loans, Bankers’ Acceptances and BA Equivalent Advances.

### 2.04 **Revolving Nature of Credit Facility**

Subject to the terms and conditions hereof, the Borrower may, during the Availability Period, increase or decrease the amount of Obligations outstanding under the Credit Facility by making Drawdowns, repayments and further Drawdowns.

### 2.05 **Drawdowns, Conversions and Rollovers**

(1) Subject to the provisions of this Agreement, the Borrower may, in Canadian Dollars, make Drawdowns, Conversions and Rollovers of Prime Rate Loans, Bankers’ Acceptances and BA Equivalent Advances. The Aggregate Outstandings under the Credit Facility shall not at any time exceed the Available Credit. After giving effect to any proposed Drawdown, Conversion, or Rollover, (i) the Aggregate Outstandings under the Credit Facility shall not at any time exceed the Available Credit, and (ii) the Aggregate Outstandings shall not at any time exceed the Total Commitments.

(2) The Borrower must give the Administrative Agent a Drawdown Notice, Conversion Notice or Rollover Notice, as the case may be, at the times and stipulating the information specified below:

- (a) for a Prime Rate Loan, before 10:00 am (Toronto Time) on the Business Day before the Drawdown Date or Conversion Date, as the case may be; and
- (b) for a Bankers' Acceptance or BA Equivalent Advance, before 10:00 am (Toronto time) on the second Business Day before the Drawdown Date, Conversion Date or Rollover Date, as the case may be.

If the applicable Borrower fails to deliver a Conversion Notice or Rollover Notice to the Administrative Agent as set out above in respect of Bankers' Acceptance, or BA Equivalent Advance prior to such Loan's applicable maturity date, the Lenders shall effect a Conversion of any maturing Bankers' Acceptance or BA Equivalent Advances into a Prime Rate Loan. The Borrower's right to make a Drawdown under the Credit Facility shall be subject to the satisfaction of the conditions in Section 3.01, in respect of the first Drawdown hereunder, or Section 3.02, in respect of all other Drawdowns. A Drawdown Date, Conversion Date and Rollover Date must be a Business Day and each Drawdown Notice, Conversion Notice or Rollover Notice, as the case may be, must be delivered to the Administrative Agent on a Business Day.

- (3) Each Drawdown, Conversion or Rollover must:
  - (a) in the case of Prime Rate Loans, be in a minimum principal amount of Cdn. \$[Redacted - Amount] and increments of Cdn. \$[Redacted - Amount]; and
  - (b) in the case of Bankers' Acceptances and BA Equivalent Advances, be in a minimum face amount of Cdn. \$[Redacted - Amount] and increments of Cdn. \$[Redacted - Amount].
- (4) The provisions of Sections 2.05(1), (2), and (3) do not apply to Swingline Loans.

## 2.06 Administrative Agent's Obligations with Respect to Loans

Upon receipt of a Drawdown Notice, Conversion Notice or Rollover Notice, as the case may be, the Administrative Agent will forthwith notify the Lenders of the proposed Drawdown Date, Conversion Date or Rollover Date, as the case may be, of each Lender's Applicable Percentage of such Loan and, if applicable, the account of the Administrative Agent to which each Lender's Applicable Percentage is to be credited. The proceeds of the Drawdown when received by the Administrative Agent shall, subject to Article 3, be advanced by the Administrative Agent to the Borrower by bank transfer to the credit of the account designated in the Drawdown Notice for the Drawdown.

2.07 **Lenders' and Administrative Agent's Obligations with Respect to Loans**

Each Lender will, prior to 2:00 p.m. (Toronto time) on the Drawdown Date, Conversion Date or Rollover Date, as the case may be, specified by the applicable Borrower in a Drawdown Notice, Conversion Notice or Rollover Notice, as the case may be, credit the Administrative Agent's account specified in the Administrative Agent's notice given under Section 2.06 with such Lender's Applicable Percentage of any Loan to be advanced thereunder and by 2:00 p.m. (Toronto time) on the same date the Administrative Agent will advance to such Borrower the full amount of the amounts so credited.

2.08 **Irrevocability**

Each Drawdown Notice, Conversion Notice and Rollover Notice given by the Borrower hereunder is irrevocable and will oblige the Borrower to take the action contemplated on the date specified therein.

2.09 **Cancellation or Reduction of the Credit Facility**

The Borrower may, at any time, upon giving at least two Business Days' prior notice to the Administrative Agent, cancel in full or, from time to time, reduce in part the Credit Facility. If the Credit Facility is so reduced, the Commitments of each of the Lenders will be reduced *pro rata* in the same proportion that the amount of the reduction in the Credit Facility bears to the Commitments of each of the Lenders thereunder in effect immediately prior to such reduction; provided, however, that any reduction will be in a minimum amount of Cdn. \$[Redacted - Amount] and increments of Cdn. \$[Redacted - Amount]. If as a result of such reduction the aggregate amount of Loans outstanding under the Credit Facility exceeds the aggregate Commitments of the Lenders thereunder, the Borrower will, upon notice from the Administrative Agent, repay Loans in an aggregate amount equal to such excess. The Borrower will not be entitled to cancel the Credit Facility or reduce it in part if as a result thereof they would be required to repay Bankers' Acceptances or BA Equivalent Advances with a maturity date falling subsequent to the effective date of such cancellation or reduction, as the case may be.

2.10 **Account of Record**

The Administrative Agent will open and maintain books of account evidencing the Loan and amount owing by the Borrower to the Lenders hereunder (save for the books of account relating to the Swingline Facility, which will be maintained by the Swingline Lender). The Administrative Agent will enter in the foregoing accounts details of all amounts from time to time owing, paid or repaid by the Borrower hereunder. Absent manifest error, the information entered in the foregoing accounts will constitute prima facie evidence of the obligations of the Borrower to the Lenders hereunder with respect to all Loans and all other amounts owing by the Borrower to the Lenders hereunder. After a request by the Borrower, the Administrative Agent will promptly advise the Borrower of such entries made in the Administrative Agent's books of account.

## 2.11 Market Disruption

If any Lender determines that a market for Bankers' Acceptances does not exist at any time or such Lender cannot for other reasons, after reasonable efforts, readily sell Bankers' Acceptances or perform its other obligations under this Agreement with respect to Bankers' Acceptances, such Lender will promptly so notify the Borrower and the Administrative Agent ("**BA Market Disruption Notice**"). From and after the receipt of the BA Market Disruption Notice by the Borrower and Administrative Agent, such Lender shall not be obliged to accept and the Borrower shall not be entitled to issue Bankers' Acceptances or BA Equivalent Advances until such Lender determines in good faith that such market does exist and gives notice thereof to the Borrower, and any further Drawdown Notice, Conversion Notice or Rollover Notice requesting Bankers' Acceptances shall be deemed to be a Drawdown Notice, Conversion Notice or Rollover Notice requesting Prime Loans in a similar aggregate principal amount.

## 2.12 Swingline Facility

(1) Subject to the terms and conditions of this Agreement, the Swingline Lender establishes in favour of the Borrower a revolving term facility that is a sub-facility of the Credit Facility on the terms set forth in this Section 2.12 (the "**Swingline Facility**") up to the amount specified in Section 2.12(4).

(2) Subject to Section 2.12(3), the Borrower will be entitled to draw cheques on its Canadian Dollar chequing account maintained from time to time with the Swingline Lender at the Lending Office of the Swingline Lender specified in Schedule A (or such other accounts with the Swingline Lender at such other Lending Office of the Swingline Lender as may be agreed upon by the Swingline Lender and the Borrower from time to time) (the "**Swingline Account**"). The debit balance from time to time in any such account will be deemed to be a Prime Rate Loan outstanding to the Borrower from the Swingline Lender under the Credit Facility. A Prime Rate Loan from the Swingline Lender as contemplated by this Section 2.12(2), prior to such time as such Loan is repaid as contemplated by Section 2.12(5), or purchased as contemplated by Section 2.12(7), is referred to as a "**Swingline Loan**".

(3) Drawdowns under the Swingline Facility may be made in circumstances in which the requirements of Sections 3.02(b), 3.02(c), 3.02(e) and 3.02(g) are met, but without complying with the remainder of Section 3.02. Upon the making of each Drawdown under the Swingline Facility, the Borrower will be deemed to have represented and warranted to the Administrative Agent and the Lenders by making such Drawdown that, at the date of such Drawdown, all of the requirements of Sections 3.02(b), 3.02(c), 3.02(e) and 3.02(g) have been met.

(4) The outstanding Cdn. Dollar amount of all Swingline Loans at any time may not exceed the lesser of:

- (a) Cdn. \$15,000,000 (the "**Swingline Facility Commitment**"); and
- (b) the remaining portion of the Commitment of the Swingline Lender under the Credit Facility (and, for greater certainty, where the remaining Commitment of the Swingline Lender under the Credit Facility is less than the amount of the

Swingline Facility Commitment, the Swingline Facility Commitment shall reduce on a dollar-for-dollar basis by such amount).

(5) Swingline Loans may be repaid at any time without notice by deposits to the Swingline Account and, in any case, shall be reduced in full by the proceeds of the next Drawdown made under the Credit Facility.

(6) At any time and from time to time in its discretion, the Swingline Lender may (but will not be obliged to) deliver a written notice to the Administrative Agent (which will thereupon deliver a similar notice to each of the Lenders) and to the Borrower demanding repayment of a Swingline Loan. The Borrower will be deemed to have given at such time a Drawdown Notice to the Administrative Agent requesting Prime Rate Loans under the Credit Facility in an aggregate amount equal to the amount of such Swingline Loan. The Lenders will thereupon (irrespective of whether any condition precedent to a Loan has been satisfied, whether the amount of such Loan to be made available under the Credit Facility is less than, equal to or more than the minimum amount of a Loan required to be included in a Loan constituting such type of Loan under this Agreement, whether any Default or Event of Default has occurred or is continuing or whether any acceleration or enforcement action (including any termination of the Credit Facility and the Commitments) has occurred or commenced under any of the Loan Documents or otherwise or whether the applicable Maturity Date has occurred) make such Prime Rate Loan under the Credit Facility and the Administrative Agent will apply the proceeds thereof in repayment of such Swingline Loan. The Administrative Agent will promptly notify the Borrower of any such Prime Rate Loans, and the Borrower will accept each such Prime Rate Loan and hereby irrevocably authorizes and directs the Administrative Agent to apply the proceeds thereof in payment of the applicable Swingline Loan.

(7) Without limiting the provisions of Sections 2.12(5) and (6), on the Maturity Date (as applicable), or if an Event of Default has occurred and is continuing, each of the Lenders, other than the Swingline Lender, will purchase from the Swingline Lender, and the Swingline Lender will sell to such Lenders, for cash, at par, without representation or warranty from or recourse against the Swingline Lender (and irrespective of whether any condition precedent to a Loan has been satisfied, any Default has occurred or is continuing or whether any acceleration or enforcement action (including any termination of the Credit Facility and the Commitments) has occurred or commenced under any of the Loan Documents or otherwise or whether the Maturity Date has occurred), on a *pro rata* basis, an undivided interest in all Swingline Loans then outstanding. The Administrative Agent, upon consultation with the applicable Lenders, will have the power to settle any documentation required to evidence any such purchase and, if deemed advisable by the Administrative Agent, to execute any document as attorney for any Lender in order to complete any such purchase. The Credit Parties and the Lenders acknowledge that the foregoing arrangements are to be settled by the Lenders among themselves, and the Credit Parties expressly consent to the foregoing arrangements between such Lenders.

(8) Each of the Lenders will indemnify and save harmless the Swingline Lender on a *pro rata* basis against all liabilities, obligations, losses, damages, penalties, actions, judgements, suits, costs, expenses, payments or disbursements of any kind or nature whatsoever that may be imposed on, incurred by or asserted against the Swingline Lender in any way related to or arising out of any Swingline Loan made by the Swingline Lender (except for any such liabilities to the

extent that they result from the gross negligence or wilful misconduct of the Swingline Lender). The Credit Parties and the Lenders acknowledge that the foregoing arrangements are to be settled by the Lenders among themselves, and the Credit Parties expressly consent to the foregoing arrangements between such Lenders.

### **ARTICLE 3– DRAWDOWN CONDITIONS**

#### **3.01 Conditions Precedent to First Drawdown under the Credit Facility**

The obligation of each Lender under this Credit Agreement to make the first advance hereunder is subject to and conditional upon the prior satisfaction of the conditions precedent as set out below:

- (a) the Administrative Agent will have received a Drawdown Notice by the time required under Section 2.05;
- (b) the representations and warranties deemed to be repeated pursuant to Section 9.02 will continue to be true and correct as if made on and as of the Drawdown Date;
- (c) no Default or Event of Default will have occurred and be continuing on the Drawdown Date, or would result from making the requested advance;
- (d) a Material Adverse Change will not have occurred and be existing;
- (e) the Lenders shall have completed such investigations with respect to the Credit Parties, the Acquisition and the Secured Properties as it determines to be appropriate (including, without limitation, review of existing operations, historical financial statements, reasonableness of financial projections, environmental matters, tax matters, confirmation as to no material litigation, market and industry analysis, state of repair of the portfolio of Sentinel's properties, evidence of compliance with legal and regulatory matters), each in their sole and absolute discretion, and shall have received all financial, corporate and other information requested by a Lender and the Administrative Agent and shall be satisfied, in its discretion, with the results of such investigations, including, without limitation, a review of:
  - (i) the Share Purchase Agreement and all schedules thereto, and principal documents referred to therein, as requested by the Lenders;
  - (ii) annual audited unconsolidated financial statements of Sentinel for its 2012, 2013, 2014 and 2015 Fiscal Years;
  - (iii) most recent interim consolidated financial statements of the Borrower with corresponding prior year statements;
  - (iv) combined annual financial statement forecasts (to include balance sheet, income statement and statement of capital expenditures) for the Borrower and Sentinel for the 2017, 2018 and 2019 Fiscal Years;

- (v) annual financial statements for each of the **[Redacted - Name of third party]** for the 2015 and 2016 Fiscal Years;
- (vi) schedule outlining annual historical occupancy rates, revenue, expenses and net operating income for each of the Secured Properties and the properties owned by the **[Redacted - Name of third party]** for 2015 and 2016, respectively, and outlining historical annual historical operating rates from 2010 through 2014, both inclusive;
- (vii) consolidated pro forma opening balance sheet for the Borrower and schedule of opening trailing twelve month net operating income for each of the Secured Properties;
- (viii) if requested by a Lender, a site inspection of each Secured Property
- (ix) all Material Agreements, Material Licences and Permitted Encumbrances;
- (x) all legal, tax, accounting and regulatory matters (including without limitation, approvals/no action letters, as applicable to the Acquisition, required under the *Competition Act* (Canada) and from the TSX Venture Exchange) and the organizational and legal structure of the Acquisition (including, without limitation, tax structuring and a “steps memorandum”, if any), Secured Property and the Credit Parties;
- (xi) any Lease or agreement requested by a Lender or the Administrative Agent;
- (xii) a list of all litigation relating to the Borrower, Sentinel and their respective Subsidiaries and such information relating thereto as requested by the Lenders,

and the results of such due diligence will be satisfactory to the Lenders in their sole and absolute discretion;

- (f) an Acceptable Appraisal for each of the Secured Properties and the other real properties owned by Sentinel, together in the case of those relating to the Secured Properties with reliance letters permitting the Administrative Agent to rely on same, each of which are to be satisfactory to the Lenders, in their discretion, will have been delivered to the Administrative Agent;
- (g) environmental audits with respect to each of the Secured Properties together with reliance letters permitting the Administrative Agent to rely on same, each of which are to be satisfactory to the Lenders, in their discretion, will have been delivered to the Administrative Agent;
- (h) building condition reports with respect to each of the Secured Properties together with a letter permitting the Administrative Agent to rely on such report, each of

which are to be satisfactory to the Lenders, in their discretion, will have been delivered to the Administrative Agent;

- (i) the Administrative Agent shall have received evidence satisfactory to the Lenders and the Independent Insurance Consultant that the Credit Parties' insurance with respect to the Secured Properties is satisfactory and complies with this Agreement, together with a report from Independent Insurance Consultant addressed to the Administrative Agent and the certificates of insurance acceptable the Administration Agent showing the Administrative Agent as a loss payee and additional insured as its interest may appear on all insurance policies that insure the assets to be secured by the Loan Documents;
- (j) the Administrative Agent shall have received a survey with respect to each of the Secured Properties prepared by an accredited land surveyor (or where title insurance will be obtained, survey coverage to the satisfaction of the Administrative Agent), such survey to be satisfactory to the Administrative Agent;
- (k) the Administrative Agent shall have received evidence confirming that each Secured Property has all necessary development and zoning approvals (or where title insurance will be obtained, zoning coverage to the satisfaction of the Administrative Agent) and is in compliance, in all materials respects, with all Applicable Laws;
- (l) a Compliance Certificate (based on pro forma calculations), together with evidence of compliance with the financial covenants set out in Section 10.02, which for the purposes of this Section 3.01(l) only, shall be tested on a pro forma basis based on completion of the Acquisition;
- (m) non-competition and non-solicitation agreements in respect of **[Redacted - names of third parties]** will have been delivered, and be satisfactory, to the Administrative Agent;
- (n) except as otherwise agreed by the Administrative Agent in writing, the Administrative Agent will have received certified copies of all shareholder, regulatory, governmental, third party and other approvals, if any, required in order for the Credit Parties to enter into this Agreement and the other Loan Documents and to perform their obligations hereunder and thereunder;
- (o) duly executed copies of the Loan Documents will have been delivered to the Administrative Agent and all such Security will have been duly registered, filed and recorded in all Relevant Jurisdictions where required by Applicable Law or where the Administrative Agent considers it necessary, in its sole discretion, to do so;
- (p) releases, discharges and postponements that are required in the discretion of the Administrative Agent (in registerable form where necessary) with respect to all Encumbrances affecting the Collateral that are not Permitted Encumbrances

(including, as applicable, repayment of existing Indebtedness relating to the Secured Properties), if any, or a solicitors' undertaking to discharge such Encumbrance (provided the Administrative Agent approves such undertaking in its discretion) will have been delivered to the Administrative Agent and in a form acceptable to the Administrative Agent;

- (q) the Administrative Agent will have received certified copies of the Organizational Documents or applicable extracts thereof of each Credit Party, the resolutions authorizing the execution and delivery of, and performance of each Credit Party's respective obligations under, the Loan Documents and the transactions contemplated herein (including, without limitation, direction and acknowledgements by each Beneficial Owner to each respective Registered Owner authorizing same), and a certificate as to the incumbency of the officers of the Credit Parties executing the Loan Documents and any other documents to be provided pursuant to the provisions hereof;
- (r) except as otherwise agreed by the Administrative Agent, certificates of status or comparable certificates for all Relevant Jurisdictions of each Credit Party will have been delivered to the Administrative Agent;
- (s) if requested by the Administrative Agent, the Administrative Agent will have received a solvency certificate from each applicable Credit Party which is located in a Relevant Jurisdiction where Applicable Laws limit the ability of such Credit Party to provide Financial Assistance, such certificate to be in a form satisfactory to the Administrative Agent;
- (t) a currently dated Opinion of Counsel as to such matters and in such form as Lenders' Counsel deems appropriate addressed to the Administrative Agent, the Lenders and to Lenders' Counsel will have been delivered to the Administrative Agent, including, without limitation, enforceability, creation and perfection of security interest, and non-contravention of the Organizational Documents and Applicable Laws;
- (u) currently dated letters of opinion of local counsel for the Credit Parties as to such matters and in such form as Lenders' Counsel deems appropriate addressed to the Administrative Agent, the Lenders and to Lenders' Counsel will have been delivered to the Administrative Agent, including, without limitation, enforceability, creation and perfection of security interest, and non-contravention of Organizational Documents and Applicable Laws;
- (v) a title insurance policy issued by an insurer acceptable to the Lenders in form, and containing endorsements and first priority of the Security for each Secured Property, satisfactory to the Administrative Agent;
- (w) the Administrative Agent shall have received evidence confirming that realty taxes levied against each Secured Property are current (or where title insurance

will be obtained, realty tax coverage to the satisfaction of the Administrative Agent);

- (x) the Administrative Agent will have received on its own behalf or on behalf of the Lenders payment of all fees and expenses payable to the Administrative Agent or the Lenders that are due and payable at such time;
- (y) all other terms and conditions of this Agreement and the other Loan Documents upon which the Borrower may obtain a Loan that have not been waived will have been fulfilled;
- (z) the Borrower shall have provided all documentation and other information to the Administrative Agent and the Lenders required by any applicable “know your customer” or “know your client” requirements and anti-money laundering and anti-terrorism laws, rules and regulations;
- (aa) confirmation or evidence satisfactory to the Administrative Agent that each Secured Property is not subject to any purchase or option rights to any Person;
- (bb) evidence satisfactory to the Lenders that the Borrower has sufficient funds on hand, together with the proceeds available under the Credit Facility, and through the refinancing of unencumbered real estate assets of the Borrower and Sentinel, to close the Acquisition, in accordance with the “sources and uses” information provided to the Lenders or as otherwise approved by all of the Lenders;
- (cc) the Borrower shall have successfully completed the Acquisition in accordance with the transactions described in the Share Purchase Agreement (and further that the Share Purchase Agreement shall not have been amended, nor shall any approval or waiver have been made by the Borrower, of any terms or conditions therein without the consent of the Administrative Agent, not to be unreasonably withheld);
- (dd) after giving effect to the proposed Drawdown and subject to Section 2.01 and Section 2.05, the Aggregate Outstandings of all Loans under the Credit Facility shall not exceed the Available Credit;
- (ee) the Lenders shall be satisfied that no Material Adverse Change then exists, or would exist upon the closing of the Acquisition; and
- (ff) such other matters as the Lenders determine, acting reasonably, to be necessary to first advance the Loan,

provided that all documents delivered pursuant to this Section 3.01 must be in full force and effect, and in form and substance satisfactory to the Lenders, acting reasonably.

### 3.02 **Conditions Precedent to all Drawdowns**

The obligation of each Lender to make any Advance under the Credit Facility by way of a Loan is subject to and conditional upon the prior satisfaction of the following conditions precedent:

- (a) the Administrative Agent will have received a Drawdown Notice as required under Section 2.05;
- (b) the representations and warranties deemed to be repeated pursuant to Section 9.02 will continue to be true and correct as if made on and as of the Drawdown Date;
- (c) no Default or Event of Default will have occurred and be continuing on the Drawdown Date, or would result from making the requested Advance;
- (d) the Administrative Agent will have received on its own behalf or on behalf of the Lenders payment of all fees and expenses payable to the Administrative Agent or the Lenders that are due and payable at such time;
- (e) after giving effect to the proposed Drawdown and subject to Section 2.01 and Section 2.05, the Aggregate Outstanding of all Loans shall not exceed the Available Credit;
- (f) all other terms and conditions of this Agreement upon which the Borrower may obtain a Loan that have not been waived will have been fulfilled; and
- (g) a Material Adverse Change will not have occurred and be existing.

### 3.03 **Waiver**

The conditions set forth in Sections 3.01 and 3.02 are inserted for the sole benefit of the Lenders and may be waived by the Lenders, in whole or in part (with or without terms or conditions), in respect of any Drawdown without prejudicing the right of the Lenders at any time to assert such conditions in respect of any subsequent Drawdown.

## **ARTICLE 4 – PAYMENTS OF INTEREST AND FEES**

### 4.01 **Interest on Prime Rate Loans**

The Borrower will pay interest on each Prime Rate Loan (other than a Swingline Loan) during each Interest Period applicable thereto in Canadian Dollars at a rate *per annum* equal to the sum of (i) the Prime Rate in effect from time to time during such Interest Period plus (ii) the Prime Rate Margin. The Borrower will pay interest on each Swingline Loan during each Interest Period applicable thereto in Canadian Dollars at a rate *per annum* equal to the sum of (a) the Prime Rate in effect from time to time during such Interest Period plus (b) the Prime Rate Margin. Each determination by the Administrative Agent of the Prime Rate and the Prime Rate Margin applicable from time to time during an Interest Period will, in the absence of manifest error, be binding upon the Borrower. Such interest will be payable in arrears on each Interest

Payment Date for such Loan for the period from and including the Drawdown Date, Conversion Date or preceding Interest Payment Date, as the case may be, for such Loan to but excluding such Interest Payment Date (or, if such Interest Payment Date follows the repayment of such Loan or the Conversion of such Loan, to but excluding the date of such repayment or Conversion) and will be calculated on the principal amount of the Prime Rate Loan outstanding during such period and on the basis of the actual number of days elapsed in a year of 365 days or 366 days, as the case may be. Changes in the Prime Rate will cause an immediate adjustment of the interest rate applicable to such Loan without the necessity of any notice to the Borrower.

#### 4.02 **Standby Fees**

The Borrower will pay to the Administrative Agent for the account of the Lenders a standby fee in Canadian Dollars calculated at the rate *per annum* specified as the applicable “Standby Fee Rate” in the table contained in the definition of “Applicable Margin” on the daily unadvanced portion of the Credit Facility during such Fiscal Quarter. The standby fee will be determined daily beginning on the Closing Date and will be calculated on the basis of a calendar year of 365 or 366 days, as the case may be, and will be payable by the Borrower quarterly in arrears on the first Business Day following the end of each Fiscal Quarter.

#### 4.03 **Agency Fees**

In consideration of the Administrative Agent acting as Administrative Agent under the Loan Documents, the Borrower will pay to the Administrative Agent an agency fee in an amount, and on the terms and conditions, agreed to in writing by the Administrative Agent and the Borrower. All such written arrangements constitute Loan Documents.

#### 4.04 **Default Interest**

Unless the payment of interest is otherwise specifically provided for herein, where the Credit Parties fail to pay any amount required to be paid by them hereunder when due having received notice that such amount is due, the Credit Parties shall pay interest or fees on such unpaid amount from the time such amount is due until paid at the rates otherwise applicable plus 2% per annum in order to compensate the Lenders for the additional risk.

### **ARTICLE 5– BANKERS’ ACCEPTANCES**

#### 5.01 **Bankers’ Acceptances**

All Bankers’ Acceptances and BA Equivalent Advances hereunder shall be issued in accordance with the provisions of this Article 5.

#### 5.02 **General Mechanics**

(1) Upon receipt of a Drawdown Notice, Rollover Notice or Conversion Notice with respect to a Bankers’ Acceptance from the applicable Borrower, the Administrative Agent shall forthwith notify each Lender of (i) the proposed Drawdown Date, Rollover Date or Conversion Date, and (ii) the aggregate face amount of the Bankers’ Acceptances to be accepted by it on such Drawdown Date, Rollover Date or Conversion Date. The aggregate face amount of

Bankers' Acceptances to be accepted by a Lender shall be determined by the Administrative Agent based on the Lender's Applicable Percentage of the Credit Facility, except that if the face amount of a Bankers' Acceptance would not be Cdn. \$[Redacted - Amount] or a whole multiple thereof based upon such calculation, the face amount shall be increased or reduced by the Administrative Agent in its sole discretion to the nearest whole multiple of Cdn. \$[Redacted - Amount]. Each Non BA Lender shall, in lieu of accepting its Applicable Percentage of such Bankers' Acceptances, make available to the Administrative Agent on the Drawdown Date, Rollover Date or Conversion Date a BA Equivalent Advance in an amount equal to the BA Discount Proceeds of the Bankers' Acceptances (which BA Equivalent Advances are referred to herein collectively as the "Notional Bankers' Acceptances") that the Non BA Lender would have been required to accept and purchase on the Drawdown Date, Rollover Date or Conversion Date if it were a BA Lender.

(2) At no time will there be Bankers' Acceptances outstanding with more than five (5) different maturity dates.

(3) The term of a Bankers' Acceptance shall be selected by the applicable Borrower and may be one, two, three or six months in duration provided that the term of a Bankers' Acceptance shall not, in any event, exceed the applicable Maturity Date.

#### 5.03 **Purchase of Bankers' Acceptances**

Each BA Lender shall purchase each Bankers' Acceptance accepted by it for a price equal to the face amount thereof less the discount to the face amount thereof required to yield an interest rate per annum equal to the BA Discount Rate in effect on the applicable Drawdown Date, Rollover Date or Conversion Date. A BA Lender may at any time and from time to time hold, rediscount or Dispose of any Bankers' Acceptance purchased by it.

#### 5.04 **Drawdowns**

Each BA Lender shall transfer to the account of the Administrative Agent, for value on the Drawdown Date immediately available Canadian Dollars in an aggregate amount equal to the BA Discount Proceeds (net of BA Stamping Fees) and each Non BA Lender shall transfer to the Administrative Agent's account, for value on the Drawdown Date immediately available Canadian Dollars in an aggregate amount equal to the BA Discount Proceeds of Notional Bankers' Acceptances they are required to make under Section 5.02 (net of the notional BA Stamping Fees). The Administrative Agent shall make the amounts received by it from the Lenders available to the applicable Borrower by depositing the same in immediately available funds on the applicable Drawdown Date according to the instructions in the relevant Drawdown Notice.

#### 5.05 **Rollovers**

In the case of a Rollover of a Bankers' Acceptance or a BA Equivalent Advance, (a) in order to satisfy the continuing liability of the applicable Borrower to the relevant BA Lender for the face amount of the maturing Bankers' Acceptance, the BA Lender shall determine and retain the BA Discount Proceeds of the new Bankers' Acceptance and the applicable Borrower shall, on the maturity date of the maturing Bankers' Acceptance, pay to the Administrative Agent's

account at the Agent's Office for the account of the relevant BA Lender (i) the difference between the principal amount of the maturing Bankers' Acceptance and the BA Discount Proceeds from the new Bankers' Acceptance and (ii) the BA Stamping Fee in respect of the new Bankers' Acceptance and (b) each Non BA Lender shall determine and retain the BA Discount Proceeds of the new Notional Bankers' Acceptance and the applicable Borrower shall, on the maturity date of the maturing BA Equivalent Advance, pay to the Administrative Agent's Account at the Administrative Agent's Office for the account of the relevant Non BA Lender (i) the difference between the principal amount of the maturing BA Equivalent Advance and the new Notional Bankers' Acceptance and (ii) the BA Stamping Fee in respect of the new Notional Bankers' Acceptance.

#### 5.06 **Conversions**

(1) In the case of a Conversion into a Bankers' Acceptance or a BA Equivalent Advance, in order to satisfy the continuing liability of the applicable Borrower to the Lenders for the amount of the converted Loan, the Lenders shall determine and retain for their own account the BA Discount Proceeds of the Bankers' Acceptance (or the Notional Bankers' Acceptance) and such Borrower shall on the Conversion Date pay to the Administrative Agent's Account at the Administrative Agent's Office for the account of the relevant Lender (i) the difference between the principal amount of the converted Loan and the BA Discount Proceeds from the Bankers' Acceptance (or the Notional Bankers' Acceptance), and (ii) the BA Stamping Fee in respect of the Bankers' Acceptance (or the Notional Bankers' Acceptance).

(2) In the case of a Conversion of a Bankers' Acceptance or a BA Equivalent Advance into another type of Loan, in order to satisfy the continuing liability of the applicable Borrower to the Lenders for an amount equal to the face amount of the Bankers' Acceptance (or the amount of the BA Equivalent Advance), the Administrative Agent shall record the obligation of such Borrower to the Lenders as a Loan of the type into which the obligation has been converted.

#### 5.07 **Maturity**

Prior to the maturity date of a Bankers' Acceptance or BA Equivalent Advance the applicable Borrower shall deliver to the Administrative Agent one of the following:

- (a) by the deadline set forth in Section 2.05, a Rollover Notice stating that the applicable Borrower intends to draw and present for acceptance on the maturity date a new Bankers' Acceptance in the same face amount as the maturing Bankers' Acceptance or request a new BA Equivalent Advance in the same amount as the maturing BA Equivalent Advance; or
- (b) by 11:00 a.m. (Toronto time) one (1) Business Day prior to the maturity date of such Bankers' Acceptance or BA Equivalent Advance, a Repayment Notice in respect of such Bankers' Acceptance or BA Equivalent Advance and on the maturity date of the maturing Bankers' Acceptance or BA Equivalent Advance, pay to the Administrative Agent, for the account of the Lenders, an amount equal

to the face amount of the maturing Bankers' Acceptance or BA Equivalent Advance; or

- (c) by the deadline set forth in Section 2.05, a Conversion Notice in respect of such Bankers' Acceptance or BA Equivalent Advance and on the maturity date of the maturing Bankers' Acceptance or BA Equivalent Advance, the Administrative Agent shall record the obligation of the applicable Borrower to the Lenders as a Prime Rate Loan in an amount equal to the face amount of the maturing Bankers' Acceptance or BA Equivalent Advance.

If such Borrower fails to so notify the Administrative Agent, the Lenders shall effect a Conversion into a Prime Rate Loan as if a Conversion Notice pursuant to paragraph (c) above had been given by such Borrower to the Administrative Agent electing to convert such maturing Bankers' Acceptance or BA Equivalent Advance into a Prime Rate Loan.

#### 5.08 **Bankers' Acceptances Stamping Fees**

Upon the acceptance by a BA Lender of any Draft of the applicable Borrower pursuant to this Agreement, such Borrower shall be obliged to pay (which payment shall be satisfied if payment is deducted by the BA Lender under Section 5.02(1)) to the Administrative Agent's account, for the account of the applicable BA Lender, a fee in Canadian Dollars equal to the BA Stamping Fee on the face amount at maturity of the Bankers' Acceptance for its term, being the actual number of days in the period from and including the date of acceptance of the Bankers' Acceptance to but excluding the maturity date of the Bankers' Acceptance and, for purposes of calculation, calculated on the basis of a 365 day year. Each Non BA Lender shall also be entitled to deduct from its BA Equivalent Advance an amount equal to the BA Stamping Fee that would have been applicable to the Notional Bankers' Acceptance had it been a Bankers' Acceptance.

#### 5.09 **General re Bankers' Acceptances**

(1) In order to facilitate the issuance of Bankers' Acceptances pursuant to this Section 5.09, upon the delivery of a Drawdown Notice, Conversion Notice or Rollover Notice with respect to a Bankers' Acceptance, the applicable Borrower authorizes each BA Lender and appoints each BA Lender its attorney to complete drafts in the form prescribed by such BA Lender (each such draft that has not yet been accepted by a BA Lender being referred to as a "**Draft**"), sign and endorse same on its behalf in handwritten form or by facsimile or mechanical signature or otherwise and, once so completed, signed and endorsed to accept them as a Bankers' Acceptance under this Section 5.09 and then purchase, discount or negotiate such a Bankers' Acceptance in accordance with the provisions of this Section 5.09. Drafts so completed, signed, endorsed and negotiated on behalf of such Borrower by any BA Lender shall bind such Borrower as fully and effectively as if so performed by an authorized officer of such Borrower. Each Draft of a Bankers' Acceptance completed, signed or endorsed by a BA Lender shall mature on the last day of the Interest Period with respect thereto.

(2) Any executed Drafts to be used for Bankers' Acceptances which are held by any BA Lender shall be held in safekeeping with the same degree of care as if they were that BA Lender's own property and that BA Lender was keeping them at the place at which they are to be

held. The applicable Borrower shall, by written notice to the Administrative Agent, designate the Persons authorized to give the Administrative Agent and each BA Lender instructions regarding the manner in which the Drafts are to be completed and the times at which they are to be issued. Neither the Administrative Agent nor any Lender nor any of their respective directors, officers, employees or representatives shall be liable for any action taken or omitted to be taken by any of them under this Section 5.09 except for its own negligence or wilful misconduct.

(3) Each BA Lender shall maintain a record with respect to Bankers' Acceptances (i) accepted by it hereunder; (ii) cancelled at their respective maturities; or (iii) voided by it for any reason and each Non BA Lender shall keep a record of each BA Equivalent Advance made by it hereunder. Each Lender further agrees to retain such records in the manner and for the statutory periods provided in the various provincial or federal statutes and regulations which apply to such Lender.

(4) The applicable Borrower shall not claim any days of grace for the payment at maturity of any Bankers' Acceptance or BA Equivalent Advance. The obligations of such Borrower to make payments in respect of Bankers' Acceptances shall not be prejudiced by the fact that the holder of such Bankers' Acceptance is the Lender that accepted such Bankers' Acceptance. The obligations of such Borrower with respect to Bankers' Acceptances and BA Equivalent Advances 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, without limitation, the following circumstances:

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

#### 5.10 **Cash Collateralization**

The Borrower acknowledge that Advances made by a Lender by way of Bankers' Acceptances and BA Equivalent Loans may not be repaid prior to the maturity thereof. In connection with each voluntary or mandatory repayment hereunder in connection with Bankers' Acceptances and BA Equivalent Loans which are to be repaid prior to their respective maturity or expiry dates, the Borrower shall deposit cash (to be held in a non-interest bearing account) with the Administrative Agent (for the benefit of the applicable Lenders) equal to the full face amount at maturity of such Bankers' Acceptance or BA Equivalent Loans, as applicable, and shall concurrently deliver to the Administrative Agent a cash collateral agreement, supporting resolutions, certificates and opinions in form and substance satisfactory to the Administrative Agent.

## ARTICLE 6– REPAYMENT

### 6.01 Mandatory Repayment – Credit Facility

(1) Subject to Section 11.02, the Borrower will repay in full the outstanding principal amount of all Loans and other Obligations under the Credit Facility on or before the Maturity Date.

(2) Subject to Section 11.02, the Borrower shall, as a permanent repayment in respect of Loans outstanding under the Credit Facility, pay to the Administrative Agent, the required amounts set forth below upon the occurrence of the following events:

- (a) an amount equal to the greater of: (i) the net sale proceeds realized in respect of any Secured Property, or (ii) the Lending Value then ascribed to the relevant Secured Property in the then current Borrowing Base, on the *bona fide* sale, transfer or lease to a third party (including by way of head lease or similar arrangement, of all or substantially all of the relevant Secured Property), of any Secured Property upon the date of such disposition;
- (b) an amount equal to the greater of: (i) 100% of the net proceeds from the issuance of: (A) unsecured bonds where any Secured Property is subject to a negative pledge relating thereto and (B) debt securities relating to the Secured Properties (being mortgages secured by any of the Secured Properties, and mortgage bonds including CMBS issues secured by any of the Secured Properties), in the case of either (A) or (B) where same are either privately or publicly placed by any Borrower or any Guarantor, or (ii) the Lending Value then ascribed to the relevant Secured Property in the then current Borrowing Base, relating to such transaction on the date of such transaction ; and
- (c) an amount equal to 100% of the net proceeds from any property insurance proceeds received in respect of the Secured Properties (unless such insurance proceeds are expended or committed for the repair or replacement of the applicable Secured Property and subject to the provisions of Section 10.01(12)).

(3) Subject to Section 11.02, the Borrower shall be required to repay the outstanding principal amount of Loans and other Obligations under the Credit Facility concurrently with the occurrence of any of the following events and in amounts equal to the following:

- (a) if at any time the outstanding amount of the Loans exceed the Borrowing Base (the “**Borrowing Base Shortfall**”), the Borrower shall, within five (5) days of the earlier of the Borrower becoming aware of such Borrowing Base Shortfall or receipt of notice of the Administrative Agent of such Borrowing Base Shortfall, pay the Borrowing Base Shortfall to the Administrative Agent (together with delivery of a concurrent Repayment Notice);
- (b) if at any time the outstanding amount of the Loans exceed the Available Credit, the Borrower shall pay the excess amount to the Administrative Agent within two

(2) days of it becoming aware of same (or receiving notice thereof from the Administrative Agent); and

(c) if at any time the outstanding amount of the Loans under the Credit Facility exceed the Total Commitment, the Borrower shall pay the difference to the Administrative Agent within two (2) days of it becoming aware of same (or receiving notice thereof from the Administrative Agent).

(4) On the day any event in Section 6.01(2) occurs, the Borrower will provide the Administrative Agent with a Repayment Notice and repay the Loans and other Obligations.

#### 6.02 **Voluntary Repayments**

The Borrower may at any time, from time to time, repay without penalty, the whole or any part of any Loan provided that the Borrower shall give a Repayment Notice to the Administrative Agent at least two (2) Business Days prior to the repayment date, provided that (a) each such repayment must be in increments of Cdn. \$100,000 and (b) other than as contemplated in Section 6.03, a Bankers' Acceptance or a BA Equivalent Advances may only be repaid on the last day of its Interest Period.

#### 6.03 **Repayment Compensation**

If the Borrower by reason of any repayment hereunder, whether mandatory or voluntary, pay any Bankers' Acceptances or BA Equivalent Advances prior to their respective maturity dates, the applicable Borrower will deposit with the Administrative Agent cash collateral equal to the full face amount at maturity of such Bankers' Acceptance or BA Equivalent Advances, as applicable, such collateral to be held by the Administrative Agent in an interest bearing cash collateral account as security (and subject to the security interests created by the Security) and applied in payment of same as they mature, with the interest thereon paid to such Borrower unless an Event of Default is then continuing, in which case such interest shall be applied by the Administrative Agent in accordance with the terms hereof.

#### 6.04 **Revision of Loans Availability under Credit Facility due to Borrowing Base Calculation**

(1) The Borrower shall calculate the Borrowing Base at the end of each Fiscal Quarter (such calculation to be set out in the Compliance Certificate delivered to the Administrative Agent concurrently with the financial statements delivered pursuant to Section 10.03 in an Officer Certificate in the format required by the Lenders) for the Administrative Agent's approval, with such supporting information in form and content acceptable to the Administrative Agent, together with updated Acceptable Appraisals prepared by an Independent Appraiser pursuant to the request of the Required Lenders pursuant to the provision of Section 10.03(2). The Borrower shall also calculate the Borrowing Base if and when requested by the Required Lenders (such calculation to be delivered to the Administrative Agent within 30 days of such request).

(2) In the event that, from time to time, the Borrowing Base, as calculated pursuant to section 6.04(1), results in a Borrowing Base Shortfall, then the Borrower shall pay the

Borrowing Base Shortfall as set out in Section 6.01(2). No further Drawdowns may be effected until such time as the outstanding amount of all Loans hereunder (including the amount being drawn down) is less than the Borrowing Base. The Borrowing Base may be increased or decreased, as the case may be, pursuant to the provisions of sections 6.04(1) and 10.03(5), provided that at no time shall the Aggregate Outstandings at any time hereunder exceed the Available Credit.

## **ARTICLE 7 – PLACE AND APPLICATION OF PAYMENTS**

### **7.01 Place of Payment of Principal, Interest and Fees**

(1) All payments of principal, interest, fees and other amounts to be made by the Borrower to the Administrative Agent and the Lenders pursuant to this Agreement shall be made in immediately available funds at the Agent's Office in Toronto or to such other address as the Administrative Agent may direct in writing from time to time. All such payments received by the Administrative Agent on a Business Day before 2:00 p.m. (Toronto time) shall be treated as having been received by the Administrative Agent on that day; payments made after such time on a Business Day shall be treated as having been received by the Administrative Agent on the next Business Day.

(2) Whenever any payment shall be due on a day which is not a Business Day, the date for payment thereof shall be extended to the next succeeding Business Day. Interest shall continue to accrue and be payable thereon as provided herein, until the date on which such payment is received by the Administrative Agent.

### **7.02 Netting of Payments**

If, on any date, amounts would be due and payable under this Agreement in the same currency by a Credit Party to any Lender, and by such Lender to a Credit Party, then, on such date, upon notice from the Administrative Agent or such Lender stating that netting is to apply to such payments, the obligations of each such party to make payment of any such amount will be automatically satisfied and discharged if the amounts payable are the same. If the aggregate amount that would otherwise have been payable by a Credit Party to such Lender exceeds the aggregate amount that would otherwise have been payable by such Lender to a Credit Party or *vice versa*, such obligations will be replaced by an obligation upon whichever of the Credit Party or such Lender would have had to pay the larger aggregate amount, to pay to the other the excess of the larger aggregate amount over the smaller aggregate amount. For greater certainty, prior to acceleration of repayment pursuant to Section 11.02 and subject to Section 15.01, this Section 7.02 will not permit any Lender to exercise a right of set-off, combination or similar right against any amount which a Credit Party may have on deposit with such Lender in respect of any amount to which netting is to apply pursuant to this Section 7.02, but will apply only to determine the net amount to be payable by the Lenders to a Credit Party, or by a Credit Party to the Lenders.

## **ARTICLE 8 – SECURITY**

### **8.01 Security**

As general and continuing security for the payment and performance of the Obligations the security described below will be granted to the Administrative Agent on behalf of the Lenders, in each case in a form acceptable to the Administrative Agent:

- (a) a demand debenture of each Credit Party (other than Sentinel) having an interest in a Secured Property (other than in respect of Secured Properties located in the Province of Quebec in which case Section 8.01(d) shall apply) in the principal amount of \$400,000,000, which demand debenture shall, in the case of each such Credit Party having a legal interest in any Secured Property, constitute a registered first priority fixed and specific mortgage and charge of each Secured Property (including, without limitation, any accounts pertaining to such Secured Property) and a floating charge over each Secured Property not subject to such fixed and specific mortgages and charges, in each case, subject to Permitted Encumbrances;
- (b) a demand debenture from Sentinel in the principal amount of \$400,000,000, which demand debenture shall constitute an equitable, first priority fixed and specific mortgage and charge of its interest in each Secured Property (including, without limitation, any accounts pertaining to such Secured Property) and all other property and assets of Sentinel and all present and future undertaking subject only to Permitted Encumbrances (and provided, for greater clarity, where Encumbrances relating to bona fide third party indebtedness on any asset prohibit any grant of further Encumbrances, the mortgage and charge of such debenture shall not Encumber such asset);
- (c) a beneficial owner agreement by each Beneficial Owner and each Registered Owner in favour of the Administrative Agent in respect of the direction and acknowledgement of the security interests and charges granted by the Beneficial Owners under the Security;
- (d) with respect to each Secured Property in the Province of Quebec, a Hypothec in the principal amount of \$400,000,000 from each applicable Credit Party of such Secured Property;
- (e) a first priority general assignment of leases and rents from each applicable Registered Owner constituting a first priority assignment and security in all Leases and Rents in respect of each of the Secured Properties (and the equivalent hypothecation of rents for Quebec properties);
- (f) a general security agreement from the Borrower creating a first priority ranking security interest (subject only to Permitted Encumbrances and secured property level Indebtedness) over all of the present and future interest in its assets and all proceeds therefrom;

- (g) a pledge agreement by: (i) the Borrower in respect of all of the Equity Interests in Sentinel and any other material Subsidiaries identified by the Lenders, and (ii) Sentinel, in respect of all of its Equity Interests in **[Redacted - Name of third party]**, in favour of the Administrative Agent;
- (h) an assignment by each applicable Credit Party of all policies of insurance and all proceeds thereunder with respect to the Secured Properties (other than in respect of Secured Properties located in the Province of Quebec in which case Section 8.01(d) shall apply) that are subject to the foregoing security and all other security hereafter granted by a Credit Party pursuant to this Agreement, including any policies providing business interruption insurance, with the Administrative Agent named as first loss payee and additional insured as its interest may appear, with a standard mortgage clause endorsement, and certificates evidencing all such insurance; and
- (i) such other security relating to the Secured Properties as the Lenders may reasonably require.

#### 8.02 **Registration and Protection of Security.**

Each applicable Credit Party shall provide the Security perfected and protected to the proper satisfaction of the Lenders and shall, at the Borrower's expense, register, file or record or cause the registration, filing or recording of the Security granted by it in all offices in each jurisdiction where such registration, filing or recording is necessary or of advantage to the creation, perfection and preserving of the Security applicable to it. Each applicable Credit Party shall provide the Administrative Agent with such assistance and do such acts as the Administrative Agent may from time to time request and to provide such other materials of conveyance, assignment, transfer or charge to properly effect the Administrative Agent's Security as contemplated and shall renew and maintain such registrations, filings and recordings from time to time as and when required to keep them in full force and effect and to maintain the required priority of such Security.

#### 8.03 **After Acquired Property and Further Assurances**

Each Credit Party will from time to time execute and deliver all such further deeds or other instruments of conveyance, assignment, transfer, mortgage, hypothec, pledge or charge in connection with any Secured Property acquired by any Credit Party after the date hereof, or as may be required to properly perfect the security interest of the Administrative Agent and the Lenders, or any of them, in any Secured Property and collateral subject to the Security.

#### 8.04 **Form of Security**

The Security will be in form satisfactory to the Lenders, acting reasonably.

#### 8.05 **Qualifying Hedge Arrangements**

- (a) The Security shall also secure all Obligations owing under or in respect of Qualifying Hedge Arrangements and the Qualifying Cash Management

Arrangements. For greater certainty, if a Lender has entered into a Qualifying Hedge Arrangement and/or Qualifying Cash Management Arrangements where such Lender thereafter ceases to have any outstanding Commitments hereunder, the obligations and amounts owing under such Qualifying Hedge Arrangement and/or Qualifying Cash Management Arrangements entered into and in effect at the time such Lender ceases to have any outstanding Commitments hereunder, shall, subject to Section 8.05(d), continue to be secured by the Security and shall continue to rank *pari passu* with all Obligations.

- (b) Notwithstanding payment and performance in full of all of the Obligations (other than the obligations under the Qualifying Hedge Arrangement and the Qualifying Cash Management Arrangements), the Security shall continue to secure the Obligations of the Borrower under all outstanding Qualifying Hedge Arrangement and all outstanding Qualifying Cash Management Arrangements and the Borrower shall not be entitled to a discharge of the Security until all Qualifying Hedge Arrangement and all Qualifying Cash Management Arrangements have been terminated and all amounts, if any, owing by the Borrower in respect thereof have been paid to the relevant Lenders thereunder.
- (c) Upon request by the Administrative Agent, (i) each Lender party to a Qualifying Hedge Arrangement shall provide the Administrative Agent within a reasonable period of time following such request its aggregate mark-to-market exposure and amounts outstanding under all Qualifying Hedge Arrangements from time to time and (ii) each Lender party to a Qualifying Cash Management Arrangement shall provide the Administrative Agent within a reasonable period of time following such request its aggregate exposure and amounts outstanding under all Qualifying Cash Management Arrangements from time to time.
- (d) Notwithstanding the rights of the Lenders party to a Qualifying Hedge Arrangement and/or party to Qualifying Cash Management Arrangements to benefit from the Security and the application of payments in Section 11.07, all decisions, rights and benefits concerning the Loan Documents and the enforcement set out in the Loan Documents and pursuant to Applicable Laws shall be made by the Lenders having outstanding Commitments or the Required Lenders in accordance with this Agreement and the other Loan Documents. Each Lender party to a Qualifying Hedge Arrangement and/or party to Qualifying Cash Management Arrangements that no longer has any outstanding Commitment shall not have any decisions, rights or benefit to influence the Loan Documents or the enforcement thereof as long as this Agreement and the other Loan Documents remain in force and any Commitment remains outstanding; once all Commitments have been repaid or realized in full and the Credit Facility is irrevocably cancelled or terminated and following notice by the Administrative Agent to the Lenders party to outstanding Qualifying Hedge Arrangements and/or party to outstanding Qualifying Cash Management Arrangements that such repayment, cancellation and termination has occurred, such Lenders shall be “Lenders” for all purposes hereunder and under the other Loan Documents.

8.06 **Release of Security**

(1) The Administrative Agent agrees that at any time at the reasonable request of the Borrower, it will release one or more of the Secured Properties from the Security provided that:

- (a) where such Secured Property cannot be legally mortgaged, charged or hypothecated separately from the balance of any larger parcel(s) or lot(s) of mortgaged, charged or hypothecated property of which such Secured Property forms a part, then such Secured Property shall not be released unless such Secured Property comprising such larger parcel(s) or lot(s) of mortgaged, charged or hypothecated property must also be subject to the release, provided that each of such Secured Property satisfies Sections 8.06(1)(b) and (c);
- (b) the Administrative Agent receives from the Borrower as of the date of the release a Borrowing Base Certificate, satisfactory to the Administrative Agent, confirming that the Aggregate Outstandings under the Credit Facility will not exceed the Maximum Availment Amount (without the applicable Secured Property subject to the release included in such calculation); and
- (c) no Default or Event of Default shall have occurred and be continuing (except where such Default or Event of Default will be cured by such release pursuant to the provisions of Section 11.01) or would occur as a result of such release.
- (d) after effecting such release, there shall be not less than seven (7) Secured Properties remaining subject to the Security.

(2) The Administrative Agent shall, upon satisfaction of the conditions set out above, execute and deliver to the relevant Guarantor, at the Borrower's expense, all such releases of security and discharges as such Guarantor may reasonably require in respect of the release of such Security.

(3) If Security with respect to a Secured Property is released and discharged pursuant to this Section 8.06, the Borrower will prepare, with approval of the Administrative Agent, acting reasonably, a revised Schedule 1.01(E) and deliver same to the Administrative Agent concurrently with the satisfaction of the conditions this Section 8.06 to reflect the removal of such Secured Property from the pool of Secured Properties.

**ARTICLE 9– REPRESENTATIONS AND WARRANTIES**

9.01 **Representations and Warranties**

Each Credit Party represents and warrants, on a joint and several basis, to the Administrative Agent and to each of the Lenders as follows, and acknowledges and confirms that the Administrative Agent and each of the Lenders is relying upon such representations and warranties:

- (1) **Existence and Qualification** The Borrower and each of the other Credit Parties
- (a) that is a corporation or company has been duly incorporated, amalgamated or continued, as

the case may be, and is validly subsisting as a corporation or company under the laws of its jurisdiction of incorporation, amalgamation, or continuance, as the case may, (b) that is not a corporation or company has been duly created or established as a partnership or other entity and validly exists under the laws of the jurisdiction in which it has been created or established, and (c) is duly qualified to carry on business in its applicable Relevant Jurisdiction and has all Material Licences, and (d) except as disclosed to the Administrative Agent in an officer's certificate delivered pursuant to Section 3.01, has not adopted or designated any name (including any French name) for the Borrower and the other Credit Parties other than the English form of such names as set out herein.

(2) Power and Authority Each of the Credit Parties has the power, authority and right (a) to enter into and deliver, and to exercise its rights and perform its obligations under, the Loan Documents to which it is a party and all other instruments and agreements delivered by it pursuant to any of the Loan Documents, and (b) to own its assets (including each Secured Property) and carry on its business as currently conducted and as currently proposed to be conducted by it.

(3) Duly Licensed The Borrower and each of the other Credit Parties is duly licensed, registered or qualified to carry on business in all jurisdictions where the character of its assets and property owned or leased or the nature of the activities conducted by it make such licensing, registration or qualification necessary or desirable under Applicable Law. Each of the Borrower and the other Credit Parties hold all licences, permits, orders, approvals, notices, registrations and all other prerequisites for conducting its business under Applicable Law.

(4) Execution, Delivery, Performance and Enforceability of Documents. The execution, delivery and performance of each of the Loan Documents to which any Credit Party is a party, and every other instrument or agreement delivered by it pursuant to any Loan Document, has been duly authorized by all actions, if any, required on its part and by its shareholders and directors (or where applicable shareholders, trustees, partners, members or managers), and each of such documents has been duly executed and delivered and constitutes a valid and legally binding obligation of the particular Credit Party enforceable against it in accordance with its terms, subject to the enforceability qualifications contained in Opinions of Counsel.

(5) Loan Documents Comply with Applicable Laws, Organizational Documents and Contractual Obligations. Neither the entering into nor the delivery of, and neither the consummation of the transactions contemplated in nor compliance with the terms, conditions and provisions of, the Loan Documents by any Credit Party conflicts with or will conflict with, or results or will result in any breach of, or constitutes a default under or contravention of, (i) any Requirement of Law applicable to it, (ii) any of its Organizational Documents, (iii) any Material Agreement, (iv) any Permitted Encumbrances, or (v) any Indebtedness outstanding by any of the Borrower or its Subsidiaries, or results or will result in the creation or imposition of any Encumbrance upon any of the Secured Properties that is not a Permitted Encumbrance.

(6) Consents Respecting Loan Documents. Each of the Credit Parties has obtained, made or taken all consents, approvals, authorizations, declarations, registrations, filings, notices and other actions whatsoever required from all applicable Governmental Authority and all other Persons as of the date hereof in connection with the execution and delivery by it of each of the

Loan Documents to which it is a party and the consummation of the transactions contemplated in the Loan Documents.

(7) Taxes. The Borrower and each of its Subsidiaries and the other Credit Parties has paid or made adequate provision for the payment of all Taxes levied on it or on its property or income that are due and payable, including interest and penalties, or has accrued such amounts in its financial statements for the payment of such Taxes except Taxes that are not material in amount, that are not delinquent or if delinquent are being contested, and there is no material action, suit, proceeding, investigation, audit or claim now pending, or to its knowledge threatened, by any Governmental Authority regarding any Taxes nor has it agreed to waive or extend any statute of limitations with respect to the payment or collection of Taxes.

(8) Judgments, Etc. Neither the Borrower nor any of its Subsidiaries or any other Credit Party is subject to any judgment, order, writ, injunction, decree or award, or to any restriction, rule or regulation (other than customary or ordinary course restrictions, rules and regulations consistent or similar with those imposed on other Persons engaged in similar businesses) that has not been stayed or of which enforcement has not been suspended, which would exceed \$[Redacted - Amount] in the aggregate.

(9) Absence of Litigation. There are no actions, suits or proceedings pending or, to the best of each Credit Party's knowledge and belief, after due inquiry and all reasonable investigation, threatened against or affecting the Borrower or any of its Subsidiaries or any other Credit Party that are reasonably likely to cause, either separately or in the aggregate, a Material Adverse Change. None of the Credit Parties is in default in any material respects with respect to any Applicable Law.

(10) Title (i) The Registered Owners are the sole registered owners and the Beneficial Owners are the sole Beneficial Owners of the Secured Properties as their interests appear on Schedule 1.01(E), with good and marketable title to each of the Secured Properties, free and clear of all Encumbrances except Permitted Encumbrances, and no Person has any agreement, option or right to acquire an interest in any Secured Property; (ii) each Credit Party granting security hereunder has good title to all its undertaking and property, both real and personal, free and clear of all Encumbrances except Permitted Encumbrances, and no Person has any agreement, option or right to acquire an interest in such property; (iii) each Registered Owner (other than Sentinel) has no interest in any Secured Property except as registered owner and none of the rights to the rents, income or profits of the Secured Properties is owned by the Registered Owners (other than Sentinel); and (iv) each Registered Owner (other than Sentinel) has no authority to deal with any Secured Property except as specifically authorized and directed by the applicable Beneficial Owners pursuant to and in accordance with its respective Nominee Agreements.

(11) Zoning. Except as disclosed to the Administrative Agent in writing, no Credit Party has received notice of any proposed rezoning of all or any part of any Secured Property that is likely to have a material adverse effect in respect of any Secured Property.

(12) Compliance with Laws Neither the Borrower nor any of its Subsidiaries nor any other Credit Party is in default under any Applicable Law where such default could reasonably

be expected to cause a Material Adverse Change, and all its undertakings and property, both real and personal, and the operation and use thereof are in compliance with all Applicable Law except to the extent that a failure to comply would not be reasonably likely to result in a Material Adverse Change.

(13) No Default. No Default or Event of Default has occurred and is continuing.

(14) Ownership Structure The ownership structure set out in Schedule 9.01(14) accurately reflects the organizational and ownership structure of each Credit Party and the Secured Properties. All the Guarantors are direct or indirect Subsidiaries of the Borrower.

(15) Relevant Jurisdictions The Relevant Jurisdictions for the Borrower and each of the Guarantors are set forth on Schedule 1.01(G).

(16) Security The Security is effective to create in favour of the Administrative Agent, in its capacity as agent for the Lenders, as security for the Obligations described therein, a legal, valid, binding and enforceable security interest in the collateral described therein and proceeds thereof, and constitutes a first priority security interest (subject to Permitted Encumbrances) against each Secured Property.

(17) Intellectual Property Rights Each of the Borrower and the other Credit Parties has sufficient Intellectual Property Rights reasonably necessary for the conduct of its businesses. To the Borrower's knowledge, none of the Credit Parties is infringing or is alleged to be infringing the Intellectual Property Rights of any other Person.

(18) Material Agreements and Material Licences No event has occurred and is continuing that would constitute a material breach of or a material default by a Credit Party under any Material Agreement or Material Licence and each Material Agreement to which a Credit Party is a party is binding upon it.

(19) Financial Statements All of the quarterly and annual financial statements that have been furnished to the Lenders in connection with this Agreement are accurate and complete in all material respects and such financial statements fairly present the financial position of the Borrower or other Credit Party, as the case maybe, as of the dates referred to therein and have been prepared in accordance with GAAP. None of the Credit Parties has any liabilities (contingent or other) or other obligations of the type required to be disclosed in accordance with GAAP that are not fully disclosed on the most recent consolidated financial statements of the Borrower furnished to the Lenders.

(20) No Material Adverse Change Since the date of the Borrower's most recent annual audited financial statements provided to the Administrative Agent, there has been no condition (financial or otherwise), event or change in any Credit Party's business, liabilities, operations, results of operations, assets or prospects which constitutes, or could reasonably be expected to constitute, or cause, a Material Adverse Change.

(21) Environmental Matters

- (a) To the best of the Credit Parties' knowledge and belief and except as disclosed pursuant to the reports delivered pursuant to Section 3.01(g), each Secured Property and the operations of the Credit Parties are in full compliance in all respects with all Environmental Laws; each Credit Party is not aware of, nor has it received notice of, any past, present or future condition, event, activity, practice or incident that may interfere with or prevent the compliance or continued compliance of it or any other Credit Party in respect of the Secured Properties under all Environmental Laws; and each Credit Party has obtained all licences, permits and approvals that are currently required in respect of the Secured Properties under all Environmental Laws and is in full compliance with the provisions of such licences, permits and approvals.
- (b) To the best of the Credit Parties' knowledge and belief and except as disclosed pursuant to the reports delivered pursuant to Section 3.01(g), each Credit Party is not aware that any Hazardous Substances exist on, about or within or have been used, generated, stored, transported, disposed of on, or released from any of the Secured Properties other than in material accordance and compliance with all Environmental Law.
- (c) The use which each Credit Party has made and intends to make of each Secured Property will not result in the use, generation, storage, transportation, accumulation, disposal, or release of any Hazardous Substances on, in or from such Secured Property except in accordance and material compliance with all Environmental Laws.
- (d) There is no action, suit or proceeding, or, to its knowledge, any investigation or inquiry, before any Governmental Authority pending or, to its knowledge, threatened against any Credit Party relating in any way to any Environmental Law.
- (e) No Credit Party has (i) incurred any current and outstanding liability for any clean-up or remedial action under any Environmental Law with respect to current or past operations, events, activities, practices, incidents or the condition or use of the Secured Properties, (ii) received any outstanding written request for information (other than information to be provided in the normal course in connection with applications for licences, permits or approvals) by any Person under any Environmental Law with respect to the condition, use or operation of the Secured Properties, or (iii) received any outstanding written notice or claim under any Environmental Law with respect to any material violation of or liability under any Environmental Law or relating to the presence of Hazardous Substance on or originating from any Secured Property, the presence of which could result in a material violation of or liability under any Environmental Law.

(22) No Pension Plans No Credit Party is required to establish, operate or maintain Canadian Pension Plans or Canadian Plans pursuant to Applicable Canadian Pension Laws and

no Credit Party has established, operated or maintained any Canadian Pension Plans and Canadian Plans, and (ii) there are no corporately funded defined benefits or Canadian Plans.

(23) Labour Dispute and Casualties. Neither the Secured Properties nor the business of the Credit Parties are affected in any material respect by any strike, lockout or other labour dispute, or by any fire, accident or other casualty, in each case, which has not been advised to the Administrative Agent in writing.

(24) Solvency. Each of the Borrower and its Subsidiaries is solvent, able to pay its debts as they mature, has sufficient capital to carry on its business and has assets the fair market value of which exceeds its liabilities, and it will not be rendered insolvent, under-capitalized or unable to pay debts generally as they become due by the execution or performance of this Agreement or any other Loan Document to which it is a party.

(25) Full Disclosure All information provided or to be provided to the Administrative Agent and the Lenders in connection with the Credit Facility is, to the Borrower's knowledge, true and correct and none of the documentation furnished to the Administrative Agent and the Lenders by or on behalf of it, to its knowledge, omits or will omit as of such time, a material fact necessary to make the statements contained therein not misleading in any material way, and all expressions of expectation, intention, belief and opinion contained therein were honestly made on reasonable grounds after due and careful inquiry by it (and any other Person who furnished such material on behalf of it). Any projections from time to time delivered hereunder or in connection herewith to the Administrative Agent or the Lenders are or will be based upon the estimates and assumptions stated therein, all of which the Borrower believed at the time of delivery to be reasonable and fair in light of current conditions and current facts known to the Borrower as of such delivery date, and reflect the Borrower's good faith and reasonable estimates of the future financial performance of the Borrower and of the other information projected therein for the period set forth therein. Such projections are not a guarantee of future performance and actual results may differ from those set forth in such projections.

(26) Material Agreements and Permitted Encumbrances. True copies of each of the Material Agreements have been delivered or made available to the Lenders or the Lenders' Counsel. With respect to each of the Material Agreements: (i) it is in full force and effect and has not, except as has been disclosed to the Lenders, been amended; (ii) it has been duly executed and delivered and constitutes a valid and binding obligation of the relevant Credit Party; and (iii) the relevant Credit Party has not received any notice or claim of a default under any Material Agreement (except as disclosed in writing to and accepted in writing by the Lenders). With respect to each of the Material Agreements and each of the Permitted Encumbrances: (x) to the best of the knowledge and belief of the Credit Parties, all obligations and covenants required to be met or complied with on the part of the relevant Credit Parties have been complied in all material respects with and with respect to any other party thereto have been met or complied in all material respects with to the best of such Person's knowledge; and (y) no continuing default or event, which with the giving of notice or a lapse of time or both would constitute a default on the part of the Credit Parties exist.

The Material Agreements and Permitted Encumbrances constitute the only agreements which are material to the ownership or operation of each Secured Property.

(27) Zoning and Uses.

- (i) To the best of the Credit Party's knowledge and belief, the existing uses of the Secured Properties by the relevant Credit Parties comply in all material respects with all Applicable Laws.
- (ii) To the best of the Credit Parties' knowledge and belief, each Secured Property complies with all municipal, zoning and parking requirements under Applicable Laws.
- (iii) No Credit Party has received notice of any proposed rezoning of all or any part of any Secured Property.
- (iv) No Credit Party has received notice of any expropriation of all or any part of any Secured Property.

(28) Work Orders There are no outstanding judgments, writs of execution, seizures, injunctions or directives against any Credit Party, nor any work orders or directives or notices of deficiency capable of resulting in work orders or directives with respect to the Secured Properties that could result in, or that are reasonably likely to result in, a material adverse effect on such Secured Property.

(29) Condition of the Secured Properties To the best of each Credit Party's knowledge, except as set out in the building condition reports delivered pursuant to Section 3.01(h), all buildings and improvements comprising part of any Secured Property are in good physical condition, and there are no material defects or extraordinary repairs required in connection therewith except as disclosed in writing to, and approved by, the Required Lenders.

(30) Real Property. The only property interests necessary for the operation of each Secured Property in the manner in which it is currently operated are the property interests comprising such Secured Property. All easements, licences, servitude and other agreements necessary for the operation and maintenance of each Secured Property in the manner in which it is currently being operated have been obtained and, to the best of its knowledge, are in good standing.

(31) Rent Roll. The current rent rolls for each Secured Property delivered to the Administrative Agent is true and accurate in all material respects as at the date thereof.

(32) Use of Proceeds. The Credit Parties confirm and agree that the Credit Facility will only be used by the Borrower and the Guarantors for the purposes set out in Section 2.02 and shall not be used by, or on behalf of, any other Person.

(33) Insurance. The insurance policies required pursuant to Section 10.01(12) are in place and maintained in respect of each Secured Property.

(34) Non-Resident. Each Credit Party is not a non-resident for the purposes of Section 116 of the *Income Tax Act* (Canada).

(35) No Construction Liens. To the best of the Borrower's and each Guarantor's knowledge, all accounts for work and services performed or materials placed or furnished upon or in respect of construction at the Secured Properties have been fully paid as of the date hereof and no one shall be entitled on the date hereof to claim a lien under any applicable construction lien legislation for work performed by or on behalf of any Credit Party or their predecessor in title.

(36) Leases. Leases, except as set out in the Leases or otherwise disclosed to the Lenders or for any non-compliance which would not likely have a material adverse effect in respect of any Secured Property:

- (a) the only Leases affecting the Secured Properties are those in connection with the tenancies set out in the rent rolls delivered to the Administrative Agent. The particulars of the rent rolls are full, complete and accurate in all material respects as at the date noted therein;
- (b) other than the Leases identified in the rent rolls, there are no material agreements, offers to lease, licences or other occupancy rights affecting the Secured Properties and the Tenants or their assignees or subtenants are in possession and occupying their premises at the Secured Properties and paying full rent as required under the Leases in all material respects;
- (c) except as disclosed to the Lenders, no Tenant has prepaid rent or deposited security in excess of one month's rent and there are no rent-free period; and
- (d) to the best of the Borrower's and each Guarantor's knowledge, the Borrower and each of the Guarantors as landlord under the Leases has performed all of its material obligations and observed all of the material conditions required of it under all Leases and no default on the part of the Credit Parties or other event of any kind has occurred or condition exists (or which with the giving of notice or lapse of time, or both, would be a default) or agreement entered into which would permit any of the Tenants to terminate their Lease or withhold or reduce payment of rent.

#### 9.02 **Survival and Repetition of Representations and Warranties**

The representations and warranties set out in Section 9.01 survive the execution and delivery of this Agreement and all other Loan Documents and will be deemed to be repeated by the Borrower as of each Drawdown Date, except to the extent that on or prior to such date (a) the Borrower has advised the Administrative Agent in writing of a variation in any such representation or warranty, and (b) if such variation, in the opinion of the Required Lenders, in its discretion, is material to the Credit Party, or any Secured Property, liabilities, affairs, business, operations, prospects or condition (financial or otherwise) of any Credit Party considered individually or in the aggregate or could have, or be reasonably likely to result in, a Material Adverse Change, the Required Lenders have approved such variation.

## **ARTICLE 10 – COVENANTS**

### **10.01 Positive Covenants**

So long as this Agreement is in force, each Credit Party, on a joint and several basis, will:

(1) Timely Payment. Make due and timely payment of the Obligations required to be paid by it hereunder and punctually perform its other Obligations hereunder and under the other Loan Documents to which it is a party at the time and place and in the manner provided hereunder and under the other Loan Documents.

(2) Conduct of Business, Maintenance of Existence, Compliance with Laws. Engage in business of the same general type as now conducted by it; carry on and conduct its business and operations in a proper, efficient and businesslike manner, in accordance with good business practice; preserve, renew and keep in full force and effect its existence; and take all reasonable action to maintain all rights, privileges and franchises necessary in the normal conduct of its business and to comply in all material respects with all Material Agreements, Material Licences, Permitted Encumbrances and Requirements of Law.

(3) Further Assurances. Use reasonable efforts to provide the Administrative Agent and the Lenders with such other documents, opinions, consents, acknowledgments and agreements as are reasonably necessary to implement this Agreement and the other Loan Documents from time to time.

(4) Obligations and Taxes. Pay or discharge, or cause to be paid or discharged, when the same become due and payable (i) all Taxes imposed upon it or upon its income or profits or in respect of its business or assets (including the Secured Properties) and file all tax returns in respect thereof, (ii) all lawful claims for labour, materials and supplies, (iii) all required payments under any of its Indebtedness, and (iv) all other obligations; provided, however that it will not be required to pay or discharge or to cause to be paid or discharged any such amount so long as the validity or amount thereof is being contested in good faith by appropriate proceedings and an appropriate financial reserve in accordance with GAAP and satisfactory to the Administrative Agent has been established.

(5) Use of Credit Facility. Use the proceeds of the Credit Facility only for the purposes specified in Section 2.02 and not for any other purpose or for any other Person other than the Credit Parties.

(6) Security. Provide the Security contemplated hereunder perfected to the satisfaction of the Administrative Agent in a first priority subject to Permitted Encumbrances against each Secured Property.

(7) Compliance with Environmental Laws. (a) Comply and use its reasonable efforts to require tenants and other occupants of each Secured Property to comply, in each case, in all material respects with any and all Environmental Laws. (b) Receive, handle, use, store, treat, ship and dispose of all Hazardous Substances located on or under each Secured Property and over which any Credit Party has control in compliance in all material respects with all

Environmental Laws and in accordance with all Material Agreements, Permitted Encumbrances and all Leases and the Credit Parties shall remove from such Secured Property any Hazardous Substances. (c) Take all commercially reasonable efforts to ensure that there are no orders, injunctions, judgements or directions or any notice of any of the same issued by a Governmental Authority or court relating to environmental matters in respect of each Secured Property requiring any work, repairs, construction or capital expenditures with respect to each Secured Property. (d) At the Credit Parties' sole cost and expense, remove or take remedial action or cause to be removed or cause remedial action to be taken with regard to any materials released to the environment at, on or near any Secured Property for which any removal or remedial action is required pursuant to law, regulation, order or approval or pursuant to the Material Agreements and Permitted Encumbrances.

(8) Environmental Audits. Commission an environmental site assessment/audit report addressed to Borrower's Counsel and Lenders' Counsel of any Secured Property or an update of such assessment/audit report (i) upon the written request of the Administrative Agent if, in its reasonable opinion, there is a material concern about its or the Credit Parties' compliance with Environmental Laws, all in scope, form and content satisfactory to the Administrative Agent, acting reasonably, (ii) if such assessment/audit report has been prepared at the request of or on behalf of any Governmental Authority, or (iii) if a Default relating to an environmental matter has occurred, and the Administrative Agent has made a written request to it for such an assessment/audit report or update, within 60 days after such request, and all such assessments/audits reports or updates thereof shall be at Credit Parties' expense and risk. An environmental site assessment/audit includes, for purposes of this Section, without limitation, any inspection, investigation, test, sampling, analysis or monitoring pertaining to air, land or water relating to a Secured Property.

(9) Operation. Diligently manage or caused to be managed, lease, use and operate each Secured Property in material compliance with all Applicable Laws and as would a prudent owner of comparable property in a proper and efficient manner with a view to preserving and protecting each Secured Property at the same or higher standard as at the date hereof, and the earnings, incomes, rents, and profits thereof.

(10) Copies. Deliver or cause to be delivered to the Administrative Agent, upon the request of the Administrative Agent, a true copy of any new Material Agreement.

(11) Access to Information and Rights of Inspection. Permit the Lenders, and its agents, consultants, officers and employees, at its expense, provided such expenses are reasonably incurred, and upon reasonable prior notice during normal business hours, from time to time to visit and inspect any Secured Property, subject always to the rights of occupants under the Leases, and to examine and make abstracts from and copies of its physical and computer books of account and records as they pertain to such Secured Property or such applicable Credit Party (and where such information is not kept at the applicable Secured Property, at such other locations where such information is kept) as well as all data and computer data relating to the managing, servicing, developing and marketing of the applicable Secured Property or the applicable Credit Party, which are in its possession and discuss their affairs, finances and accounts as they pertain to such Secured Property or such Credit Party, and be advised as to the same by their officers, consultants and legal counsel (with, prior to an Event of Default which is

continuing, representatives of the Borrower present), all at such reasonable times as the Lenders may desire. The Credit Parties shall maintain, or cause to be maintained adequate books, accounts and records in relation to the Secured Properties.

(12) Insurance. For so long as any amounts are due hereunder, the Credit Parties shall:

(A) Maintain or cause to be maintained:

- (I) all risks property insurance (including boiler and machinery) on property of every description located in or at or incidental to the Secured Properties (or property for which they are obliged to insure pursuant to Leases or other agreements relating to the Secured Properties) on a replacement cost, stated amount (or no co-insurance) basis, and including coverage for sewer back-up, windstorm, flood, earthquake, debris removal and by-laws, in amounts satisfactory to the Administrative Agent;
- (II) business interruption insurance on a gross profits or gross rents basis under the property and boiler and machinery insurance policies referred to in Section 10.01(12)(A)(I), adequate to reimburse all lost revenues relating to such Secured Property for a term of not less than 12 months;
- (III) commercial general and umbrella liability insurance, including insurance against claims for bodily injury, personal injury, death, property damage or other loss arising out of the operation of the Secured Properties and extended to include coverage for contractual liability, contingent employer's liability, and liability in respect of collapse and explosion with a minimum limit of liability for any one occurrence of \$[Redacted - Amount];
- (IV) such other insurance as may be required to meet the obligations of the Credit Parties under any of the Material Agreements; and
- (V) such other insurance as the Administrative Agent upon consultation with the Independent Insurance Consultant may reasonably require from time to time and which is available upon commercially reasonable terms;

all with insurance companies having a Best's A-IX rating at time of placement and at all times thereafter with such insurance companies having comparable claims paying ability as approved by the Required Lenders in their discretion. Such insurance is to be in such form and amounts and with such deductibles as are customary in the case of owners of projects similar to the Secured Properties and in any event as are acceptable to the Administrative Agent.

(B) The all risk, boiler and machinery and business interruption insurance policies referred to in Section 10.01(12)(A) shall:

- (1) name the applicable Credit Party as named insureds thereunder and as additional insureds all those required to be named as additional insureds under any of the Material Agreements,
- (2) name the Administrative Agent as first mortgagee and loss payee and have attached the standard Insurance Bureau of Canada mortgage clause with respect to the all risk, property, boiler and machinery and business interruption insurance;
- (3) provide that no cancellation or termination thereof, for any reason whatsoever, shall take effect unless the insurer concerned has given the Administrative Agent not less than 30 days' prior written notice of such proposed action (except for cancellation due to non-payment of premium for which statutory 15 days' notice may apply);
- (4) contain a waiver by the insurer or insurers of all rights of subrogation or indemnity or any other claim to which such insurer or insurers might otherwise be entitled against the Administrative Agent;
- (5) contain a breach of conditions clause; and
- (6) otherwise be in such form as the Administrative Agent shall reasonably require;

and such insurance policies may contain reasonable deductibles per occurrence as approved by the Administrative Agent in consultation with the Independent Insurance Consultant;

- (C) The third party liability insurance policies referred to in Section 10.01(12)(A) shall:
- (1) name the applicable Credit Party as named insureds thereunder and as additional insureds all those required to be named as additional insureds under any of the Material Agreements;
  - (2) name the Administrative Agent as an additional insured to the extent that such policies relate to the Secured Properties or the operation thereof;
  - (3) provide that no cancellation or termination thereof for any reason whatsoever, shall take effect unless the insurer concerned has given the Administrative Agent not less than 30 days' prior written notice of such proposed action (except for cancellation due to non-payment of premium for which statutory 15 days' notice may apply);

- (4) contain a waiver by the insurer of all rights of subrogation or indemnity or any other claim to which the insurer might otherwise be entitled against the Administrative Agent;
  - (5) contain a cross-liability clause and a severability of interests clause; and
  - (6) otherwise be in such form as the Administrative Agent shall reasonably require.
- (D) Subject to the rights of the tenants under Leases, so long as no Default or Event of Default has occurred and is continuing, the proceeds of all insurance referred to in Section 10.01(12)(A) (other than third party liability insurance, which may be remitted to the Borrower without condition or further action by the Administrative Agent) shall:
- (1) if the total amount of such proceeds in respect of a given Secured Property is less than \$[Redacted - Amount], be payable to the applicable Credit Party;
  - (2) if the total amount of such proceeds in respect of a given Secured Property equals or exceeds \$[Redacted - Amount], such amount shall be payable to the Administrative Agent to be held as additional security for the payment of all amounts payable hereunder, to be released on a cost-in-place and cost to complete basis by it to the applicable Credit Party upon receipt of, in form and substance satisfactory to the Administrative Agent in its discretion:
    - (i) an Officer's Certificate of the Borrower stating that the proceeds of such insurance together with other funds held or arranged by the Borrower is sufficient to fully repair, rebuild or replace the damage or destruction in respect of which the insurance proceeds are payable;
    - (ii) a letter of undertaking of the Borrower to fully repair, rebuild and replace the damage or destruction in respect of which the insurance proceeds are payable; and
    - (iii) in the case of damage to any of the buildings on the Secured Properties, an opinion of an independent construction consultant that the funds requested for the costs in place, from time to time, together with the funds that continue to be held by the Administrative Agent hereunder, will be sufficient to repair, replace or rebuild the damage or destruction in respect of which the insurance proceeds are payable, provided that such opinion and the

amounts so requested must be approved by the Administrative Agent in its discretion.

- (3) the proceeds of business interruption insurance shall be paid to the applicable Credit Party;
- (E) Subject to the rights of the tenants under Lease, if an Event of Default has occurred and is continuing:
- (1) the proceeds of all insurance other than workers' compensation insurance, third party liability and business interruption insurance shall be payable to the Administrative Agent to be held by the Administrative Agent as additional security for the payment of all amounts payable hereunder, to be applied by it, at the option of the Administrative Agent, in reduction of the amounts outstanding hereunder or released to the applicable Credit Party in accordance with the provisions of Section 10.01(12)(D)(1) or (2)(i), (ii) and (iii), and;
  - (2) the proceeds of business interruption insurance shall be payable to the Administrative Agent to be held by the Administrative Agent as additional security for the payment of all amounts payable hereunder, to be applied on account of ongoing Obligations of the applicable Credit Party hereunder or in respect of the Secured Properties as the same fall due from time to time and, to the extent of any surplus, firstly to arrears of such payments and thereafter, if the Administrative Agent has opted to release proceeds of insurance pursuant to Section 10.01(12)(E)(1) in accordance with Section 10.01(12)(D), then the balance of the proceeds of business interruption insurance shall be payable to the applicable Credit Party failing which the balance, if any, remaining after application of such proceeds as aforesaid shall be paid to the Administrative Agent as a partial prepayment of the Loans.
  - (3) The proceeds of all insurance held by the Administrative Agent shall, unless and until the same are applied or released to the applicable Credit Party as aforesaid, constitute continuing collateral security for the Credit Parties' obligations and liabilities in respect of amounts outstanding hereunder. The Administrative Agent shall place such funds in an interest-bearing account with the interest thereon to accrue to the benefit of the applicable Credit Party.

(13) Insurance Information. Provide to the Administrative Agent and the Independent Insurance Consultant such information relating to the Secured Properties or the Loan Documents, as may be reasonably requested and which is within its possession or control. The

reasonable fees and costs of the Independent Insurance Consultant shall be paid for by the Borrower.

(14) Condition of Secured Properties. Keep the Secured Properties in such good operating condition and repair (subject to reasonable wear and tear) as would a prudent owner of comparable property, having regard however to any renovations, expansions or improvements under construction from time to time as permitted pursuant to the terms of this Agreement.

(15) Title. Defend its title to the Secured Properties and every part thereof reasonably necessary against the claims of all persons whomsoever and do, observe and perform all of its obligations and all things necessary or expedient to be done, observed or performed by virtue of any Applicable Law for the purpose of creating, maintaining and keeping maintained the Security constituted by the Loan Documents as valid and effective security with the priority required hereunder.

(16) KYC Documentation and Anti-Money Laundering. The Credit Parties acknowledge that the Lenders have certain anti-money laundering and anti-terrorism responsibilities under various laws and regulations and that from time to time the Administrative Agent and the Lenders (including any prospective assignee or Participant) may request information in order to comply with Applicable Laws and internal requirements (including any applicable “know your customer” or “know your client” requirements). The Credit Parties covenant and agree, upon request, to promptly provide the Administrative Agent such additional information as may be requested in order to comply with such obligations. Each Credit Party shall also provide the Administrative Agent with prompt written notice of any change in beneficial ownership of any Credit Party, the signing officers and directors of such Credit Party after the date of this Agreement. Upon request by the Administrative Agent, the Credit Parties shall promptly provide a list of its key officers and directors. The proceeds of any Drawdown under the Credit Facility shall not be invested in order to support domestic or international terrorism and shall not be directly or indirectly deployed in respect of activities that contravene Canadian laws and regulations, including anti-money laundering laws and regulations.

(17) Notices of Material Changes. Give written notice to the Administrative Agent promptly after becoming aware, using reasonable diligence, thereof of:

- (i) any litigation, dispute, arbitration or other proceeding to which a Credit Party is a party, the result of which if determined adversely would be a judgement or award against it in excess of: (A) **[\$[Redacted - Amount]**, in the case of a single matter, or (B) **[\$[Redacted - Amount]**, when aggregated with all other matters relating to the Credit Parties during a twelve month period, or, in any case, that could result in a Material Adverse Change to such Credit Party, and from time to time provide the Administrative Agent with all reasonable information requested by the Administrative Agent concerning the status of any such proceeding;
- (ii) any Default or an Event of Default, together with an Officer’s Certificate specifying such Default or such Event of Default and detailing the steps being taken, if any, to cure same;

- (iii) any dispute which may exist between the Credit Parties and any Governmental Authority or any other proceeding;
- (iv) any written communication received by the Credit Parties alleging default under any of the Material Agreements or the Permitted Encumbrances which could result in a Material Adverse Change;
- (v) any default under any of the Material Agreements or the Permitted Encumbrances which could result in a Material Adverse Change;
- (vi) any notices of expropriation, judgments, writs of execution, seizures, injunctions, work orders or directives or notices of deficiency capable of resulting in work orders or directives;
- (vii) any event or occurrence relating to any Secured Property which, in its opinion, acting reasonably, is likely to give rise to a notice of a material non-compliance with any Environmental Laws and of any notice of non-compliance actually received by any Credit Party or, to its knowledge, threatened, including any investigation, non-routine inspection or material inquiry by any Governmental Authority, in connection with any Environmental Laws;
- (viii) any proposed Change of Control; and
- (ix) any other matter which has had or is reasonably likely to result in a Material Adverse Change.

(18) Necessary Acts to Protect Security. At its expense, take such steps as may be necessary or advisable to perfect the Security (or any part thereof) or to carry out the intent of this Agreement from time to time.

(19) Material Agreements, etc. At all times be and remain in full compliance in all material respects with all of its covenants, agreements and obligations in and diligently enforce all its material rights under all Material Agreements, advise the Administrative Agent in writing of all new Material Agreements (or any material amendments of existing Material Agreements) entered into forthwith following the entering into thereof and shall deliver forthwith a copy thereof to the Administrative Agent. The Borrower shall provide written notice to the Administrative Agent of any assignment made by a contracting party to a Material Agreement.

(20) Peaceable Entry. From and after the occurrence of an Event of Default and for so long as it is subsisting, the Administrative Agent shall, subject to Permitted Encumbrances, be lawfully entitled to peaceably and quietly enter into, have, hold, use, occupy, possess and enjoy the Secured Properties with their appurtenances without suit, hindrance, interruption or denial by it, or any other person whomsoever.

(21) Management of Secured Properties. Cause the Secured Properties to be operated and managed by the Borrower or Sentinel in accordance with prudent industry practice for similar properties in similar locations.

(22) Other Encumbrances. Subject to Section 10.01(23), unless the same shall constitute a Permitted Encumbrance, promptly pay and discharge all Encumbrances against any Secured Property from time to time.

(23) Construction Liens. Comply with the provisions of the *Construction Lien Act* (Ontario) and equivalent provincial legislation (together, “**Construction Lien Legislation**”) where the Secured Properties are located and shall pay or cause to be paid from time to time when the same shall be due all claims and demands of contractors, subcontractors, labourers, suppliers of materials or services, builders, workmen, architects, engineers and others, which if unpaid, might result in, or permit the creation of, a privilege or Encumbrances arising pursuant to Construction Lien Legislation on any Secured Property or any part thereof or on the revenues, income and profits arising therefrom. If such Encumbrance is registered against title to any Secured Property (or any portion thereof), the applicable Credit Party agrees to promptly pay and discharge same. If the applicable Credit Party bona fide disputes the validity or correctness of such registered Encumbrance it may contest such Encumbrance in any manner properly contemplated by Applicable Law, provided it promptly discharges or vacates, or causes to be discharged or vacated, the Encumbrance from the title to the applicable Secured Property by posting of a payment bond in such amount, or by payment into court of such amount or as may otherwise be provided under applicable Construction Lien Legislation, as is necessary to obtain such removal or otherwise posting such security as may be acceptable to the Administrative Agent in its discretion.

(24) Subordination and Postponement. All Intercompany Indebtedness and all other obligations and liabilities of each Credit Party to each other Credit Party (including such obligations and liabilities under the Material Agreements) is hereby unconditionally and irrevocably subordinated and following the occurrence of an Event of Default which is continuing, postponed, in all respects to the prior indefeasible repayment in full by the Borrower and the other Credit Parties to the Obligations. Without limiting the generality of the foregoing, the postponement and subordination of the Intercompany Indebtedness contained herein shall be effective notwithstanding the dates of the Drawdown, Conversion or Rollover secured by the Loan Documents, the dates of default or the date under the Loan Documents; and the rules of priority established under Applicable Law.

## 10.02 Financial Covenants

So long as this Agreement is in force, the Borrower will ensure that:

(1) Tangible Net Worth Tangible Net Worth shall remain not less than \$300,000,000 at all times.

(2) Actual Debt to Assets Ratio The Actual Debt to Assets Ratio is not greater than: (a) for the period from initial Drawdown until December 30, 2018, 70%, and (b) all times thereafter, 65%, to be tested quarterly as at the end of each Fiscal Quarter.

(3) Actual Debt Service Coverage Ratio The Actual Debt Service Coverage Ratio is not less than 1.25:1.00 at all times, to be tested quarterly as at the end of each Fiscal Quarter.

10.03            **Reporting Requirements**

So long as this Agreement is in force, the Borrower will deliver to the Administrative Agent (in sufficient quantities for the Administrative Agent and each of the Lenders and in form acceptable to the Administrative Agent):

(1)    Quarterly Reports As soon as available and in any event within 45 days of the end of each of its Fiscal Quarters (excluding the fourth Fiscal Quarter) (a) the unaudited consolidated financial statements of the Borrower (including balance sheet, statement of income and retained earnings, statement of changes in financial position and cash flow statement), which will be prepared in accordance with GAAP and Fair Market Value, and shall include management discussion and analysis (b) the unaudited unconsolidated financial statements of Sentinel, (including balance sheet, statement of income and retained earnings, statement of changes in financial position and cash flow statement) which will be prepared in accordance with GAAP, (c) income statement and occupancy percentages in respect of each Secured Property.

(2)    Annual Reports and Annual Business Plan As soon as available and in any event within 120 days after the end of its Fiscal Year, (a) the annual audited financial statements of the Borrower prepared on a consolidated basis, including balance sheet, statement of income and retained earnings, statement of changes in financial position and source and application of funds for such Fiscal Year, which will be reviewed by an internationally recognized accounting firm, and will be prepared in accordance with GAAP and certified by an officer of the Borrower, together with management discussion and analysis and Fair Market Value, (b) the calculation of Fair Market Value as at the end of its Fiscal Year, (c) the annual audited financial statements of Sentinel prepared on a unconsolidated basis, including balance sheet, statement of income and retained earnings, statement of changes in financial position and source and application of funds for such Fiscal Year, which will be reviewed by an internationally recognized accounting firm, and will be prepared in accordance with GAAP: (d) annual unconsolidated and consolidated budgets of Sentinel and the Borrower (including balance sheet, income statements and cash flow statements and capital expenditures, (e) an income statement and occupancy percentages in respect of each Secured Property, and (f) where requested by the Administrative Agent on the advice of the Required Lenders, acting reasonably, after or concurrent with the completion of the first four Fiscal Quarters of the Borrower after the Closing Date, updated Acceptable Appraisals prepared in connection with any Secured Property.

(3)    Compliance Certificate/Borrowing Base Certificate. A Compliance Certificate concurrently with the delivery of the financial statements referred to in Sections 10.03(1) and (2) and provided that the Borrower shall supply a Borrowing Base Certificate within 45 days of the end of its fourth Fiscal Quarter in each year

(4)    Realty Taxes. Evidence of the payment of realty taxes relating to each Secured Property shall be provided on a no less than annual basis.

(5)    Other Information. Such other information as it may reasonably request respecting the Credit Parties and the Secured Properties.

#### 10.04 Negative Covenants

So long as this Agreement is in force, each Credit Party, on a joint and several basis, will not:

(1) Charge or Disposition of Secured Property. Dispose of, in one transaction or a series of transactions, all or any part of its interest in the Collateral, whether now owned or hereafter acquired with the exception of (a) Leases in accordance with Section 10.04(17), and (b) Disposition related to discharges requested pursuant to Section 8.06 and of dispositions between Credit Parties (provided that in respect of any such dispositions, the Administrative Agent shall have received prior notice of same and the relevant Credit Parties shall enter into such documentation and deliver such legal opinions as the Administrative Agent, acting reasonably, may require in respect of same and the Administrative Agent shall be satisfied that the related Security shall continue to be a first priority security interest in the related Secured Property).

(2) No Consolidation, Amalgamation, etc. Consolidate, amalgamate or merge with any other Person (other than another Credit Party or a wholly-owned Subsidiary of a Credit Party), in which case, prior notice of such transaction shall be provided to the Administrative Agent and the relevant Credit Parties shall enter into such documentation and provide such legal opinions, if any, that the Administrative Agent may require, acting reasonably), enter into any corporate reorganization or other transaction intended to effect or otherwise permit a change in its existing corporate or capital structure, and in respect of all Credit Parties, liquidate, wind-up or dissolve itself, or permit any liquidation, winding-up or dissolution.

(3) No Change of Name. Change its name without providing the Administrative Agent with fifteen (15) days' prior written notice thereof.

(4) No Indebtedness or Financial Assistance. Create, incur, assume, grant or suffer to exist, or permit any Subsidiary to create, incur, assume, grant or suffer to exist, (a) any Purchase Money Security Interests granted by the Borrower and its Subsidiaries in an amount which exceeds \$[Redacted - Amount] in the aggregate, (b) any Financial Assistance, or (c) any Indebtedness except any Indebtedness (y) that would not contravene and is made in accordance with the Organizational Documents of such Credit Party or its Subsidiary and (z) if after giving effect thereto, no Default or Event of Default has occurred and is continuing or would reasonably be expected to result therefrom, including without limitation, any Default or Event of Default resulting from a violation of Section 11.02.

(5) No Distributions. Make, directly or indirectly, any Distribution, except Permitted Distributions.

(6) No Investments. Make, directly or indirectly, or permit any Subsidiary to make, any Investment, except for any Investment that would not contravene the Organizational Documents of such Credit Party or related to such Subsidiary provided (a) no Default or Event of Default then exists and that the making of such Investment does not cause or will result in a Default or Event of Default and (b) such Investment is not made to an Affiliate that is not a Subsidiary of the Borrower or any other Credit Party.

(7) No Encumbrances. Create, incur, assume or permit to exist any Encumbrance upon any Collateral, except Permitted Encumbrances.

(8) No Change to Year End. Make any change to its Fiscal Year end from December 31 without the approval of the Required Lenders, not to be unreasonably withheld.

(9) No Continuance. Continue into any other jurisdiction.

(10) Hedge Arrangements. Enter into or permit to be outstanding at any time (a) any Hedge Arrangement for speculative purposes (provided, for greater clarity, the Borrower may enter into Hedge Arrangements in respect of interest rate swaps relating to Indebtedness in the normal course of business), (b) any Hedge Arrangement with a Lender which is not a Qualifying Hedge Arrangement unless such Lender expressly agrees in writing by delivering a signed certificate to the Borrower and the Administrative Agent stating that a proposed Hedge Arrangement shall not be characterized as a Qualifying Hedge Arrangement for the purposes of this Agreement and the other Loan Documents, or (c) a Qualifying Hedge Arrangement that would result in the aggregate amount of all Qualifying Hedge Arrangements exceeding a notional or face amount equal to the Total Commitment.

(11) Securitization. Securitize any rights to receive payment under any of the Material Agreements or in respect to any accounts receivable originating from any of the Secured Properties.

(12) Capital Expenditures. In any Fiscal Year make, or enter into any agreements which would require it to make, any Capital Expenditures with respect to the Secured Properties in excess of \$[Redacted - Amount] (in the aggregate), unless such Capital Expenditure is: (a) approved by the Administrative Agent on the advice of the Required Lenders, (b) incurred or made in accordance with each of the following requirements: (i) such Capital Expenditure is not in contravention of the Material Agreements and the Permitted Encumbrances and is made in accordance with prudent industry practice; and (ii) such Capital Expenditure could not reasonably be expected to result in a Default or a Material Adverse Change.

(13) Fundamental Change. (a) change its capital structure or amend, vary or alter in any material way its articles of incorporation or other Organizational Documents; or (b) materially change its senior management; or (c) change its business objectives, purposes or operations in any material way.

(14) Amendments to Documents. Except as permitted hereunder, amend, vary or alter in any material way, consent to any assignment or transfer of, or waive or surrender any of its rights or entitlements under, or terminate or permit any termination of, any Material Agreements, except for termination of any such Material Agreement in accordance with the terms thereof.

(15) No Change to Business/Limitation on Acquisitions. Carry on any business other than the business carried on by it on the date hereof, which for greater certainty, is the acquisition, ownership, operation and management of the Secured Properties and other income producing storage properties located in Canada. The Borrower and its Subsidiaries shall not effect any acquisition of properties where as a result thereof, a breach of the Actual Debt to Assets Ratio then in effect.

(16) Non-Arm's Length Transactions. Enter into or, permit any Subsidiary to enter into, any transaction for the purchase, sale or exchange of any property or the rendering of any services, with any of its Affiliates, or with any Affiliate of any of its partners or shareholders, except a transaction which is upon fair and reasonable terms not less favourable to such Credit Party or any such Subsidiary than would be obtained in a comparable arms-length transaction for fair market value.

(17) Leasing. (a) Enter into any Leases in respect of the Secured Properties or materially amend, renew, terminate, forfeit or cancel any Leases in respect of the Secured Properties unless:

- (i) such Leases, amendments, renewals, terminations, forfeitures or cancellations are made on arm's length terms and in good faith; and
- (ii) such Leases, amendments, renewals, terminations, forfeitures or cancellations will not result in a Material Adverse Change and reflect good business practice and are on such terms as a prudent owner of a similar property in the geographic location of the applicable Secured Property would accept having regard to prevailing market terms and conditions and otherwise in accordance with prudent leasing practices.

(18) Concerning Leases Generally. Accept or require payment of Rent in respect of any Secured Property that would result in more than three months of such Rent being prepaid under such Lease other than:

- (a) prepaid rent or deposits on account of rent which represent the portion of the cost of construction of the relevant demised premises which exceeds the portion of such cost which was used as the basis for determining the basic rental otherwise payable under such Lease; or
- (b) amounts representing a *bona fide* precalculation of any amount (which is required to be paid under such Lease) in addition to basic rental, including amounts payable with respect to taxes and maintenance of such Secured Property and overage and percentage rentals; or
- (c) lease surrender payments and security deposits made by the tenant under such Lease.

(19) Remove, Destroy or Redevelop. Destroy, remove, permit to be destroyed or removed any of the buildings, plant, machinery or equipment comprising part of any Secured Property, provided that:

- (a) nothing herein shall prevent (i) the removal of any machinery or equipment from one part of a Secured Property to another or the temporary removal of any such machinery or equipment for the purposes of repair, or (ii) alterations to any Secured Property provided such alterations are permitted pursuant to Section 10.04(11); and

(b) the applicable Credit Party may remove, dismantle, sell, exchange or otherwise dispose of any plant, machinery or equipment which has become obsolete, worn out, replaced or unserviceable if such plant, machinery or equipment is replaced by plant, machinery or equipment of at least equal performance or if such plant, machinery or equipment so dealt with is unnecessary for use in the conduct of its business at such Secured Property; provided that such removal or other disposal does not materially impair the normal operation of any Secured Property.

(20) Pension. Establish, operate or maintain any Canadian Pension Plans or Pension Plans under Applicable Canadian Pension Laws or any corporately funded defined benefits or Canadian Plans.

(21) Environmental Activity. Carry on any Environmental Activity contrary to any Environmental Law or cause or permit any Hazardous Material to be stored in or to be present in any form in or under its Secured Property contrary in any material respect to any Environmental Laws. Nothing in this Section or this Agreement shall impose any obligation or liability whatsoever on the Lender.

(22) Non-Resident. Become a non-resident of Canada within the meaning of Section 116 of the *Income Tax Act* (Canada).

(23) Restrictions on Intercompany Transfers. Except as expressly permitted under this Agreement, the Borrower shall not, and shall not permit any Guarantor or any other Subsidiary of the Borrower to, create or otherwise cause or suffer to exist or become effective any consensual Encumbrance or restriction of any kind on the ability of any Subsidiary of the Borrower to: (i) make Distributions on any of such Subsidiary's Equity Interests; (ii) pay any Indebtedness owed to any Borrower or any Subsidiary of the Borrower; (iii) make loans or advances to the Borrower or any Subsidiary of the Borrower; or (iv) transfer any of its property or assets to the Borrower or any Subsidiary of the Borrower.

#### 10.05 Partnership Provisions

(1) Authority of General Partner. The Administrative Agent and the Lenders shall be entitled to rely on any certificate, notice or other document, or other advice, statement, direction or instruction provided to them by a general partner of any Credit Party that is a limited partnership and shall be entitled to deal with each such general partner or trustee, as applicable, with respect to matters under this Agreement and the other Loan Documents without any obligation whatsoever to satisfy themselves as to the authority of such general partner to act on behalf of such Credit Party.

(2) Additional General Partner. Each Credit Party that is a limited partnership will not create or suffer to exist any Person becoming a general partner or trustee, as applicable, of any Credit Party without the consent of the Administrative Agent acting reasonably. Such consent, if granted, to be subject to such conditions that the Administrative Agent deem necessary and appropriate in its discretion.

## ARTICLE 11 – DEFAULT

### 11.01 Events of Default

The occurrence of any one or more of the following events (each such event being referred to as an “**Event of Default**”) will constitute a default under this Agreement:

- (a) if the Borrower fails to pay any amount of principal of any Loan when due;
- (b) if the Borrower fails to pay any interest, fees or other Obligations (other than any principal amount of any Loan) within three (3) days of such amount becoming due hereunder;
- (c) if any Credit Party breaches any of the covenants in Sections 10.01(5), 10.01(12)(A), 10.01(24), 10.02, 10.04(1) or 10.04(5);
- (d) if any Credit Party neglects to observe or perform any covenant or obligation in this Agreement or in any other Loan Document on its part to be observed or performed (other than a covenant or condition whose breach or default in performance is specifically dealt with elsewhere in this Section 11.01) and such Credit Party fails to remedy such default within 15 days from the earlier of (i) the date such Credit Party becomes aware of such default, and (ii) the date the Administrative Agent delivers written notice of the default to such Credit Party;
- (e) if any representation or warranty made by any Credit Party in this Agreement, any other Loan Document or in any certificate or other document at any time delivered hereunder or thereunder to the Administrative Agent or the Lenders proves to have been untrue, incorrect or misleading in any respect if the representation or warranty contains a materiality qualification, and otherwise in all material respect on and as of the date that it was made or was deemed to have been made and such Credit Party fails to remedy such default within 15 days of becoming aware of such event;
- (f) if the Borrower or any of its Subsidiaries ceases or threatens to cease to carry on business generally or admits its inability or fails to pay its Indebtedness generally;
- (g) if the Borrower or any of its Subsidiaries (i) fails to make any payment when such payment is due and payable to any Lender or defaults in the observance or performance of any other agreement or condition in relation to any Indebtedness (other than Obligations) to any Lender or contained in any instrument or agreement evidencing, securing or relating thereto and such default or other condition has not been remedied within any applicable grace period; or (ii) fails to make any payment when such payment is due and payable to any Person or defaults in the observance or performance of any other agreement or condition in relation to any Indebtedness (other than Obligations) to any Person or Persons that in the aggregate principal amount then outstanding is, in either or both cases, in excess of Cdn. \$[Redacted - Amount] (and, for greater certainty, such calculation shall be made on aggregate, as opposed to individual, basis of all

affected Credit Parties) or contained in any instrument or agreement evidencing, securing or relating thereto and such default or other condition has not been remedied within any applicable grace period;

- (h) if any Credit Party denies, to any material extent, its Obligations under any Loan Document or claims any of the Loan Documents to be invalid or withdrawn in whole or in part;
- (i) any of the Loan Documents or any material provision of any of them becomes unlawful or is changed by virtue of legislation or by a Governmental Authority, if any Credit Party does not, within ten (10) Business Days of receipt of notice of such Loan Document or material provision becoming unlawful or being changed, replace such Loan Document with a new agreement that is in form and substance satisfactory to the Required Lenders acting reasonably, or amend such Loan Document to the satisfaction of the Required Lenders acting reasonably;
- (j) if a decree or order of a court of competent jurisdiction is entered adjudging the Borrower or any of its Subsidiaries a bankrupt or insolvent or approving as properly filed a petition seeking the winding-up of an Credit Party under the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy and Insolvency Act* (Canada), the *United States Bankruptcy Code* or the *Winding-up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous laws or issuing sequestration or process of execution against any substantial part of the assets of any Credit Party or ordering the winding-up or liquidation of its affairs, and any such decree or order continues unstayed and in effect for a period of 10 Business Days;
- (k) if the Borrower or any of its Subsidiaries becomes insolvent, makes any assignment in bankruptcy or makes any other assignment for the benefit of creditors, makes any proposal under the *Bankruptcy and Insolvency Act* (Canada) or any comparable law, seeks relief under the *Companies' Creditors Arrangement Act* (Canada), the *United States Bankruptcy Code*, the *Winding-up and Restructuring Act* (Canada) or any other bankruptcy, insolvency or analogous law, is adjudged bankrupt, files a petition or proposal to take advantage of any act of insolvency, consents to or acquiesces in the appointment of a trustee, receiver, receiver and manager, interim receiver, custodian, sequestrator or other Person with similar powers of itself or of all or any substantial portion of its assets, or files a petition or otherwise commences any proceeding seeking any reorganization, arrangement, composition or readjustment under any applicable bankruptcy, insolvency, moratorium, reorganization or other similar law affecting creditors' rights or consents to, or acquiesces in, the filing of such a petition;
- (l) if an Encumbrancer takes possession, by appointment of a receiver, receiver and manager or otherwise, of all or a substantial portion of any Secured Property or a substantial portion of the property of any Credit Party, including without limitation, distress, execution or any other proceedings with similar effect and the same is not released, bonded, satisfied, discharged, vacated or stayed within the

shorter of ten (10) days or such shorter period as would permit any Secured Property or any part thereof to be sold thereunder;

- (m) if proceedings are commenced for the dissolution, liquidation or voluntary winding-up of any Credit Party, or for the suspension of the operations of any Credit Party unless such proceedings are being actively and diligently contested in good faith;
- (n) if a final unappealable judgment or decree for the payment of money due has been obtained or entered against the Borrower in an amount in excess of Cdn. \$[Redacted - Amount], or against any other Credit Party in an amount that, in the reasonable opinion of the Required Lenders, would materially and adversely affect the ability of any such other Credit Party to fulfil its obligations to the Lenders under this Agreement;
- (o) if any Security ceases to constitute a valid and perfected first priority security interest (subject only to Permitted Encumbrances) and the applicable Credit Party has failed to remedy such default within 10 days of becoming aware of such fact;
- (p) if a Material Agreement is terminated, repudiated or ceases to be legal, binding and enforceable or if an event of default occurs under any Material Agreement (other than an event of default specifically dealt with in this Section 11.01) resulting in, or which may result in a Material Adverse Change, to a Credit Party or Secured Property and such event of default is not remedied within two-thirds (2/3<sup>rd</sup>) of the time available to cure such default or is being contested in good faith by appropriate proceedings and the Administrative Agent is satisfied that neither the position of the Administrative Agent, the Lenders nor the Security is being adversely affected;
- (q) if any Governmental Authority shall condemn, expropriate, seize or appropriate a material portion of any Secured Property;
- (r) if there is any change or Disposition in the legal or Beneficial Ownership of all or any part of any Secured Property except as permitted by this Agreement;
- (s) if a Material Adverse Change has occurred with respect to any Credit Party or Secured Property;
- (t) if any Credit Party enters into or becomes subject to any transaction or agreement which results or could result in a Change of Control or if any Change of Control occurs;
- (u) a Borrowing Base Shortfall exists for a period exceeding five (5) days;
- (v) if an Impermissible Qualification is included in the financial statements delivered to the Administrative Agent pursuant to Section 10.03; or

- (w) if the Borrower fails to maintain a listing on the Toronto Stock Exchange or the TSX Venture Exchange, or trading in the Shares of the Borrower is suspended or halted for a period exceeding two (2) Business Days.

#### 11.02 **Acceleration and Enforcement**

(1) If any Event of Default occurs and is continuing, (i) the Lenders will have no further obligation to make Loans hereunder, and the outstanding principal amount or face amount, as the case may be, of all Loans and all other Obligations will, at the option of the Administrative Agent or upon the request of the Required Lenders, become immediately due and payable with interest thereon, at the rate or rates determined as herein provided, to the date of actual payment thereof, all without notice, presentment, protest, demand, notice of dishonour or any other demand or notice whatsoever, all of which are hereby expressly waived by each Credit Party; provided, if any Event of Default described in 11.01(j) or (k) with respect to the Credit Party occurs, the Commitments (if not theretofore terminated) will automatically terminate and the outstanding principal amount or face amount, as the case may be, of all Loans and all other Obligations will automatically be and become immediately due and payable; (ii) the Lenders or the Administrative Agent on their behalf may, in their discretion, exercise any right or recourse and proceed by any action, suit, remedy or proceeding against any Credit Party authorized or permitted by law for the recovery of all the Obligations of the Credit Parties to the Lenders and, notwithstanding that the Administrative Agent has not exercised every right under the foregoing clause (i), proceed to exercise any and all rights hereunder and, subject to Section 11.02(3), under the Loan Documents.

(2) The Administrative Agent and Lenders are not under any obligation to the Credit Parties or any other Person to realize upon any collateral or enforce the Security or any part thereof or to allow any of the collateral to be sold, dealt with or otherwise disposed of. Neither the Administrative Agent nor the Lenders are responsible or liable to the Credit Parties or any other Person for any loss or damage arising from such realization or enforcement or the failure to do so or for any act or omission on their respective parts or on the part of any director, officer, employee, agent or adviser of any of them in connection with any of the foregoing.

(3) Each of the Lenders acknowledges that the Administrative Agent holds the Security to secure all of the Obligations and, upon the occurrence of an Event of Default, the Administrative Agent will act on the written instructions of the Required Lenders as provided in this Agreement and will distribute all payments made and amounts received by the Credit Parties and all net sale proceeds of realization of the Security to the Lenders in accordance with their Applicable Percentage of the Obligations and in accordance with Section 11.07.

#### 11.03 **Payment of Bankers' Acceptances**

If the applicable Borrower does not pay to the Administrative Agent for the account of the Lenders the face amount of any unmatured Bankers' Acceptance required to be paid pursuant to Section 12.02, the Administrative Agent on behalf of the Lenders may at its option at any time without notice to the applicable Borrower give notice to the Lenders to make a Loan to the applicable Borrower equal to the face amount of all unmatured Bankers' Acceptances, such Loan not to bear interest until the maturity date of the particular Bankers'

Acceptance. The proceeds of such Loan will be held by each Lender in a non-interest bearing cash collateral account for the benefit of the applicable Borrower and will be applied in payment of such Bankers' Acceptances as they mature or otherwise as the Lender may require. The applicable Borrower will execute and deliver as security for such Loan all such security as the Lender may deem necessary or advisable including an assignment of the credit balance in respect of such cash collateral account.

11.04 **Remedies Cumulative**

For greater certainty, it is expressly understood that the respective rights and remedies of the Lenders and the Administrative Agent hereunder or under any other Loan Document or instrument executed pursuant to this Agreement are cumulative and are in addition to and not in substitution for any rights or remedies provided by law or by equity; and any single or partial exercise by the Lenders and the Administrative Agent of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Agreement or any other Loan Document will 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 any one or more of the Lenders and the Administrative Agent may be lawfully entitled in connection with such default or breach.

11.05 **Perform Obligations**

If an Event of Default has occurred and is continuing and if any Credit Party has failed to perform any of its covenants or agreements in the Loan Documents, the Required Lenders, may, but will be under no obligation to, instruct the Administrative Agent on behalf of the Lenders to perform any such covenants or agreements in any manner deemed fit by the Required Lenders without thereby waiving any rights to enforce the Loan Documents. The reasonable expenses (including any legal costs) paid by the Administrative Agent and the Lenders in respect of the foregoing will be an Obligation and will be secured by the Security.

11.06 **Third Parties**

It is not necessary for any Person dealing with the Lenders, the Administrative Agent or any other agent of the Lenders to inquire whether the Security has become enforceable, or whether the powers that the Lenders or the Administrative Agent are purporting to exercise may be exercised, or whether any Obligations remain outstanding upon the security thereof, or as to the necessity or expediency of the stipulations and conditions subject to which any sale is to be made, or otherwise as to the propriety or regularity of any sale or other disposition or any other dealing with the collateral charged by such Security or any part thereof.

11.07 **Application of Payments**

All proceeds received by the Administrative Agent from or in respect of any realization of Security, any judgment against the Borrower or any Guarantor obtained by the Administrative Agent, any other realization of the Borrower's or any Guarantor's assets, any set-off or combination of accounts in respect of any credit balance, any recovery, distribution or payment arising out of any bankruptcy of the Borrower or any Guarantor or any proposal or re-organization, plan of arrangement, liquidation or winding-up of the Borrower or any Guarantor, shall be paid to the Administrative Agent and, upon receipt by the Administrative Agent shall,

subject to the provisions hereof, be allocated from time to time by the Administrative Agent as follows:

- (a) Firstly, to pay amounts due hereunder as costs and expenses incurred by the Administrative Agent and the Lenders in connection with the realization of the Security and the enforcement of the Lenders' rights hereunder including any legal, consultant, advisor, property manager and other professional fees incurred by the Lenders and including interest and such costs and expenses from the date incurred until paid at the rate applicable to overdue interest;
- (b) secondly, in payment of any other unpaid fees payable hereunder and the other Loan Documents to the Administrative Agent and the Lenders;
- (c) thirdly, in payment of amounts due hereunder to the Lenders as overdue interest in respect of Loans;
- (d) fourthly, in payment of amounts due hereunder to the Lenders as interest on Loans;
- (e) fifthly, in payment or prepayment of all Obligations due to the Lenders until all Obligations are paid in full to the Lenders;
- (f) sixthly, in payment of the balance, if any, to the Borrower or such other Person or Persons who may be entitled thereto at law, or as a court of competent jurisdiction may otherwise direct.

For the purposes of determining the proportionate share of each Lender under Section 11.07(b), (c) and (d), each Lender shall be entitled to receive a share thereof equal to the portion of the Obligations then owing to such Lender divided by the aggregate amount of the Obligations; for the purposes of determining the proportionate share of each Lender under Section 11.07(e), each Lender shall be entitled to receive a share thereof equal to the portion of the Obligations then owing to such Lender divided by the aggregate amount of the Obligations.

## **ARTICLE 12- GUARANTEE**

### **12.01 Guarantees and Indemnity**

(1) Each Guarantor hereby unconditionally and irrevocably, guarantees payment and performance of the Obligations of each Borrower.

(2) If any or all of the Obligations of the Borrower are not duly paid and are not recoverable under Section 12.01(1) for any reason whatsoever, each of the Guarantors hereby jointly and severally, unconditionally and irrevocably, will, as a separate and distinct obligation, indemnify and save harmless the Administrative Agent and the Lenders and each of them from and against any losses resulting from the failure of any Credit Party to pay the Obligations.

(3) If any or all of the Obligations of the Borrower are not duly paid and are not recoverable under Section 12.01(1) or remain unperformed or the Administrative Agent and the Lenders and each of them is not indemnified under Section 12.01(2), in each case, for any reason whatsoever, the Obligations will, unconditionally and irrevocably, as a separate and distinct obligation, be recoverable jointly and severally from each of the Guarantors as primary obligor.

12.02 **Obligations Absolute**

The liability of each Guarantor hereunder is absolute and unconditional and is not affected by:

- (a) any lack of validity or enforceability of this Agreement or any other Loan Document;
- (b) any impossibility, impracticability, frustration of purpose, illegality, force majeure or act of Governmental Authority;
- (c) the bankruptcy, winding-up, liquidation, dissolution, moratorium, readjustment of debt, arrangement, insolvency or other similar proceeding affecting any Credit Party or any other Person, including any discharge or bar against collection of any of the Obligations, the amalgamation of or any change in the existence, status, function, control, constitution or ownership of any Credit Party, Administrative Agent, any Lender or any other Person;
- (d) any lack or limitation of power, incapacity or disability on the part of any Credit Party or of the directors, partners or agents thereof or any other irregularity, defect or informality on the part of any Credit Party in its Obligations;
- (e) any limitation, postponement, prohibition, subordination or other restriction on the rights of the Administrative Agent or any Lender to payment of the Obligations;
- (f) any interest of the Administrative Agent or any Lender in any Security whether as owner thereof or as holder of a security interest therein or thereon, being invalidated, voided, declared fraudulent or preferential or otherwise set aside, or by reason of any impairment of any right or recourse to any Security; or
- (g) any other law, regulation, event, condition or other circumstance or any other act, delay, abstention or omission to act of any kind by any Credit Party or another Person that might otherwise constitute a legal or equitable defence available to any Credit Party, or a discharge, limitation or reduction of the Obligations hereunder.

Each of the foregoing is hereby waived by each Guarantor to the fullest extent permitted under Applicable Law. The foregoing provisions apply and the foregoing waivers will be effective to the fullest extent permitted under Applicable Law even if the effect of any action or failure to take action by the Administrative Agent or any Lender is to destroy or diminish any Guarantor's subrogation rights, any Guarantor's right to proceed against any Credit Party for reimbursement,

any Guarantor's right to recover contribution from any other Person or any other right or remedy of any Guarantor.

12.03            **No Release**

The liability of each Guarantor hereunder is not released, discharged, limited or in any way affected by anything done, suffered or permitted by the Administrative Agent, Lenders, or any of them or any other Person in connection with any duties or liabilities of any Credit Party to the Administrative Agent, Lenders, or any of them or any Security including any loss of or in respect of any Security. Without limiting the generality of the foregoing and without releasing, discharging, limiting or otherwise affecting in whole or in part the liability of any Guarantor hereunder, without obtaining the consent of or giving notice to any Guarantor, the Administrative Agent, the Lenders and each of them may, subject to the terms of this Agreement and specifically the relationship between the Lenders and the Administrative Agent:

- (a)    discontinue, reduce, increase or otherwise vary the credit of each Credit Party in any manner whatsoever;
- (b)    make any change in the time, manner or place of payment under, or in any other term of, any Loan Document or the failure on the part of any Credit Party to carry out any of its obligations under any Loan Document;
- (c)    grant time, renewals, extensions, indulgences, releases and discharges to any Credit Party or any other Person;
- (d)    subordinate, release, take or enforce, refrain from taking or enforcing or omit to take or enforce the Loan Documents or perfect, refrain from perfecting or omit to perfect the Loan Documents, whether occasioned by the fault of the Administrative Agent or the Lenders or otherwise;
- (e)    to the extent permitted under Applicable Law, give or refrain from giving to any Credit Party or any other Person notice of any sale or other disposition of any Collateral securing any of the Obligations or any other guarantee thereof, or any notice that may be given in connection with any sale or other disposition of any such property;
- (f)    accept compromises from any Credit Party or any other Person;
- (g)    marshal, refrain from marshalling or omit to marshal assets;
- (h)    apply all money or other property at any time received from any Credit Party or from the Security upon such part of the Obligations as the Administrative Agent, Lenders or each of them may see fit or change any such application in whole or in part from time to time as each of them may see fit; and
- (i)    otherwise deal, delay or refrain from dealing or omit to deal with any Credit Party and all other Persons and the Security as the Administrative Agent, Lenders and each of them may see fit, delay or refrain from doing or omit to do any other act

or thing that under Applicable Law might otherwise have the effect, directly or indirectly, of releasing, discharging, limiting or otherwise affecting in whole or in part the Guarantors' liability hereunder.

12.04 **No Exhaustion of Remedies**

None of the Administrative Agent or the Lenders is bound or obligated to exhaust its or their recourse against any Credit Party or other Person or any Security it or they may hold, or take any other action before being entitled to demand payment from any Guarantor hereunder. Each Guarantor agrees that the Administrative Agent or the Lenders may seek payment or performance of any of the Obligations from any Guarantor in accordance with the terms set out in this Agreement, whether or not the Administrative Agent or the Lenders shall have realized the value of the Secured Properties secured under the Security or shall have proceeded against any of the Credit Parties principally or secondarily obligated for any of the Obligations.

12.05 **Prima Facie Evidence**

Any account settled or stated in writing by or between the Administrative Agent or any Lender and each Credit Party will be prima facie evidence that the balance or amount thereof appearing due to the Administrative Agent and each Lender is so due.

12.06 **No Set-Off**

In any claim by the Administrative Agent, the Lenders or any of them against any Guarantor, such Guarantor may not assert any set-off or counterclaim, claim or other right that either such Guarantor or any Credit Party may have against the Administrative Agent, the Lenders or any of them or any other Person.

12.07 **Continuing Guarantee**

The Obligations of each Guarantor hereunder will constitute and be continuing obligations and will apply to and secure any ultimate balance due or remaining due to the Administrative Agent and the Lenders and will not be considered as wholly or partially satisfied by the payment or liquidation at any time of any sum of money for the time being due or remaining unpaid to any such Person. The Obligations of each Guarantor hereunder will continue to be effective even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by the recipient of such payment upon the occurrence of any action or event including the insolvency, bankruptcy or reorganization of any Credit Party or otherwise, all as though such payment had not been made.

12.08 **Waivers by Guarantors**

Each Guarantor hereby irrevocably waives acceptance hereof, presentation, demand, protest and any notice, as well as any requirement that at any time any action be taken by any Person against such Guarantor, any other Credit Party or any other Person.

12.09            **Demand**

Each Guarantor will make payment to the Administrative Agent for the rateable benefit of the Lenders of the full amount of the Obligations and all other amounts payable by it hereunder forthwith after demand therefor is made to it. Each Guarantor will also make payment to the Administrative Agent of all costs and expenses incurred by the Administrative Agent, the Lenders or any of them in enforcing the provisions of this Article 12.

12.10            **Interest**

Each Guarantor will pay interest to the Administrative Agent for the rateable benefit of the Lenders and each of them at the interest rate of Prime Rate (i) plus the Applicable then in effect, and (ii) plus 2.00%, on all amounts payable by such Guarantor hereunder, such interest to accrue from and including the date of demand on the Guarantor, and will be compounded monthly.

12.11            **Assignment and Postponement of Claims**

All debts and liabilities, present and future, of each Credit Party to each other Credit Party, are hereby assigned to the Administrative Agent for and on behalf of the Lenders and subordinated to the Obligations, and following an Event of Default which is continuing, such debts and liabilities are postponed and all money received by such Credit Party in respect thereof will be held in trust for the Administrative Agent for and on behalf of Lenders and forthwith upon receipt will be paid over to the Administrative Agent, the whole without in any way lessening or limiting the liability of any of the Credit Parties hereunder and this assignment and postponement is independent of the guarantee herein and will remain in full force and effect until, in the case of the assignment, the liability of the Guarantors under this Guarantee has been discharged or terminated and, in the case of the postponement, until all Obligations are performed and paid in full.

12.12            **Subrogation; Contribution**

No Guarantor will be entitled to subrogation or to contribution from any other Guarantor by reason of any payment hereunder until indefeasible payment in full and satisfaction of all Obligations of all Guarantors, and the termination of the Commitments. Thereafter, the Administrative Agent, on its own behalf and on behalf of the Lenders will, at each Guarantor's request and expense, execute and deliver to such Guarantor appropriate documents, without recourse and without representation and warranty, except as to the amount owing, necessary to evidence the transfer by subrogation to such Guarantor of an interest in the Obligations and any Security held therefor resulting from such payment by such Guarantors.

12.13            **Stay of Acceleration**

If acceleration of the payment of any Obligations payable by any Guarantor is stayed upon the insolvency, bankruptcy or reorganization of such Guarantor or otherwise, all such Obligations otherwise subject to acceleration under the laws of any Loan Document will nonetheless be payable by each other Guarantor herewith in accordance with the terms hereof.

**ARTICLE 13 – THE ADMINISTRATIVE AGENT  
AND THE LENDERS**

**13.01      Payments by Borrower**

(1) Prior to an Event of Default that is continuing, all payments made by or on behalf of the Borrower pursuant to this Agreement will be made to and received by the Administrative Agent on behalf of the Lenders and will be distributed by the Administrative Agent to the Lenders as soon as possible upon receipt by the Administrative Agent. Subject to Sections 7.02 and 13.02, the Administrative Agent will distribute to the Lenders in accordance with each Lender's Applicable Percentage:

- (a) costs and expenses;
- (b) payments of interest and commitment fees;
- (c) repayments of principal;
- (d) prepayments of principal;
- (e) amounts received by the exercise of any right of set-off, consolidation of accounts, or by counterclaim or cross-action; and
- (f) all other payments received by the Administrative Agent.

(2) Notwithstanding the foregoing, any such distribution that would otherwise be made pursuant to Section 13.01(1)(c) or (1)(d) on account of any outstanding Bankers' Acceptances will be set aside in a separate collateral account for the primary benefit of the Lenders who have issued such Bankers' Acceptances (and for the secondary benefit of the Lenders in respect of other Obligations) until and to the extent that such Obligations become matured and not contingent, at which time such distributions will be made to the Lenders for whose primary benefit such amounts are held, at which time such application will be made in accordance with Section 13.01(1)(c) or (d).

(3) Subject to Section 13.02, if the Administrative Agent does not distribute a Lender's Applicable Percentage of a payment made by the Borrower to or for the benefit of a Lender for value on the day that payment is made to the Administrative Agent, provided that such payment is received by the Administrative Agent no later than 1:00 p.m. (Toronto time) on such day, the Administrative Agent will pay to such Lender on demand an amount equal to the product of (a) the Interbank Reference Rate and (b) the amount received by the Administrative Agent from the Borrower and not so distributed to such Lender, with the result thereof multiplied by (c) a fraction, the numerator of which is the number of days that have elapsed from and including the date of receipt of the payment by the Administrative Agent to but excluding the date on which the payment is made by the Administrative Agent to such Lender, and the denominator of which is 365.

13.02            **Payments by Administrative Agent**

(1) For greater certainty, the following provisions will apply to all payments made by the Administrative Agent to the Lenders hereunder:

- (a) the Administrative Agent will 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 Borrower;
- (b) if the Administrative Agent receives less than the full amount of any payment of principal, interest, fees or other amount owing by the Borrower under this Agreement, then, subject to Section 7.02, the Administrative Agent will have no obligation to remit to each Lender any amount other than such Lender's Applicable Percentage of the amount actually received by the Administrative Agent;
- (c) if any Lender advances more or less than its Applicable Percentage of the Loan, such Lender's entitlement to such payment will be increased or reduced, as the case may be, in proportion to the amount actually advanced by such Lender;
- (d) the Administrative Agent acting reasonably and in good faith will, after consultation with the 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 will, in the absence of manifest error, be binding and conclusive;
- (e) upon request, the Administrative Agent will deliver a statement detailing any of the payments to the Lenders referred to herein; and
- (f) all payments by the Administrative Agent to a Lender hereunder will be made to such Lender at its address set forth on the signature pages on this Agreement or on the applicable Lender Assignment and Assumption unless notice to the contrary is received by the Administrative Agent from such Lender.

(2) Unless the Administrative Agent has received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of any Lender hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower have made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute the amount due to the Lenders. If the payment by the Borrower is in fact not received by the Administrative Agent on the required date and the Administrative Agent has made available corresponding amounts to the Lenders, the Borrower will, without limiting their other obligations under this Agreement, indemnify the Administrative Agent against any and all liabilities, obligations, losses (other than loss of profit), damages, penalties, costs, expenses or disbursements of any kind or nature whatsoever that may be imposed on or incurred by the Administrative Agent as a result. A certificate of the Administrative Agent with respect to any amount owing by the Borrower under this Section 13.02 will be prima facie evidence of the amount owing in the absence of manifest error.

13.03      **Administration of the Credits**

(1) Unless otherwise specified herein, the Administrative Agent will perform the following duties under this Agreement:

- (a) prior to the advance to either Borrower hereunder, ensure that all conditions precedent have been fulfilled in accordance with the terms of this Agreement;
- (b) take delivery of each Lender's Applicable Percentage of a Loan and make all Loans hereunder in accordance with the provisions set forth herein;
- (c) use reasonable efforts to collect promptly all sums due and payable by the Borrower pursuant to this Agreement;
- (d) make all payments to the Lenders in accordance with the provisions hereof;
- (e) hold all legal documents relating to the Credit Facility, maintain complete and accurate records showing all Loans made by the Lenders, all remittances and payments made by the Borrower to the Administrative Agent, all remittances and payments made by the Administrative Agent to the Lenders and all fees or any other sums received by the Administrative Agent and allow each Lender and their respective advisors to examine such accounts, records and documents at their own expense, and provide any Lender, upon reasonable notice, with such copies thereof as such Lender may reasonably require from time to time at its expense;
- (f) except as otherwise specifically provided for in this Agreement, promptly advise each Lender upon receipt of each notice and deliver to each Lender, promptly upon receipt, all other written communications furnished by the Borrower to the Administrative Agent pursuant to this Agreement, including copies of financial reports and certificates which are to be furnished to the Administrative Agent;
- (g) forward to each of the Lenders, one copy each of the Loan Documents;
- (h) promptly forward to each Lender, upon request, an up-to-date loan status report and any other information respecting the Credit Parties reasonably requested by such Lender; and
- (i) upon learning of same, promptly advise each Lender in writing of the occurrence of a Default or the occurrence of any event, condition or circumstance which would result in a Material Adverse Change to any Credit Party or of any material adverse information relative to any Credit Party or of the occurrence of any change which would result in a Material Adverse Change.

(2) The Administrative Agent may take the following actions only with the prior consent of the Required Lenders, unless otherwise specified in this Agreement:

- (a) subject to Section 13.03(3), exercise any and all rights of approval conferred upon the Lenders by this Agreement;

- (b) amend, modify or waive any of the terms of this Agreement (including waiver of a Default or an Event of Default) if such amendment, modification or waiver would not have a material adverse effect on the rights of the Lenders thereunder and if such action is not otherwise provided for in Section 13.03(3);
  - (c) engage professionals, experts and agents as permitted by Section 13.04(1); and
  - (d) declare an Event of Default, take action to enforce performance of the Obligations and realize on collateral subject to the Security and pursue any other legal remedy necessary or advisable to protect the interests of the Lenders hereunder.
- (3) The Administrative Agent may take the following actions only with the prior unanimous consent of the Lenders, unless otherwise specified herein:
- (a) amend, modify, discharge, terminate or waive any of the terms of this Agreement if such amendment, modification, discharge, termination or waiver would (i) increase a Lender's Commitment or subject any Lender to any additional obligation; (ii) reduce the principal or amount of, or interest on, directly or indirectly, any outstanding Loans or any fees; (iii) postpone any date fixed for any payment of principal of, or interest on, any outstanding Loans or any fees; and (iv) change the percentage of the Commitments or the number or percentage of Lenders required for the Lenders, or any of them, or the Administrative Agent to take any action;
  - (b) amend, modify, discharge, terminate or waive any terms of Article 12 or the Security or release any Credit Party or Security otherwise than pursuant to the terms hereof or thereof;
  - (c) amend this Section 13.03(3);
  - (d) amend any provision of Article 6 or the definitions of "Actual Debt to Assets Ratio", "Actual Debt Service Coverage Ratio", "Borrowing Base", "Estimated Market Value", "Lending Value", "Margined Value" or "Net Refinancing Value",
  - (e) amend Sections 10.01(a), 10.02 or 10.04;
  - (f) amend Section 11.07;
  - (g) amend any provision of Article 14; or
  - (h) amend the definition of "Required Lenders" or "Change of Control".
- (4) As between the Borrower, on the one hand, and the Administrative Agent and the Lenders, on the other hand:
- (a) all statements, certificates, consents and other documents which the Administrative Agent purports to deliver on behalf of the Lenders or the Required Lenders will be binding on each of the Lenders, and the Credit Parties will 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 the Credit Parties to the Administrative Agent in accordance with this Agreement will be deemed to have been delivered to each of the Lenders; and
- (c) all payments which are made by the Credit Parties to the Administrative Agent in accordance with this Agreement will be deemed to have been duly made to each of the Lenders.

13.04 **Rights of Administrative Agent**

(1) In administering the Credit Facility, the Administrative Agent may retain, at the expense of the Lenders if such expenses are not recoverable from the Credit Parties, such counsel, auditors and other experts as the Administrative Agent may select, acting reasonably, and is entitled to rely upon the advice of such counsel, auditors and other experts in the performance of its duties hereunder.

(2) Except in its own right as a Lender, the Administrative Agent will not be required to advance its own funds for any purpose hereunder.

13.05 **Representations, Acknowledgements and Covenants of Lenders.**

(1) Each Lender represents and warrants to the Borrower and the Administrative Agent that it has the legal capacity, power and authority to enter into the Loan Documents and has not contravened its constating documents or any Applicable Law by so doing.

(2) Each of the Lenders acknowledges that in the event that the Administrative Agent does not receive payment in accordance with this Agreement, it will not be the obligation of the Administrative Agent to maintain the Credit Facility in good standing nor will any Lender have recourse to the Administrative Agent in respect of any amounts owing to such Lender under this Agreement.

(3) Each Lender acknowledges that its obligation to advance its Applicable Percentage of Loans in accordance with the terms of this Agreement is independent and in no way related to the obligation of any other Lender hereunder.

(4) Each Lender agrees that it will notify the Administrative Agent of any Default or Event of Default of which it becomes aware.

(5) Each Lender hereby acknowledges receipt of a copy of the Loan Documents and acknowledges that it is satisfied with the form and content of such documents.

(6) Each Lender will respond promptly to each request by the Administrative Agent for the consent of such Lender required hereunder.

13.06 **Provisions Operative Between Lenders and Administrative Agent Only.**

Except for the provisions of Sections 13.03(2), (3) and (4), Sections 13.05(1), (3), (5) and (6) and Section 14.01(1), the provisions of this Article 13 relating to the rights and obligations of the Lenders and the Administrative Agent inter se will be operative as between the Lenders and the Administrative Agent only, and the Credit Parties will not have any rights or obligations under or be entitled to rely for any purpose upon such provisions.

**ARTICLE 14 – COMPENSATION AND SET-OFF**

14.01 **Increased Costs**

- (1) **Increased Costs Generally.** If any Change in Laws shall:
  - (a) impose, modify or deem applicable any reserve, assessment, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by any Lender;
  - (b) subject any Lender to any Tax of any kind whatsoever with respect to the Loan Documents or any Loans made by it, or change the basis of taxation of payments to such Lender in respect thereof, except for (x) Indemnified Taxes or Other Taxes covered by Section 14.02 and (y) the imposition, or any change in the rate, of any Excluded Tax payable by such Lender; or
  - (c) impose on any Lender or any applicable interbank market any other condition, cost or expense affecting this Agreement or Loans made by such Lender;

and the result of any of the foregoing shall be to increase the cost to such Lender of making converting to, continuing or maintaining any Loans (or of maintaining its obligation to make any such Loans), or to increase the cost to such Lender, or to reduce the amount of any sum received or receivable by such Lender hereunder (whether of principal, interest or any other amount), then upon request of such Lender and subject to the Lender providing the certificate referred to in Subsection (3), the Credit Parties will pay to such Lender such additional amount or amounts as will compensate such Lender for such additional costs incurred or reduction suffered.

- (2) **Capital Requirements.** If any Lender determines that any Change in Laws affecting such Lender or any Lending Office of such Lender or such Lender's holding company, if any, regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's capital or on the capital of such Lender's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by such Lender, to a level below that which such Lender or its holding company could have achieved but for such Change in Laws (taking into consideration such Lender's policies and the policies of its holding company with respect to capital adequacy), then from time to time and subject to the Lender providing the certificate referred to in Section 14.01(3), the Borrower will pay to such Lender such additional amount or amounts as will compensate such Lender or its holding company for any such reduction suffered.

(3) Certificates for Reimbursement. A certificate of the Lender delivered to the Borrower setting forth the amount or amounts necessary to compensate such Lender or its holding company, as the case may be, as specified in Subsections 14.01(1) or (2) (“**Additional Compensation**”), including a description of the event by reason of which it believes it is entitled to such compensation, and supplying reasonable supporting evidence (including, in the event of a Change of Applicable Laws, a photocopy of the Applicable Laws evidencing such change) and reasonable detail of the basis of calculation of the amount or amounts, shall be conclusive evidence of the Lender’s entitlement to such compensation and the amount thereof absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 15 days after receipt thereof.

(4) Delay in Requests. Failure or delay on the part of any Lender to demand compensation pursuant to this Section shall not constitute a waiver of such Lender’s right to demand such compensation, except that the Borrower shall not be required to compensate the Lender pursuant to this Section for any increased costs incurred or reductions suffered more than twelve months prior to the date that such Lender notifies the Borrower of the Change in Laws giving rise to such increased costs or reductions and of such Lender’s intention to claim compensation therefor, unless the Change in Laws giving rise to such increased costs or reductions is retroactive, in which case the twelve-month period referred to above shall be extended to include the period of retroactive effect thereof.

#### 14.02 Taxes

(1) Payments Subject to Taxes. If any Borrower, the Administrative Agent or any Lender is required by Applicable Laws to deduct or pay any Indemnified Taxes (including any Other Taxes) in respect of any payment by or on account of any obligation of the Borrower hereunder or under any other Loan Document, then (i) the sum payable shall be increased by the applicable Borrower when payable as necessary so that after making or allowing for all required deductions and payments (including deductions and payments applicable to additional sums payable under this Section) the Administrative Agent or Lender, as the case may be, receives an amount equal to the sum it would have received had no such deductions or payments been required, (ii) the applicable Borrower shall make any such deductions required to be made by it under Applicable Laws and (iii) the applicable Borrower shall timely pay the full amount required to be deducted to the relevant Governmental Authority in accordance with Applicable Laws.

(2) Payment of Other Taxes by Borrower. Without limiting the provisions of Subsection 14.02(1) above, the Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with Applicable Laws.

(3) Indemnification by Credit Parties. Each Credit Party shall indemnify the Administrative Agent and each Lender, within 15 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) paid by the Administrative Agent or such Lender and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as

to the amount of such payment or liability delivered to the Borrower by a Lender (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender shall be conclusive absent manifest error.

(4) Evidence of Payments. As soon as practicable after any payment of Indemnified Taxes or Other Taxes by any Borrower to a Governmental Authority, the applicable Borrower shall deliver to the Administrative Agent 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 Agent.

(5) Treatment of Certain Refunds and Tax Reductions. If the Administrative Agent or a Lender determines, in its sole discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by the Credit Parties or with respect to which any Credit Party has paid additional amounts pursuant to this Section or that, because of the payment of such Taxes or Other Taxes, it has benefited from a reduction in Excluded Taxes otherwise payable by it, it shall pay to the Borrower or any other Credit Party, as applicable, an amount equal to such refund or reduction (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower or any other Credit Party under this Section with respect to the Taxes or Other Taxes giving rise to such refund or reduction), net of all out-of-pocket expenses of the Administrative Agent or such Lender, as the case may be, and without interest (other than any net after-Tax interest paid by the relevant Governmental Authority with respect to such refund). The Borrower or any other Credit Party as applicable, upon the request of the Administrative Agent or such Lender, agree to repay the amount paid over to the Borrower or any other Credit Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent or such Lender if the Administrative Agent or such Lender is required to repay such refund or reduction to such Governmental Authority. This paragraph shall not be construed to require the Administrative Agent or any Lender to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the Credit Parties or any other Person, to arrange its affairs in any particular manner or to claim any available refund or reduction.

(6) FATCA. If a payment made to the Lender under this Agreement would be subject to U.S. federal withholding tax imposed by FATCA if the Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the IRC, as applicable), the Lender shall deliver to the Borrower at the time or times prescribed by law and at such time or times reasonably requested by the Borrower such documentation prescribed by Applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the IRC) and such additional documentation reasonably requested by the Borrower as may be necessary for the Borrower to comply with its obligations under FATCA and to determine that the Lender has complied with the Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. The Borrower shall provide such information as the Lender may reasonably require in order for the Lender to satisfy its obligations, if any, relating to FATCA.

#### 14.03 Mitigation Obligations: Replacement of Lenders; Defaulting Lenders

(1) Designation of a Different Lending Office. If any Lender requests compensation under Section 14.01, or requires the Borrower to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 14.02, then such Lender shall (at the request of the Borrower) use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 14.01 or Section 14.02, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agree to pay all reasonable out-of-pocket costs and expenses incurred by the Lender in connection with any such designation or assignment.

(2) Repayment of Lender. If any Lender requests compensation under Section 14.01, if the Borrower are required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 14.02 and, in each case, such Lender has declined or is unable to designate a different Lending Office in accordance with Section 14.03(1), or if any Lender is a Defaulting Lender or a Non-Consenting Lender, then the Borrower may either, (i) at their sole expense and effort, upon 10 days' notice to such Lender and the Administrative Agent repay all outstanding amounts and Obligations due to such affected Lender (or such portion which has not been acquired pursuant to clause (ii) below) and thereupon the Commitment of the affected Lender shall be permanently cancelled and the aggregate Total Commitments shall be permanently reduced by the same amount and the Commitment of each of the other Lenders shall remain the same; or (ii) require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Article 21), all of its interests, rights and obligations under this Agreement and the other Loan Documents to an assignee (if available) that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

- (a) the Borrower pay the Administrative Agent the assignment fee specified in Section 21.01(2)(f);
- (b) the assigning Lender receives payment of an amount equal to the outstanding principal of its outstanding Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any breakage costs and amounts required to be paid under this Agreement as a result of prepayment to a Lender) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);
- (c) in the case of any such assignment resulting from a claim for compensation under Section 13.01 or payments required to be made pursuant to Section 13.02, such assignment will result in a reduction in such compensation or payments thereafter;
- (d) such assignment does not conflict with Applicable Laws; and

- (e) in the case of any assignment resulting from a Lender becoming a Non-Consenting Lender, the applicable assignee shall have consented to the applicable amendment, waiver or consent.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply. No such cancellation or assignment and delegation shall relieve the Borrower from their obligations to pay any compensation or other amounts under Sections 13.01(1) and 13.02 accruing prior to the date of such cancellation or assignment and delegation.

(3) Defaulting Lenders.

- (a) Defaulting Lender Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

- (i) Waivers and Amendments. Such Defaulting Lender's right to approve or disapprove any amendment, waiver or consent with respect to this Agreement shall be restricted as set forth in the definition of Required Lenders.
- (ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 11.01 or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 15.01 shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, as the Borrower may request (so long as no Default or Event of Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; third, if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released pro rata in order to satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement; fourth, to the payment of any amounts owing to the Lenders as a result of any judgment of a court of competent jurisdiction obtained by any Lender against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; fifth, so long as no Default or Event of Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and sixth, to such

Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made at a time when the conditions set forth in Sections 3.01 or 3.02, as applicable, were satisfied or waived, such payment shall be applied solely to pay the Loans of all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of such Defaulting Lender until such time as all Loans are held by the Lenders pro rata in accordance with the Commitments under the Credit Facility. Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

- (iii) Standby Fees . No Defaulting Lender shall be entitled to receive any commitment fee payable pursuant to Section 4.02 for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender).

(4) Defaulting Lender Cure. If the Borrower, the Administrative Agent and each Non-Defaulting Lender agree in writing that a Lender is no longer a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein, that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans to be held pro rata by the Lenders in accordance with the Commitments under the Credit Facility, whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender having been a Defaulting Lender.

#### 14.04 Illegality

If any Lender determines that any Applicable Laws has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make or maintain any Loans (or to maintain its obligations to make any Loan) or to determine or charge interest rates based upon any particular rate, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, any obligation of such Lender with respect to the activity that is unlawful shall be suspended until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if conversion would avoid the activity that is unlawful, convert any Loans. Upon any such prepayment or conversion, the Borrower shall

also pay accrued interest on the amount so prepaid or converted. Each Lender agrees to designate a different Lending Office if such designation will avoid the need for such notice and will not, in the good faith judgment of such Lender, otherwise be materially disadvantageous to such Lender.

## **ARTICLE 15 – RIGHT OF SETOFF**

### **15.01 Right of Setoff**

If an Event of Default has occurred and is continuing, each of the Lenders and each of their respective Affiliates is hereby authorized at any time and from time to time in its sole discretion to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender or any such Affiliate to or for the credit or the account of the Borrower against any and all of the Obligations of the Borrower now or hereafter existing under this Agreement or any other Loan Document to such Lender, irrespective of whether or not such Lender has made any demand under this Agreement or any other Loan Document and although such Obligations of the Credit Parties may be contingent or unmatured or are owed to a branch or office of such Lender different from the branch or office holding such deposit or obligated on such indebtedness; provided that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 14.03(3) and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Obligations owing to such Defaulting Lender as to which it exercised such right of setoff.

The rights of each of the Lenders and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff, consolidation of accounts and bankers' lien) that the Lenders or their respective Affiliates may have. Each Lender agrees to promptly notify the Borrower and the Administrative Agent after any such setoff and application, but the failure to give such notice shall not affect the validity of such setoff and application. If any Affiliate of a Lender exercises any rights under this Section 15.01, it shall share the benefit received in accordance with Section 16.01 as if the benefit had been received by the Lender of which it is an Affiliate.

## **ARTICLE 16 – SHARING OF PAYMENTS BY LENDERS**

### **16.01 Sharing of Payments by Lenders**

(1) If any Lender, by exercising any right of setoff or counterclaim or otherwise, obtains any payment or other reduction that might result in such Lender receiving payment or other reduction of a proportion of the aggregate amount of its Loans and other outstanding Obligations hereunder and the other Loan Documents greater than its Applicable Percentage (which, for the purposes of this Section 16.01, shall be calculated with reference to the Commitments, the Loans outstanding hereunder and the amounts owing under the Qualifying

Hedge Arrangements, after giving effect to the netting of all amounts owing under all Qualifying Hedge Arrangements with a Lender) thereof as provided herein, then the Lender receiving such payment or other reduction shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the outstanding Loans and such other obligations of the other Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Lenders rateably in accordance with the aggregate amount of principal of and accrued interest on their respective outstanding Loans, other outstanding Obligations and other amounts owing them, provided that:

- (a) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest;
- (b) the provisions of this Section shall not be construed to apply to (x) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender), or (y) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans to any assignee or participant, other than to the Borrower or any Affiliate of the Borrower (as to which the provisions of this Section shall apply);
- (c) the provisions of this Section shall not be construed to apply to (w) any payment made while no Event of Default has occurred and is continuing in respect of obligations of the Borrower to such Lender that do not arise under or in connection with the Loan Documents, (x) any payment made in respect of an obligation that is secured by a Permitted Encumbrance or that is otherwise entitled to priority over the Borrower's obligations under or in connection with the Loan Documents, (y) any reduction arising from an amount owing to the Borrower upon the termination of Hedge Arrangements entered into between the Borrower and such Lender provided such Hedge Arrangements are permitted hereunder and the other Loan Documents other than Qualifying Hedge Arrangements, or (z) any payment to which such Lender is entitled as a result of any form of credit protection obtained by such Lender other than the Qualifying Hedge Arrangements or (aa) any Qualifying Cash Management Arrangements; provided, however, this Section 16.01(1)(c) shall not apply to the netting of amounts under all Qualifying Hedge Arrangements with a Lender.

(2) The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under Applicable Laws, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower's rights of setoff and counterclaim and similar rights of Lenders with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

## **ARTICLE 17 – ADMINISTRATIVE AGENT’S CLAWBACK**

### **17.01 Administrative Agent’s Clawback**

(1) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Drawdown that such Lender will not make available to the Administrative Agent such Lender’s Applicable Percentage of such Drawdown, the Administrative Agent may assume that such Lender has made such Applicable Percentage available on such date in accordance with the provisions of this Agreement concerning funding by Lenders and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its Applicable Percentage of the applicable Loan available to the Administrative Agent required to be funded by such Lender, then the applicable Lender shall pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at a rate determined by the Administrative Agent in accordance with prevailing banking industry practice on interbank compensation. If the Lender does not pay such amount to the Administrative Agent forthwith, the Borrower shall pay to the Administrative Agent forthwith on written demand such corresponding amount with interest thereon at the interest rate applicable to the advance in question. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that has failed to make such payment to the Administrative Agent.

(2) Payments by the Borrower; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of any Lender hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute the amount due to the Lenders. In such event, if the Borrower has not in fact made such payment, then each of the Lenders severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at a rate determined by the Administrative Agent in accordance with prevailing banking industry practice on interbank compensation.

## **ARTICLE 18 – AGENCY**

### **18.01 Appointment and Authority**

Each of the Lenders hereby irrevocably appoints The Bank of Nova Scotia as the Administrative Agent to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. Without limiting the foregoing, the Administrative Agent shall act as collateral agent for the Lenders pursuant to the Loan Documents. The provisions of this Article are solely for the benefit of the Administrative Agent and the Lenders, and the Borrower shall not have rights as a third party

beneficiary of any of such provisions. It is understood and agreed that the use of the term “agent” herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

18.02 **Rights as a Lender**

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

18.03 **Exculpatory Provisions**

(1) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder will be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:

- (a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default or Event of Default has occurred and is continuing;
- (b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated by any of the Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for in the Loan Documents), but the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or Applicable Laws, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and
- (c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Affiliates that is communicated to or obtained by the person serving as the Administrative Agent or any of its Affiliates in any capacity.

(2) The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as is necessary, or as the Administrative Agent believes in good faith is necessary, under the provisions of this Agreement or any other Loan Document) or (ii) in the absence of its own gross negligence or wilful misconduct as determined by a court of competent jurisdiction by final and non appealable judgment. The Administrative Agent shall be deemed not to have knowledge of any default or Event of Default unless and until written notice describing such Default or Event of Default is given to the Administrative Agent by the Borrower or a Lender.

(3) Except as otherwise expressly specified in this Agreement, the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or (v) the satisfaction of any condition specified in this Agreement, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

#### 18.04 **Reliance by Administrative Agent**

The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, internet or intranet posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Drawdown that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Drawdown. The Administrative Agent may consult with legal counsel, independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

#### 18.05 **Indemnification of Administrative Agent.**

Each Lender agrees to indemnify the Administrative Agent and hold it harmless (to the extent not reimbursed by the Borrower), severally (and not jointly or jointly and severally) in accordance with its Applicable Percentage from and against any and all losses, claims, damages, liabilities and related expenses, including the fees, charges and disbursements of any counsel, which may be incurred by or asserted against the Administrative Agent in any way relating to or arising out of the Loan Documents or the transactions therein contemplated. However, no Lender shall be liable for any portion of such losses, claims, damages, liabilities

and related expenses resulting from the Administrative Agent's gross negligence or wilful misconduct.

18.06            **Delegation of Duties.**

The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent from among the Lenders (including the Person serving as Administrative Agent) and their respective Affiliates. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Persons. The provisions of this Article and other provisions of this Agreement for the benefit of the Administrative Agent shall apply to any such sub-agent and to the Related Persons of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the Credit Facility provided for herein as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and non appealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

18.07            **Replacement of Administrative Agent.**

(1) The Administrative Agent may at any time give 30 days' prior notice of its resignation to the Lenders and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, with the prior consent of the Borrower, to appoint a successor, which shall be a Lender having a Commitment and having an office in Toronto, Ontario or an Affiliate of any such Lender with an office in Toronto, Ontario. The Administrative Agent may also be removed at any time by the Required Lenders upon 30 days' prior notice to the Administrative Agent and the Borrower as long as the Required Lenders, with the prior consent of the Borrower, appoint and obtain the acceptance of a successor within such 30 days, which shall be a Lender having an office in Toronto, or an Affiliate of any such Lender with an office in Toronto.

(2) If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may on behalf of the Lenders, appoint a successor Administrative Agent meeting the qualifications specified in Section 18.07, provided that if the Administrative Agent shall notify the Borrower and the Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (1) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of the Security held by the Administrative Agent on behalf of the Lenders under any of the Loan Documents, the retiring Administrative Agent shall continue to hold such Security until such time as a successor Administrative Agent is appointed) and (2) all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender directly, until such time as the

Required Lenders appoint a successor Administrative Agent as provided for above in the preceding paragraph.

(3) Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the former or removed Administrative Agent, and the former or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided in the preceding paragraph). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the termination of the service of the former or removed Administrative Agent, the provisions of this Article 18 and of Article 20 shall continue in effect for the benefit of such former or removed Administrative Agent, its sub-agents and their respective Related Persons in respect of any actions taken or omitted to be taken by any of them while the former or removed Administrative Agent was acting as Administrative Agent.

18.08 **Non-Reliance on Administrative Agent and Other Lenders**

Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent, any other Lender or any other Person and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent, any other Lender or any other Person and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

18.09 **Collective Action of the Lenders**

Each of the Lenders hereby acknowledges that to the extent permitted by Applicable Laws, the Security and all rights and remedies provided under the Loan Documents to the Lenders are for the benefit of the Lenders collectively and acting together and not severally and further acknowledges that its rights hereunder and under any Security are to be exercised not severally, but by the Administrative Agent upon the decision of the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for in the Loan Documents). Accordingly, notwithstanding any of the provisions contained herein or in any Security, each of the Lenders hereby covenants and agrees that it shall not be entitled to take any action hereunder or thereunder including any declaration of Default or Event of Default hereunder or thereunder but that any such action shall be taken only by the Administrative Agent with the prior written agreement of the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for in the Loan Documents). Each of the Lenders hereby further covenants and agrees that upon any such written agreement being given, it shall co-operate fully with the Administrative Agent to the extent requested by the Administrative Agent. Notwithstanding the foregoing, in the absence of instructions from the Lenders and where in the sole opinion of the Administrative Agent, acting reasonably and in good faith, the exigencies of the situation warrant such action, the Administrative Agent may without notice to or consent of the Lenders take such action on behalf of the Lenders as it deems appropriate or

desirable in the interest of the Lenders. Subject to the foregoing, if the Borrower or any other Credit Party fails to perform any covenants on its part herein or under any Loan Document, the Administrative Agent may, in its discretion but need not, perform any covenant capable of being performed by the Administrative Agent and if the covenant requires the payment or expenditure of money, the Administrative Agent on behalf of the Lenders may make such payment or expenditure and all sums so expended shall be forthwith payable by the Borrower to the Administrative Agent on behalf of the Lenders and shall bear interest at the rate set out in Section 4.04.

18.10 **No Other Duties, etc.**

Anything herein to the contrary notwithstanding, none of the bookrunners, arrangers or holders of similar titles, if any, specified in this Agreement shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as the Administrative Agent or a Lender hereunder.

18.11 **Administrative Agent May File Proofs of Claim**

In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Credit Party, the Administrative Agent (irrespective of whether the principal of any Loan shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower or any Guarantor) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

- (a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders and the Administrative Agent under Article 20 allowed in such judicial proceeding); and
- (b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Article 20.

18.12 **Appointment as Hypothecary Representative**

(1) For the purposes of holding any security (including the Hypothec) granted by the Credit Parties pursuant to the laws of the Province of Quebec to secure the Obligations or the payment of any bond issued by the Credit Parties, as the case may be, the Administrative Agent is hereby appointed to act as the hypothecary representative (*fondé de pouvoir*) pursuant to Article 2692 of the CCQ to act on behalf of each of the Lenders. Each Person who is or becomes a Lender and each assignee holder of any bond issued by the Credit Parties shall be deemed to ratify such appointment by its execution of a Lender Assignment and Assumption. The Administrative Agent agrees to act in such capacity. Each party hereto agrees that, notwithstanding Section 32 of An Act respecting the special powers of legal persons (Quebec), the Administrative Agent, as hypothecary representative (*fondé de pouvoir*), shall also be entitled to act as a Lender and to acquire and/or be the pledgee of any interest in the Collateral Mortgage Bond or other titles of indebtedness to be issued under the Hypothec executed by or on behalf of the Credit Parties, as the case may be.

(2) The Borrower and each Guarantor hereby acknowledges that all titles of indebtedness to be issued under the Hypothec constitute a title of indebtedness, as such term is used in Article 2692 of the CCQ. The execution by the Administrative Agent, acting as hypothecary representative (*fondé de pouvoir*) and mandatary, prior to the date of this Agreement of any deeds of hypothec or other security documents is hereby ratified and confirmed. The Administrative Agent, acting as hypothecary representative (*fondé de pouvoir*) shall have the same rights, powers, immunities, indemnities and exclusions from liability as are prescribed in favour of the Administrative Agent hereunder, which shall apply mutatis mutandis to the Administrative Agent acting as hypothecary representative (*fondé de pouvoir*). Without limitation, the provisions of Section 18.07 of this Agreement shall apply mutatis mutandis to the resignation and appointment of a successor to the Administrative Agent acting as hypothecary representative (*fondé de pouvoir*).

**ARTICLE 19– NOTICES: EFFECTIVENESS;  
ELECTRONIC COMMUNICATION**

19.01 **Notices, etc.**

(1) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in Subsections 19.01(3) or (4)) all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier or electronic mail to the addresses, telecopier numbers or e-mail addresses specified elsewhere in this Agreement or, if to a Lender, to it at its address or telecopier number specified in the Register as defined in Section 21.01(3).

(2) Delivery. Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by telecopier shall be deemed to have been given when sent (except that, if not given on a Business Day between 9:00 a.m. and 5:00 p.m. local time where the recipient is located, shall be deemed to have been given at 9:00 a.m. on the next Business Day for the recipient). Notices delivered

through electronic communications to the extent provided in Subsections 19.01(3) or (4) below, shall be effective as provided therein.

(3) Electronic Communications. Notices and other communications to the Administrative Agent for itself and on behalf of the Lenders hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender of Loans to be made if such Lender has notified the Administrative Agent that it is incapable of receiving notices by electronic communication. The Administrative Agent may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications. Notices and other communications to any Credit Party may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites).

(4) Delivery by Electronic Communication. Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii) above, if such notice, e-mail or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(5) Notice. The mailing addresses and address for electronic communications for the purposes of notices and other communications to the Credit Parties, the Administrative Agent and the Lenders are set out on the signature pages of this Agreement.

(6) Change of Address, Etc. Any party hereto may change its address or telecopier number for notices and other communications hereunder by notice to the other parties hereto in accordance with the terms of this Agreement.

(7) Platform

(a) Each Credit Party agrees that the Administrative Agent may, but shall not be obligated to, make the Communications (as defined below) available to the Lenders by posting the Communications on Debt Domain, Intralinks, Syndtrak or a substantially similar electronic transmission system (the "**Platform**").

(b) The Platform is provided "as is" and "as available." The Agent Parties (as defined below) do not warrant the adequacy of the Platform and expressly disclaim

liability for errors or omissions in the Communications. No warranty of any kind, express, implied or statutory, including, without limitation, any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects, is made by any Agent Party in connection with the Communications or the Platform. In no event shall the Administrative Agent or any of its Related Parties (collectively, the “**Agent Parties**”) have any liability to the Borrower or the other Credit Parties, any Lender or any other Person or entity for damages of any kind, including, without limitation, direct or indirect, special, incidental or consequential damages, losses or expenses (whether in tort, contract or otherwise) arising out of the Borrower’s, any Credit Party’s or the Administrative Agent’s transmission of communications through the Platform. “**Communications**” means, collectively, any notice, demand, communication, information, document or other material that any Credit Party provides to the Administrative Agent pursuant to any Loan Document or the transactions contemplated therein which is distributed to the Administrative Agent or any Lender by means of electronic communications pursuant to this Section, including through the Platform.

## **ARTICLE 20 – EXPENSES; INDEMNITY; DAMAGE WAIVER**

### 20.01 **Expenses; Indemnity; Damage Waiver**

(1) **Costs and Expenses.** Each Credit Party shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, in connection with the syndication of the Credit Facility provided for herein, in connection with the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), and (ii) all reasonable out-of-pocket expenses incurred by the Administrative Agent or any Lender including the reasonable fees, charges and disbursements of counsel, in connection with the enforcement or protection of its rights in connection with this Agreement and the other Loan Documents, including its rights under this Section, or in connection with all Loans made hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans.

(2) **Indemnification by Credit Parties.** Each Credit Party shall indemnify the Administrative Agent (and any sub-agent thereof), each Lender, and each Related Person any of the foregoing Persons (each such Person being called an “**Indemnitee**”) against, and hold each Indemnitee harmless from, any and all Claims suffered or incurred by any Indemnitee or asserted against any Indemnitee by any third party or by any Credit Party arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance or non-performance by the parties hereto of their respective obligations hereunder or thereunder or the consummation or non-consummation of the transactions contemplated hereby or thereby, (ii) any Loan, or the use or proposed use of the proceeds therefrom, (iii) any environmental matters arising during or prior to any Credit Party’s ownership, possession, operation of control of a

Secured Property owned or operated by any Credit Party, any actual or alleged use, generation, storage, escape, seepage, leakage, spillage, disposal, presence or release on, from or under any Secured Property of any Hazardous Substance on or from any property owned or operated by the Credit Parties, any breach of Environmental Laws by the Credit Parties or any environmental liability related in any way to the Credit Parties (notwithstanding any provision of the Loan Documents to the contrary, the indemnification under this Section 20.01(2)(iii) shall survive the repayment of the Loans and the discharge and/or release of any Security), or (iv) any actual or prospective Claim relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by any Credit Party and regardless of whether any Indemnitee is a party thereto, provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such Claims (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence, criminal acts or omissions or wilful misconduct of such Indemnitee or (y) result from a claim brought by the Credit Parties against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if the Credit Parties have obtained a final and nonappealable judgment in its favour on such claim as determined by a court of competent jurisdiction, nor shall it be available in respect of matters specifically addressed in Section 14.01, Section 14.02 and Section 20.01(1) or (z) are ordinary administrative expenses incurred by the Indemnitee in the ordinary course of business.

(3) Reimbursement by Lenders. To the extent that the Borrower for any reason fail to indefeasibly pay any amount required under Sections 20.01(1) or (2) to be paid by them to the Administrative Agent (or any sub-agent thereof) or any Related Person of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent) or such Related Person, as the case may be, such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) in its capacity as such, or against any Related Person of any of the foregoing acting for the Administrative Agent (or any such sub-agent) in connection with such capacity. The obligations of the Lenders under this Subsection 20.01(3) are subject to the other provisions of this Agreement concerning several liability of the Lenders.

(4) Waiver of Consequential Damages, Etc. To the fullest extent permitted by Applicable Laws, the Credit Parties shall not assert, and hereby waives, any claim against any Indemnitee, on any theory of liability, for indirect, consequential, punitive, aggravated or exemplary damages (as opposed to direct damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby (or any breach thereof), the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof. No Indemnitee shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby, provided such information or materials are distributed by such Indemnitee in accordance with the provisions of this Agreement or related term sheet or other agreement between the Administrative Agent and the Borrower in respect of the Credit Facility.

(5) Payments. All amounts due under this Section shall be payable promptly after demand therefor. A certificate of the Administrative Agent or a Lender setting forth the amount or amounts owing to the Administrative Agent, Lender or a sub-agent or Related Person, as the case may be, as specified in this Section, including reasonable detail of the basis of calculation of the amount or amounts, and delivered to the Borrower shall be conclusive absent manifest error.

(6) Specific Environmental Indemnity. The Credit Parties shall indemnify each Indemnitee and hold each Indemnitee harmless at all times from and against any and all losses, damages and costs (including reasonable counsel fees and out-of-pocket expenses) resulting from any legal action commenced or claim made by a third party against any Indemnitee related to or as a result of actions or omissions on the part of any Credit Party related to or as a consequence of environmental matters or any requirements of Environmental Laws concerning the Secured Properties. The Credit Parties shall have the sole right, at their expense, to control any such legal action or claim and to settle on terms and conditions approved by the Credit Parties and approved by the party named in such legal action or claim, acting reasonably, provided that if, the interests of the Indemnitee are different from those of the Credit Parties in connection with such legal action or claim, any such Indemnitee shall have the sole right, at the each Indemnitee's expense, to defend their own interests provided that any settlement of such legal action or claim shall be on terms and conditions approved by the Credit Parties, acting reasonably. If a Lender elects to defend such legal action or claim, they shall promptly notify the Borrower of same and shall make reasonable efforts to consult with the Borrower on an ongoing basis in connection with such matter. If the Credit Parties do not defend the legal action or claim, such Lender shall have the right to do so on its own behalf and on behalf of the Credit Parties at the expense of such Credit Parties.

(7) Survival. The provisions of this Article 20 will survive the repayment of all Loans, whether on account of principal, interest or fees, and the termination of this Agreement, unless a specific release of such provisions by the Administrative Agent, on behalf of the Lenders, is delivered to the Borrower.

## **ARTICLE 21 – SUCCESSORS AND ASSIGNS**

### **21.01 Successors and Assigns**

(1) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that no Credit Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and all Lenders and no Lender may not assign or otherwise transfer any of its rights or obligations hereunder except (i) to an Eligible Assignee in accordance with the provisions of Section 21.01(2), (ii) by way of participation in accordance with the provisions of Section 21.01(4), or (iii) by way of pledge or assignment of a security interest subject to the restrictions of Section 20.01(6) (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in Subsection 21.01(4) and, to the extent expressly

contemplated hereby, the Related Persons of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(2) Assignments by Lenders. Any Lender may at any time assign to one or more Eligible Assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and all outstanding Loans at the time owing to it), provided that:

- (a) except if an Event of Default has occurred and is continuing or in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment and the outstanding Loans at the time owing to it or in the case of an assignment to an existing Lender or an Affiliate of an existing Lender, the aggregate amount of the Commitment being assigned (which for this purpose includes all outstanding Loans owing to it thereunder) or, if the applicable Commitment is not then in effect, the principal outstanding balance of all outstanding Loans of the assigning Lender subject to each such assignment (determined as of the date the Lender Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Lender Assignment and Assumption, as of the Trade Date) in the case of the Swingline Facility, less than the whole of the interest of the Swingline Lender and, otherwise, shall not be less than \$[Redacted - Amount] and in increments of \$[Redacted - Amount] thereof, unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents to a lower amount (each such consent not to be unreasonably withheld or delayed);
- (b) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the outstanding Loans or the Commitment assigned, except that this clause (b) shall not prohibit any Lender from assigning all or a portion of its rights and obligations among separate credits on a non-pro rata basis;
- (c) any assignment must be approved by the Administrative Agent (such approval not to be unreasonably withheld or delayed);
- (d) any assignment must be to an Eligible Assignee;
- (e) notwithstanding any provision of this Agreement to the contrary, any assignment by a Lender of all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans at the time owing to it) shall include such Lender's equal pro rata share of its Commitment and the Loans under the Credit Facility (and any attempted assignment or transfer by any Lender of an unequal pro rata share of its Commitment and Loans under the Credit Facility shall be null and void); and
- (f) the parties to each assignment shall execute and deliver to the Administrative Agent the Lender Assignment and Assumption, together with a processing fee in

the following sentence. Each assignment shall be made upon payment by the assignor to the Administrative Agent of a processing fee of \$[Redacted - Amount] (provided, in each case, that no such fee shall be payable in respect of any assignment (i) to any Affiliate of such Lender; or (ii) by the Administrative Agent or any of its Affiliates), provided that, in the case of contemporaneous assignments by a Lender to more than one fund managed by the same investment advisor or an Affiliate of such investment advisor (which funds are not then Lenders hereunder), only a single such fee shall be payable for all such contemporaneous assignments.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to Section 20.01(3), from and after the effective date specified in each Lender Assignment and Assumption, the Eligible Assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Lender Assignment and Assumption, have the rights and obligations of a Lender under this Agreement and the other Loan Documents, including any collateral security, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Lender Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of a Lender Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Article 14 and Article 20, and shall continue to be liable for any breach of this Agreement by such Lender, with respect to facts and circumstances occurring prior to the effective date of such assignment; provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this paragraph shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 21.01(4). Any payment by an assignee to an assigning Lender in connection with an assignment or transfer shall not be or be deemed to be a repayment, discharge, rescission, extinguishment or novation of any extension of credit by such Lender under this Agreement or interest therein or a new Loan to the Borrower, and the obligations so assigned will continue to be the same obligations and not new obligations.

(3) Register. The Administrative Agent shall maintain at one of its offices in Toronto, Ontario a copy of each Lender Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts of the outstanding Loans owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive, absent manifest error, and the Borrower, the Administrative Agent and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(4) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than a natural person, the Credit Parties or any Affiliate of any Credit Party) (each, a "**Participant**") in all or a

portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the outstanding Loans owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (iii) the Borrower, the Administrative Agent 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. Any payment by a Participant to a Lender in connection with a sale of a participation shall not be or be deemed to be a repayment by the Borrower or a new Loan to the Borrower.

Subject to Subsection 21.01(5), each Credit Party agrees that each Participant shall be entitled to the benefits of Article 14 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (2) of this Section, provided such Participants agree to be subject to Article 16 as though they were Lenders. To the extent permitted by Applicable Laws, each Participant also shall be entitled to the benefits of Section 15.01 as though it were a Lender, provided such Participant agrees to be subject to Article 16 as though it were a Lender.

(5) Limitations upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Sections 14.01 and 14.02 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made in accordance with this Agreement.

(6) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, but no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

## **ARTICLE 22 – AMENDMENTS AND WAIVERS**

### **22.01 Amendments and Waivers**

No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by the Borrower and the Administrative Agent for and on behalf of the Lenders or the Required Lenders, as the case may be. No waiver of any breach of any provision of the Loan Documents and no consent required hereunder will be effective or binding unless made in writing and signed by the party purporting to give the same. Unless otherwise provided, any waiver or consent given hereunder will be limited to the specific breach waived or matter consented to, as the case may be, and may be subject to such conditions as the party giving such waiver or consent considers appropriate.

## **ARTICLE 23– GOVERNING LAW; JURISDICTION; ETC.**

### **23.01 Governing Law; Jurisdiction; Etc.**

(1) Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the laws of Canada applicable in that Province.

(2) Submission to Jurisdiction. Each Credit Party irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the courts of the Province of Ontario, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any other Loan Document, or for recognition or enforcement of any judgment, and each of the parties hereto irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such court. Each of the parties hereto agrees that a final, non-appealable judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement or in any other Loan Document shall affect any right that the Administrative Agent or any Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Loan Document against each Credit Party or its properties in the courts of any jurisdiction.

(3) Waiver of Venue. Each Credit Party irrevocably and unconditionally waives, to the fullest extent permitted by Applicable Laws, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any other Loan Document in any court of the Province of Ontario. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by Applicable Laws, the defence of an inconvenient forum to the maintenance of such action or proceeding in any such court.

#### **ARTICLE 24 – WAIVER OF JURY TRIAL**

##### **24.01 Waiver of Jury Trial**

EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAWS, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

#### **ARTICLE 25 – COUNTERPARTS; INTEGRATION; EFFECTIVENESS; ELECTRONIC EXECUTION**

##### **25.01 Counterparts; Integration; Effectiveness; Electronic Execution**

(1) Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement shall become effective when it has been executed by the Administrative Agent

and when the Administrative Agent has received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or by sending a scanned copy by electronic mail shall be effective as delivery of a manually executed counterpart of this Agreement.

(2) Electronic Execution of Assignments. The words “execution,” “signed,” “signature,” and words of like import in any Lender Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any Applicable Laws, including Parts 2 and 3 of the *Personal Information Protection and Electronic Documents Act* (Canada), the *Electronic Commerce Act, 2000* (Ontario) and other similar federal or provincial laws based on the *Uniform Electronic Commerce Act of the Uniform Law Conference of Canada* or its *Uniform Electronic Evidence Act*, as the case may be.

## **ARTICLE 26 – TREATMENT OF CERTAIN INFORMATION: CONFIDENTIALITY**

### **26.01 Treatment of Certain Information: Confidentiality**

(1) Each of the Administrative Agent and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to it, its Affiliates and its Related Parties (to the extent necessary to administer or enforce this Agreement and the other Loan Documents) (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and will be bound and instructed to keep such Information confidential), (b) to the extent required or requested by any regulatory authority having jurisdiction over such Person or its Related Parties (including any self-regulatory authority), (c) to the extent required by Applicable Laws or other legal process, (d) to any other party hereto, (e) to the extent reasonable, in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap, derivative, credit-linked note or similar transaction relating to the Borrower and its obligations, (g) with the consent of the Borrower or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent or any Lender on a non-confidential basis from a source other than the Borrower and provided such source has not, to the knowledge of the Administrative Agent or such Lender, breached a duty of confidentiality owed to the Borrower, the Administrative Agent or the Lenders. If the Administrative Agent or any Lender is requested or required to disclose any Information pursuant to or as required by Applicable Laws or by an subpoena or similar legal process, the Administrative Agent or such Lender, as applicable, shall use its reasonable commercial efforts to provide the Borrower with notice of such requests or obligation in sufficient time so that the Borrower may seek an appropriate protective order or waive the Administrative Agent’s, or such Lender’s, as

applicable, compliance with the provisions of this Section, and the Administrative Agent and such Lender, as applicable, shall co-operate with the Borrower in obtaining any such protective order.

(2) For purposes of this Section, “**Information**” means all information relating to the Borrower or any of its Affiliates or any of their respective businesses, other than any such information that is available to the Administrative Agent or any Lender on a non-confidential basis prior to such receipt. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. In addition, the Administrative Agent may disclose to any agency or organization that assigns standard identification numbers to loan facilities such basic information describing the facilities provided hereunder as is necessary to assign unique identifiers (and, if requested, supply a copy of this Agreement), it being understood that the Person to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to make available to the public only such Information as such person normally makes available in the course of its business of assigning identification numbers.

(3) In addition, and notwithstanding anything herein to the contrary, the Administrative Agent may provide information concerning the Credit Parties and the Credit Facility established herein to the Loan Pricing Corporation and/or recognized trade publishers of information for general circulation in the loan market.

(4) In addition, and notwithstanding anything herein to the contrary, the Credit Parties agree to maintain the confidentiality of, and shall not disclose, the contents of the definition of Applicable Margin, reference herein to any fees or, at the request of any Lender, the identity of such Lender and the Administrative Agent shall have the right to require the Credit Parties to redact the definition of Applicable Margin, reference herein to any fees and such other information that the Administrative Agent may wish to redact (including, without limitation, the identity of the Lenders where requested by a Lender) with respect to this Agreement in accordance with National Instrument 51-102 and Applicable Law prior to the Borrower or its agents posting this Agreement on SEDAR ([www.sedar.com](http://www.sedar.com)), provided that the proposed redactions are, according to the Borrower (other than with respect to the redaction of the Applicable Percentage and fees), in accordance with National Instrument 51-102 and Applicable Law. The Administrative Agent and the Borrower shall each act reasonably in determining the extent of any redaction prior to any posting on SEDAR. The Credit Parties shall provide written notice to the Administrative Agent of any request by a securities commission to amend the redaction of the identity of the Lenders.

## **ARTICLE 27 – LANGUAGE**

### **27.01 Language**

The parties acknowledge that they have required that this Agreement, as well as all documents, notices and legal proceedings executed, given or instituted pursuant or relating directly or indirectly hereto, be drawn up in English (except as the parties may otherwise agree in

writing). Les parties reconnaissent avoir exigé la rédaction en anglais de ce contrat, ainsi que de tous documents exécutés, avis donnés et procédures judiciaires intentées, directement ou indirectement, à la suite de ou relativement au présent contrat.

**ARTICLE 28 – NATURE OF OBLIGATIONS,  
RECOURSE AND DIRECTION**

28.01      **Nature of Obligations under this Agreement and Recourse**

(1) The obligations of each Lender and the Administrative Agent under this Agreement are several. The failure of any Lender to carry out its obligations hereunder shall not relieve the other Lenders, the Administrative Agent or any Credit Party of any of their respective obligations hereunder. Neither the Administrative Agent nor any Lender shall be responsible for the obligations of any other Lender hereunder.

(2) The obligations of the Credit Parties under the Loan Documents (including the Obligations of the Borrower) are joint and several and the Administrative Agent and the Lenders may pursue their remedies against one or more of the Credit Parties and/or any Secured Property and the Collateral (or any part thereof) at its sole, absolute and unfettered discretion without the requirement of pursuing their remedies against any of the other parties or any Secured Property or the Collateral (or any part thereof). For greater certainty, the Credit Parties acknowledge and agree that the Administrative Agent and the Lenders shall not be required to enforce against any Secured Property or the Collateral (or any part thereof) prior to demanding payment from a Credit Party and payment by the Borrower or any Guarantor shall not prevent the Administrative Agent or the Lenders from realizing upon the collective interest of the Credit Parties in the Secured Properties or the Collateral (or any part thereof).

(3) Nothing in this Agreement or in any of the other Loan Documents shall mean, nor be construed to mean, that the recourse of the Administrative Agent and the Lenders against each Credit Party and the Secured Properties is anything other than full recourse with regard to the Obligations hereunder, the manner and order of realization or the exercise of remedies hereunder or under the Loan Documents.

(4) Each Guarantor acknowledges and agrees that the Borrower may execute a Drawdown Notice or any Conversion Notice or Rollover Notice, any written request, Compliance Certificate, Officer's Certificate or any document or agreement contemplated under the Loan Documents and that it shall be bound by any such notice, request, certificate, document or agreement executed and delivered by the Borrower and shall continue to be liable thereunder pursuant to Article 12.

***[Signature pages follow]***

IN WITNESS WHEREOF the parties have executed this Agreement.

**BORROWER:**

**STORAGEVAULT CANADA INC.**

Address:

By:

**StorageVault Canada Inc.**  
100 Canadian Road  
Toronto, ON M1R 4Z5

*“Iqbal Khan”*

Attention: Mr. Steven Scott or Mr. Iqbal Khan

\_\_\_\_\_  
Name: Iqbal Khan  
Title: Authorized Signing Officer

Email: srs@accessstorage.ca or  
ik@accessstorage.ca

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

I/We have authority to bind the Corporation

**GUARANTORS:**

**SENTINEL SELF-STORAGE  
CORPORATION**

Address:

Sentinel Self-Storage Corporation  
c/o StorageVault Canada Inc.  
100 Canadian Road  
Toronto, ON M1R 4Z5

By:

*“Iqbal Khan”*

Attention: Mr. Steven Scott or Mr.  
Iqbal Khan

---

Name: Iqbal Khan  
Title: Authorized Signing Officer

Email: srs@accessstorage.ca or  
ik@accessstorage.ca

---

Name:  
Title:

I/We have authority to bind the Corporation

**GUARANTORS:**

**CQ 1975 LAND CORPORATION**

Address:

By:

**CQ 1975 Land Corporation**  
c/o StorageVault Canada Inc.  
100 Canadian Road  
Toronto, ON M1R 4Z5

*"Iqbal Khan"*

Attention: Mr. Steven Scott or Mr. Iqbal Khan

---

Name: Iqbal Khan  
Title: Authorized Signing Officer

Email: srs@accessstorage.ca or  
ik@accessstorage.ca

---

Name:  
Title:

I/We have authority to bind the Corporation

**GUARANTORS:**

**RM 1975 LAND CORPORATION**

Address:

By:

**RM 1975 Land Corporation**  
c/o StorageVault Canada Inc.  
100 Canadian Road  
Toronto, ON M1R 4Z5

*"Iqbal Khan"*

Attention: Mr. Steven Scott or Mr. Iqbal Khan

---

Name: Iqbal Khan  
Title: Authorized Signing Officer

Email: srs@accessstorage.ca or  
ik@accessstorage.ca

---

Name:  
Title:

I/We have authority to bind the Corporation

**GUARANTORS:**

**VS 1975 LAND CORPORATION**

Address:

By:

**VS 1975 Land Corporation**  
c/o StorageVault Canada Inc.  
100 Canadian Road  
Toronto, ON M1R 4Z5

*"Iqbal Khan"*

Attention: Mr. Steven Scott or Mr. Iqbal Khan

---

Name: Iqbal Khan  
Title: Authorized Signing Officer

Email: srs@accessstorage.ca or  
ik@accessstorage.ca

---

Name:  
Title:

I/We have authority to bind the Corporation

**GUARANTORS:**

**CC 1975 LAND CORP.**

Address:

By:

**CC 1975 Land Corp.**  
c/o StorageVault Canada Inc.  
100 Canadian Road  
Toronto, ON M1R 4Z5

*"Iqbal Khan"*

Attention: Mr. Steven Scott or Mr. Iqbal Khan

---

Name: Iqbal Khan  
Title: Authorized Signing Officer

Email: srs@accessstorage.ca or  
ik@accessstorage.ca

---

Name:  
Title:

I/We have authority to bind the Corporation

**GUARANTORS:**

**CG 1975 LAND CORP.**

Address:

By:

**CG 1975 Land Corp.**  
c/o StorageVault Canada Inc.  
100 Canadian Road  
Toronto, ON M1R 4Z5

*"Iqbal Khan"*

Attention: Mr. Steven Scott or Mr. Iqbal Khan

---

Name: Iqbal Khan  
Title: Authorized Signing Officer

Email: srs@accessstorage.ca or  
ik@accessstorage.ca

---

Name:  
Title:

I/We have authority to bind the Corporation

**GUARANTORS:**

**CN 1975 LAND CORP.**

Address:

By:

**CN 1975 Land Corp.**  
c/o StorageVault Canada Inc.  
100 Canadian Road  
Toronto, ON M1R 4Z5

*"Iqbal Khan"*

Attention: Mr. Steven Scott or Mr. Iqbal Khan

---

Name: Iqbal Khan  
Title: Authorized Signing Officer

Email: srs@accessstorage.ca or  
ik@accessstorage.ca

---

Name:  
Title:

I/We have authority to bind the Corporation

**GUARANTORS:**

**EA 1975 LAND CORP.**

Address:

By:

**EA 1975 Land Corp.**  
c/o StorageVault Canada Inc.  
100 Canadian Road  
Toronto, ON M1R 4Z5

*"Iqbal Khan"*

Attention: Mr. Steven Scott or Mr. Iqbal Khan

---

Name: Iqbal Khan  
Title: Authorized Signing Officer

Email: srs@accessstorage.ca or  
ik@accessstorage.ca

---

Name:  
Title:

I/We have authority to bind the Corporation

**GUARANTORS:**

**EK 1975 LAND CORP.**

Address:

By:

**EK 1975 Land Corp.**  
c/o StorageVault Canada Inc.  
100 Canadian Road  
Toronto, ON M1R 4Z5

*“Iqbal Khan”*

Attention: Mr. Steven Scott or Mr. Iqbal Khan

---

Name: Iqbal Khan  
Title: Authorized Signing Officer

Email: srs@accessstorage.ca or  
ik@accessstorage.ca

---

Name:  
Title:

I/We have authority to bind the Corporation

**GUARANTORS:**

**EN 1975 LAND CORP.**

Address:

By:

**EN 1975 Land Corp.**  
c/o StorageVault Canada Inc.  
100 Canadian Road  
Toronto, ON M1R 4Z5

*“Iqbal Khan”*

Attention: Mr. Steven Scott or Mr. Iqbal Khan

---

Name: Iqbal Khan  
Title: Authorized Signing Officer

Email: srs@accessstorage.ca or  
ik@accessstorage.ca

---

Name:  
Title:

I/We have authority to bind the Corporation

**GUARANTORS:**

**EP 1975 LAND CORP.**

Address:

By:

**EP 1975 Land Corp.**

c/o StorageVault Canada Inc.  
100 Canadian Road  
Toronto, ON M1R 4Z5

*"Iqbal Khan"*

Attention: Mr. Steven Scott or Mr. Iqbal Khan

---

Name: Iqbal Khan

Title: Authorized Signing Officer

Email: srs@accessstorage.ca or  
ik@accessstorage.ca

---

Name:

Title:

I/We have authority to bind the Corporation

**GUARANTORS:**

**ES 1975 LAND CORP.**

Address:

By:

**ES 1975 Land Corp.**  
c/o StorageVault Canada Inc.  
100 Canadian Road  
Toronto, ON M1R 4Z5

*"Iqbal Khan"*

Attention: Mr. Steven Scott or Mr. Iqbal Khan

---

Name: Iqbal Khan  
Title: Authorized Signing Officer

Email: srs@accessstorage.ca or  
ik@accessstorage.ca

---

Name:  
Title:

I/We have authority to bind the Corporation

**GUARANTORS:**

**CW 1975 LAND CORP.**

Address:

By:

**CW 1975 Land Corp.**  
c/o StorageVault Canada Inc.  
100 Canadian Road  
Toronto, ON M1R 4Z5

*“Iqbal Khan”*

Attention: Mr. Steven Scott or Mr. Iqbal Khan

---

Name: Iqbal Khan  
Title: Authorized Signing Officer

Email: srs@accessstorage.ca or  
ik@accessstorage.ca

---

Name:  
Title:

I/We have authority to bind the Corporation

**GUARANTORS:**

**FM 1975 LAND CORP.**

Address:

By:

**FM 1975 Land Corp.**  
c/o StorageVault Canada Inc.  
100 Canadian Road  
Toronto, ON M1R 4Z5

*"Iqbal Khan"*

Attention: Mr. Steven Scott or Mr. Iqbal Khan

---

Name: Iqbal Khan  
Title: Authorized Signing Officer

Email: srs@accessstorage.ca or  
ik@accessstorage.ca

---

Name:  
Title:

I/We have authority to bind the Corporation

**GUARANTORS:**

**RD 1975 LAND CORP.**

Address:

By:

**RD 1975 Land Corp.**  
c/o StorageVault Canada Inc.  
100 Canadian Road  
Toronto, ON M1R 4Z5

*“Iqbal Khan”*

Attention: Mr. Steven Scott or Mr. Iqbal Khan

---

Name: Iqbal Khan  
Title: Authorized Signing Officer

Email: srs@accessstorage.ca or  
ik@accessstorage.ca

---

Name:  
Title:

I/We have authority to bind the Corporation

**ADMINISTRATIVE AGENT:**

**THE BANK OF NOVA SCOTIA,**  
as Administrative Agent

Address:

**The Bank of Nova Scotia, as Agent**  
GWS – Loan Administration and Agency Services  
2<sup>nd</sup> Floor, 720 King Street  
Toronto, ON M5V 2T3  
Attention: Senior Manager  
Email:  
GWSLoanOps.CndCorp.LoanServicing@scotiabank.com

By:

*“Clement Yu”*

---

Name: Clement Yu  
Title: Director

*“Ryan Moonilal”*

---

Name: Ryan Moonilal  
Title: Analyst

With a copy to:

**Corporate Banking – Loan Syndications**  
40 King Street West, 55th Floor  
Toronto, Ontario M5W 2X6  
Attention: Managing Director  
Facsimile: (416) 866-2009

**LENDERS:**

**THE BANK OF NOVA SCOTIA**, as Lender

By:

*“Suneel Pari”*

---

Name: Suneel Pari

Title: Associate Director

*“Ross Hodgson”*

---

Name: Ross Hodgson

Title: Director

**LENDERS:**

**NATIONAL BANK OF CANADA**, as Lender

By:

*“Ben Ciallella”*

---

Name: Ben Ciallella

Title: Managing Director

*“David Torrey”*

---

Name: David Torrey

Title: Managing Director

**LENDERS:**

**THE TORONTO-DOMINION BANK**, as Lender

By:

*“Jeff Killip”*

---

Name: Jeff Killip

Title: Vice President

*“Stephen O’Neil”*

---

Name: Stephen O’Neil

Title: Director

**LENDERS:**

**BANK OF MONTREAL, as Lender**

By:

*"J. Li"*

---

Name: J. Li  
Title: Director

---

Name:  
Title:

**LENDERS:**

**RAYMOND JAMES FINANCE COMPANY  
OF CANADA LTD., as Lender**

By:

*“Cormac Mac Lochlainn”*

---

Name: Cormac Mac Lochlainn

Title: Senior Vice President  
Corporate & Real Estate Banking  
Raymond James Finance Company  
of Canada Ltd.

---

Name:

Title:

**LENDERS:**

**CANADIAN IMPERIAL BANK OF  
COMMERCE, as Lender**

By:

*“Peter Block”*

---

Name: Peter Block

Title: Authorized Signatory

*“Rocco Calarco”*

---

Name: Rocco Calarco

Title: Authorized Signatory

**LENDERS:**

**CANADIAN WESTERN BANK, as Lender**

By:

*“Stan Seto”*

---

Name: Stan Seto

Title: Senior Manager

*“Mykhaylo Hotsaliuk”*

---

Name: Mykhaylo Hotsaliuk

Title: AVP, Corporate Lending

**Schedule A**

**Lenders and Commitments**

[Redacted - Lender and commitment information]

**Schedule 1.01 (A)**  
**Guarantors**

CQ 1975 Land Corporation (formerly 0930056 B.C. Ltd.)

RM 1975 Land Corporation (formerly 0807298 B.C. Ltd.)

VS 1975 Land Corporation (formerly 0714555 B.C. Ltd.)

CC 1975 Land Corp.

CG 1975 Land Corp.

CN 1975 Land Corp.

EA 1975 Land Corp.

EK 1975 Land Corp.

EN 1975 Land Corp.

EP 1975 Land Corp.

ES 1975 Land Corp.

CW 1975 Land Corp.

FM 1975 Land Corp.

RD 1975 Land Corp.

**Schedule 1.01 (B)**

**Compliance Certificate**

TO: **THE BANK OF NOVA SCOTIA**, as Administrative Agent

FROM: **STORAGEVAULT CANADA INC.** (the “**Borrower**”)

DATE: ●

---

This Compliance Certificate is delivered to you, as Administrative Agent, pursuant to Section 10.03 of the credit agreement made as of July 31, 2017 between and among the Borrower, you, as Administrative Agent, and the financial institutions from time to time parties thereto as Lenders, and the other Credit Parties from time to time parties thereto as Guarantors, as refinanced, amended, restated, supplemented or otherwise modified from time to time (the “**Credit Agreement**”). All terms used in this Compliance Certificate that are defined in the Credit Agreement have the same meanings herein.

I, [name], the [title] of the Borrower, certify for and on behalf of the Borrower, and not in my personal capacity and without personal liability, that:

1. Examinations. I have made or caused to be made such examinations or investigations as are, in my opinion, necessary to furnish this Compliance Certificate and I have furnished this Compliance Certificate with the intent that it may be relied upon by the Lenders as a basis for determining compliance by the Borrower with the Borrower’s covenants and obligations under the Credit Agreement. I have read and am familiar with the Credit Agreement including, in particular, the definitions of the various financial terms used in the Credit Agreement, the representations and warranties and covenants contained in Article 9 and Article 10 and the Events of Default described in Article 11 of the Credit Agreement.
2. Representations and Warranties All of the representations and warranties of the Credit Parties contained in Section 9.01 of the Credit Agreement are true and correct on and as of the date hereof as though made on and as of the date hereof, subject to changes thereto:
  - (a) given to the Administrative Agent by the Borrower and accepted in writing by the Administrative Agent, and
  - (b) expressly contemplated by the terms of the Credit Agreement and disclosed to the Administrative Agent in writing.
3. Terms, Covenants and Conditions All of the terms, covenants and conditions of the Credit Agreement and each of the other Loan Documents to be performed or complied

with by the Credit Parties at or prior to the date hereof have been performed or complied with.

4. Default No Default or Event of Default has occurred and is continuing on the date hereof.
5. Financial Statements Attached hereto are the financial statements of most recent date (“**Reference Date**”) referred to in Section 10.03 of the Credit Agreement. Such financial statements when read with the notes thereto and the reconciliation accompanying such financial statements, represents fairly the consolidated financial position of the Credit Parties as of the date of such statements and for the reporting period included in such statements, and such financial statements, and all calculations of financial covenants and financial ratios and presentation of financial information in this Compliance Certificate and the Appendices hereto have been prepared in accordance with GAAP.
6. Borrowing Base. The Borrower is in compliance with the Borrowing Base provisions of Section 6.04 of the Credit Agreement as of the Reference Date as demonstrated in the calculations set forth in Appendix A to this Compliance Certificate. As of the Reference Date, the outstanding Loans under the Credit Facility do not exceed the Borrowing Base.
7. Financial Covenant Compliance

A. Tangible Net Worth

The Borrower is in compliance with the Tangible Net Worth requirements of Section 10.02(1) of the Credit Agreement as demonstrated in the calculations set forth in Appendix B to this Compliance Certificate.

B. Actual Debt to Assets Ratio

The Borrower is in compliance with the Actual Debt to Assets Ratio requirements of Section 10.02(2) of the Credit Agreement as demonstrated in the calculations set forth in Appendix C.

C. Actual Debt Service Coverage Ratio

The Borrower is in compliance with the Actual Debt Service Coverage Ratio requirements of Section 10.02(3) of the Credit Agreement as demonstrated in the calculations set forth in Appendix D to this Compliance Certificate.

8. Qualifying Hedge Arrangements and Aggregate Hedge Exposure

As of the date of this Compliance Certificate, the details of the Qualifying Hedge Arrangements by the Borrower are as follows: ●

As of the date of this Compliance Certificate, Aggregate Hedge Exposure of the Borrower under all Qualifying Hedge Arrangements is as follows: ●

**DATED** \_\_\_\_ day of \_\_\_\_ . 201● .

---

Name:  
Title:

**APPENDIX A TO COMPLIANCE CERTIFICATE (REFERENCE DATE ●)**

**Borrowing Base – Storage Vault Canada Inc. – Sentinel Acquisition with Normalization Adjustment (as applicable)**

	Property	Location	Occ%	F201● NOI (with Normalization Adjustment, as applicable)	Applicable Cap Rate	Capitalized Value	A	B	Lending Value (lesser of A or B)
							Margined value @ ● LTV (See Note 1)	Refinancing Value	
1.	195 Schoolhouse St.	Coquitlam							
2.	8866 Laurel St.	Vancouver							
3.	11151 Bridgeport Rd.	Richmond							
4.	410 Manning Road NE	Calgary							
5.	5950 - 12th Street SE	Calgary							
6.	2 Bowridge Dr. NW	Calgary							
7.	2135 Pegasus Dr. NE	Calgary							
8.	9920 - 63 Ave.	Edmonton							
9.	11444 - 119 Street	Edmonton							
10.	5403 - 136 Ave.	Edmonton							
11.	21010 - 100 Ave.	Edmonton							
12.	9944 - 33 Ave.	Edmonton							
13.	355 MacAlpine Cres.	Fort McMurray							
14.	5433 - 47 Street	Red Deer							
15.	11 Paramount Road	Winnipeg							
16.	3101 Pembina Highway	Winnipeg							
17.	12230 Kennedy Road	Stouffville							
18.	475 Harwood Ave. N	Ajax							
19.	18970 TransCanada Hwy	Baie-d'Urfe							
20.	231 Damascus Road	Bedford							

Borrowing Base  
Facility Limit 270,000,000  
**Maximum Availment**

Valuation assumptions	
Rate	4.00%
Amortization	25
Payments	300
Required DSCR	● (See Note 2)

Note 1: See “Margined Value” for applicable percentage; and  
Note 2: See “Net Refinancing Value” for applicable DSCR.

**APPENDIX B TO COMPLIANCE CERTIFICATE (REFERENCE DATE ●)**

**Calculation of Tangible Net Worth**

Tangible Net Worth

\$●

(Required minimum Tangible Net Worth is not less  
\$300,000,000 (see Section 10.02(1) of the Credit  
Agreement)).

**APPENDIX C TO COMPLIANCE CERTIFICATE (REFERENCE DATE ●)**

**Calculation of Actual Debt to Assets Ratio**

Consolidated Indebtedness	\$●
Fair Market Value	\$●
Actual Debt to Assets Ratio (Required ratio of Actual Debt to Assets Ratio does not exceed for the period: (a) from initial Drawdown until June 29, 2018, seventy percent (70%), and (b) at all times thereafter sixty-five per cent (65%) (see Section 10.02(2) of the Credit Agreement))	●x

**APPENDIX D TO COMPLIANCE CERTIFICATE (REFERENCE DATE ●)**

**Calculation of Actual Debt Service Coverage Ratio**

Adjusted Net Operating Income	\$●
Consolidated Interest Expense	\$●
plus:	
Required Principal Payments	\$●
	<hr/>
	Adjusted Net Operating Income
	\$●
	Debt Service
	\$●
(Actual Debt Service Coverage Ratio is not less than [Redacted - Ratio]x (see Section 10.02(3) of the Credit Agreement))	Debt Servicing Coverage Ratio
	●x

**Schedule 1.01(C)**

**Conversion Notice**

TO: **THE BANK OF NOVA SCOTIA**, as Administrative Agent

FROM: **STORAGEVAULT CANADA INC.**

DATE: •

1. This Conversion Notice is delivered to you pursuant to the credit agreement made as of July 31, 2017, between, *inter alia*, the Borrower, you, as Administrative Agent, and the financial institutions from time to time parties thereto as Lenders, and the other Credit Parties from time to time parties thereto as Guarantors, as refinanced, amended, restated, supplemented or otherwise modified from time to time (the “**Credit Agreement**”). All terms used in this Conversion Notice that are defined in the Credit Agreement have the same meanings herein.

2. The Borrower hereby requests a Conversion under the Credit Facility as follows:

(a) Type and amount of each Loan to be converted (check appropriate boxes):

Amount

(i) Prime Rate Loan: Cdn. \_\_\_\_\_  
\$ \_\_\_\_\_

(ii) Bankers’ Acceptances (BA Equivalent Advance):

<u>Amount</u>	<u>Term in Months</u>	<u>Rollover Amount</u>
Cdn. \$ _____	_____	Cdn. \$ _____
_____	_____	_____
_____	_____	_____

Total Cdn. \$ \_\_\_\_\_

(b) Type and amount of each Loan resulting from Conversion (check appropriate boxes):

Amount

(i) Prime Rate Loan: Cdn.  
\$ \_\_\_\_\_

(ii) Bankers' Acceptances:

	<u>Amount</u>	<u>Term in Months</u>	<u>Rollover Amount</u>
Cdn.			Cdn.
\$	_____	_____	\$ _____
	_____	_____	_____
	_____	_____	_____

Total Cdn. \$ \_\_\_\_\_

3. No Default has occurred and is continuing or will have occurred and be continuing on the date of the above Conversion(s), or will result from the above Conversion(s).

**STORAGEVAULT CANADA INC.**

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

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

**Schedule 1.01 (D)**

**Drawdown Notice**

TO: **THE BANK OF NOVA SCOTIA**, as Administrative Agent

FROM: **STORAGEVAULT CANADA INC.**

DATE: ● \_\_\_\_\_

---

1. This Drawdown Notice is delivered to you pursuant to the credit agreement made as of July 31, 2017, between and among, *inter alia*, the Borrower, you, as Administrative Agent, and the financial institutions from time to time parties thereto as Lenders, and the other Credit Parties from time to time parties thereto as Guarantors, as refinanced, amended, restated, supplemented or otherwise modified from time to time (the “**Credit Agreement**”). All terms used in this Drawdown Notice that are defined in the Credit Agreement have the same meanings herein.

2. The Borrower hereby requests the following Loan(s):

(a) Drawdown Date: \_\_\_\_\_

(b) Type and Amount of each Loan:

(i) Prime Rate Loan: Amount  
Cdn \$ \_\_\_\_\_

(ii) Bankers Acceptances (BA Equivalent Advance)

	<u>Amount</u>	<u>Term in Months</u>	<u>Maturity Date</u>
Cdn \$	_____	_____	_____
	_____	_____	_____
	_____	_____	_____

Total Cdn. \$ \_\_\_\_\_

3. Representations and Warranties All of the representations and warranties of the Borrower contained in Section 9.01 of the Credit Agreement are true and correct on and as of the date hereof as though made on and as of the date hereof, subject to changes thereto:

- (a) given to the Administrative Agent by the Borrower and accepted in writing by the Required Lenders in their discretion; and
  - (b) expressly contemplated by the terms of the Credit Agreement and disclosed to the Administrative Agent in writing.
4. Conditions: All of the conditions precedent to the Loan(s) requested hereby that have not been properly waived in writing by the Administrative Agent have been satisfied.
5. No Default: No Default has occurred and is continuing or will have occurred and be continuing on the Drawdown Date, or will result from the Loan(s) requested hereby.
6. No Material Adverse Change: No Material Adverse Change has occurred and is continuing or will have occurred and be continuing on the Drawdown Date or will result from the Loan(s) requested hereby.

**STORAGEVAULT CANADA INC.**

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

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

**Schedule 1.01(E)**

**Secured Properties**

<b>Property Address</b>	<b>Legal Description</b>	<b>Registered Owner</b>	<b>Date of Nominee Agreement</b>	<b>Beneficial Owner</b>
<b>British Columbia (3)</b>				
195 Schoolhouse St, Coquitlam, V3K 4X8	LOT A DISTRICT LOT 47 GROUP 1 NEW WESTMINSTER DISTRICT PLAN LMP43257	CQ 1975 Land Corporation	February 14, 2012	Sentinel Self-Storage Corporation
11151 Bridgeport Rd, Richmond, V6X 1T3	LOT "H" SECTION 24 BLOCK 5 NORTH RANGE 6 WEST NEW WESTMINSTER DISTRICT PLAN 15409	RM 1975 Land Corporation	February 14, 2012	Sentinel Self-Storage Corporation
8866 Laurel St, Vancouver, V6P 3V8	LOT A BLOCKS C, D, Y AND Z DISTRICT LOTS 319, 323 and 324 PLAN 19029	VS 1975 Land Corporation	February 14, 2012	Sentinel Self-Storage Corporation
<b>Alberta (11)</b>				
410 Manning Road N.E., Calgary, T2E 8K4	PLAN 8711068 BLOCK 9 EXCEPTING THEREOUT ALL MINES AND MINERALS AREA: 2.11 HECTARES (5.21 ACRES) MORE OR LESS	CC 1975 Land Corp.	March 1, 2016	Sentinel Self-Storage Corporation
5950-12 Street S.E., Calgary, T2H 2X2	PLAN 9110366 BLOCK 9 LOT 10 EXCEPTING THEREOUT ALL MINES AND MINERALS AREA: 1.51 HECTARES (3.73 ACRES) MORE OR LESS	CG 1975 Land Corp.	March 1, 2016	Sentinel Self-Storage Corporation

Property Address	Legal Description	Registered Owner	Date of Nominee Agreement	Beneficial Owner
2135 Pegasus Road N.E., Calgary, T2E 8C3	PLAN 8210969 BLOCK 1 LOT 3 TO 5 INCLUSIVE EXCEPTING THEREOUT ALL MINES AND MINERALS	CN 1975 Land Corp.	March 1, 2016	Sentinel Self-Storage Corporation
2 Bowridge Drive N.W., Calgary, T3B 2T9	PLAN BOWNESS CALGARY 5565AH BLOCK FORTY SIX (46) THAT PORTION OF LOT THIRTY (30) WHICH LIES TO THE SOUTH WEST OF THE SUBDIVISION OF PLAN BOWNESS CALGARY 8725HM CONTAINING 2.879 HECTARES (7.12 ACRES) MORE OR LESS EXCEPTING THEREOUT: TRANS-CANADA HIGHWAY PLAN NUMBER 272IX CONTAINING HECTARES 0.934 (2.31 ACRES) MORE OR LESS EXCEPTING THEREOUT ALL MINES AND MINERALS	CW 1975 Land Corp.	March 1, 2016	Sentinel Self-Storage Corporation
9920 & 9924-63 Ave, Edmonton, T6E 0G9	PLAN 9122902 BLOCK 33 LOT 3A EXCEPTING THEREOUT ALL MINES AND MINERALS AREA: 1.359 HECTARES (3.36 ACRES) MORE OR LESS  PLAN 4460HW BLOCK 33 LOT 2 CONTAINING .6720 HECTARES (1.66	EA 1975 Land Corp.	March __, 2016	Sentinel Self-Storage Corporation

Property Address	Legal Description	Registered Owner	Date of Nominee Agreement	Beneficial Owner
	ACRES) MORE OR LESS EXCEPTING THEREOUT: A) PLAN 9822198 – DESCRIPTIVE 0.036 HECTARES (0.09 ACRES) EXCEPTING THEREOUT ALL MINES AND MINERALS			
11444-119 Street, Edmonton, T5G 4W1	PLAN 1184TR BLOCK 194 LOT D EXCEPTING THEREOUT ALL MINES AND MINERALS AREA: 1.2 HECTARES (2.97 ACRES) MORE OR LESS	EK 1975 Land Corp.	March 2, 2016	Sentinel Self-Storage Corporation
5403-136 Ave, Edmonton, T5G 5X8	PLAN 8722091 BLOCK 1 LOT 14A EXCEPTING THEREOUT ALL MINES AND MINERALS AREA: 1.44 HECTARES (3.56 ACRES) MORE OR LESS	EN 1975 Land Corp.	March 2, 2016	Sentinel Self-Storage Corporation
21010-100 Ave, Edmonton, T5G 5X8	PLAN 5496HW LOT 5 EXCEPTING THEREOUT ALL MINES AND MINERALS AREA: 1.48 HECTARES (3.66 ACRES) MORE OR LESS	EP 1975 Land Corp.	March 2, 2016	Sentinel Self-Storage Corporation
9944-33 Ave, Edmonton, T6N 1E8	PLAN 7920813 BLOCK TWO (2) LOT THIRTEEN (13) CONTAINING 1.48 HECTARES MORE OR LESS	ES 1975 Land Corp.	March 2, 2016	Sentinel Self-Storage Corporation

Property Address	Legal Description	Registered Owner	Date of Nominee Agreement	Beneficial Owner
	EXCEPTING THEREOUT: ALL THAT PORTION OF SAID LOT AS SHOWN IN LINED ON RIGHT-OF-WAY PLAN FILED 7920814 EXCEPTING THEREOUT ALL MINES AND MINERALS			
355 MacAlpine Cres., Fort McMurray, T9H 4Y4	PLAN 7921669 BLOCK 10 LOT 9 EXCEPTING THEREOUT ALL MINES AND MINERALS AREA: 2.12 HECTARES (5.24 ACRES) MORE OR LESS	FM 1975 Land Corp.	March 2, 2016	Sentinel Self-Storage Corporation
5433-47 Street, Red Deer, T4N 1S1	PLAN 5551KS BLOCK 8 LOT 2 CONTAINING 1.08 HECTARES (2.68 ACRES) MORE OR LESS EXCEPTING THEREOUT: A) PLAN 1621882 – ROAD 0.008 Hectares (0.02 ACRES) MORE OR LESS EXCEPTING THEREOUT ALL MINES AND MINERALS	RD 1975 Land Corp.	March 2, 2016	Sentinel Self-Storage Corporation
<b>Manitoba (2)</b>				
11 Paramount Road, Winnipeg, R2X 2W6	LOT 7, PLAN 26533 PARISH 2/3 K OTM	Sentinel Self-Storage Corporation	N/A	Sentinel Self-Storage Corporation
3101 Pembina Highway, Winnipeg, R3T 4R6	LOT A, PLAN 19529 PARISH 101 ST N	Sentinel Self-Storage Corporation	N/A	Sentinel Self-Storage Corporation
<b>Ontario (2)</b>				
475 Harwood Avenue N., Ajax, L1Z 1L8	PT LT 7, CON 2, TWP OF PICKERING, PT 2, 40R18942, T/W EASE AS IN	Sentinel Self-Storage Corporation	N/A	Sentinel Self-Storage Corporation

Property Address	Legal Description	Registered Owner	Date of Nominee Agreement	Beneficial Owner
	LT778482, T/W EASE OVER PTS 1, 3, 4 & 5, 40R18942 AS IN LT915839, T/W EASE OVER PTS 4, 5, 6, 9 & 10, 40R18942 AS IN LT915840, S/T EASE OVER PT 2, 40R18942 IN FAVOUR OF PTS 1, 3 TO 10, 40R18942, PTS 3 & 4, 40R15728 AS IN LT915841; AJAX BEING ALL OF PIN 26411-0059(LT)			
12230 Kennedy Road, Stouffville, L4A 7X5	PT LT 35 CON 6 MARKHAM, PT 1 65R29875, WHITCHURCH-STOUFFVILLE BEING ALL OF PIN 03725-0347(LT)	Sentinel Self-Storage Corporation	N/A	Sentinel Self-Storage Corporation
<b>Quebec (1)</b>				
18970 Transcanada Hwy, Baie-d'Urfe, H9X 3R1	An emplacement known and designated as being lot ONE MILLION FIVE HUNDRED FIFTY-EIGHT THOUSAND FOUR HUNDRED THIRTY TWO (1 558 432) of the Cadastre of Registration Division of Montréal.  With the building thereon erected bearing civic number 18970 Transcanada Hwy, Town of Baie-d'Urfe, Province of Québec	Sentinel Self-Storage Corporation	N/A	Sentinel Self-Storage Corporation
<b>Nova Scotia (1)</b>				
231 Damascus Road, Bedford B4A 0C2	LOT 7 BEDFORD WAREHOUSE, PLD 41214339	Sentinel Self-Storage Corporation	N/A	Sentinel Self-Storage Corporation

**Schedule 1.01 (F)**

**Material Agreements**

1. Nominee Agreements
2. Share Purchase Agreement
3. Access Agreement
4. Each Permitted Encumbrance described in paragraphs (p) and (q) of the definition of “Permitted Encumbrances”.

**Schedule 1.01(G)**

**Relevant Jurisdictions**

<b>Borrower and Guarantors</b>	<b>Jurisdiction of Incorporation/ Continuation/ Formation</b>	<b>Jurisdiction of Chief Executive Office</b>	<b>Location of Collateral</b>
StorageVault Canada Inc.	Alberta	ON	Various
Sentinel Self-Storage Corporation	Alberta	ON	BC, AB, MB, ON, QC, NS
0930056 B.C. Ltd. [CQ 1975 Land Corporation]	British Columbia	ON	BC
0807298 B.C. Ltd. [RM 1975 Land Corporation]	British Columbia	ON	BC
0714555 B.C. Ltd. [VS 1975 Land Corporation]	British Columbia	ON	BC
CC 1975 Land Corp.	Alberta	ON	AB
CG 1975 Land Corp.	Alberta	ON	AB
CN 1975 Land Corp.	Alberta	ON	AB
EA 1975 Land Corp.	Alberta	ON	AB
EK 1975 Land Corp.	Alberta	ON	AB
EN 1975 Land Corp.	Alberta	ON	AB
EP 1975 Land Corp.	Alberta	ON	AB

<b>Borrower and Guarantors</b>	<b>Jurisdiction of Incorporation/ Continuation/ Formation</b>	<b>Jurisdiction of Chief Executive Office</b>	<b>Location of Collateral</b>
ES 1975 Land Corp.	Alberta	ON	AB
CW 1975 Land Corp.	Alberta	ON	AB
FM 1975 Land Corp.	Alberta	ON	AB
RD 1975 Land Corp.	Alberta	ON	AB

**Schedule 1.01(H)**

**Repayment Notice**

TO: **THE BANK OF NOVA SCOTIA**, as Administrative Agent

FROM: **STORAGEVAULT CANADA INC.**

DATE: •

- 
1. This Repayment Notice is delivered to you pursuant to [Section 6.01] [or] [Section 6.02] of the credit agreement made as of July 31, 2017, between, *inter alia*, the Borrower, you, as Administrative Agent, and the financial institutions from time to time parties thereto as Lenders, and the other Credit Parties from time to time parties thereto as Guarantors, as refinanced, amended, restated, supplemented or otherwise modified from time to time (the “**Credit Agreement**”). All terms used in this Repayment Notice that are defined in the Credit Agreement have the same meanings herein.
  2. The Borrower hereby gives you notice that it intends to repay [[Cdn./U.S. \$•] under the Credit Facility, on [date which must be at least • Business Days after the delivery of this Notice]].
  3. The amount of such repayment will, subject to the provisions of the Credit Agreement, be used to repay Loans of the following type:

<u>Tranche</u>	<u>Loan Type</u>	<u>Principal Amount</u>
•	•	•

**STORAGEVAULT CANADA INC.**

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

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

**Schedule 1.01(I)**

**Rollover Notice**

TO: **THE BANK OF NOVA SCOTIA**, as Administrative Agent

FROM: **STORAGEVAULT CANADA INC.**

DATE: ●

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1. This Rollover Notice is delivered to you pursuant to the credit agreement made as of July 31, 2017, between, *inter alia*, the Borrower, you, as Administrative Agent, and the financial institutions from time to time parties thereto as Lenders, and the other Credit Parties from time to time parties thereto as Guarantors, as refinanced, amended, restated, supplemented or otherwise modified from time to time (the “**Credit Agreement**”). All capitalized terms used in this Rollover Notice that are defined in the Credit Agreement have the same meanings herein.

2. The Borrower hereby requests the Rollover of the following Loan(s):

(a) Rollover Date: \_\_\_\_\_

(b) Type and Amount of each Loan: \_\_\_\_\_

(i) Bankers Acceptances (BA Equivalent Advance)

	<u>Amount</u>	<u>Term in Months</u>	<u>Maturity Date</u>
Cdn.	_____	_____	_____
\$	_____	_____	_____
	_____	_____	_____

Total Cdn. \$ \_\_\_\_\_

**STORAGEVAULT CANADA INC.**

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

Name:

Title:

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

Name:

Title:

## Schedule 1.01(J)

### Specific Permitted Encumbrances

#### British Columbia

##### 195 Schoolhouse St., Coquitlam, British Columbia

1. Instrument No. CA2396641 being a Notice of Interest (Lands) under the *Builder's Lien Act (s.3(2))*.
2. Instrument No. BL201537 being a Notice of a Development Variance Permit.
3. Instrument No. BW179232 being a Notice of Development Permit Amendment.
4. Instrument No. BV215153, registered June 12, 2003, being a Covenant in favour of the City of Coquitlam.
5. Instrument No. BV215155, registered June 12, 2003, being a Statutory Right of Way in favour of the City of Coquitlam.
6. Instrument No. BV215156, registered June 12, 2003, being a Covenant in favour of the City of Coquitlam.

##### 11151 Bridgeport Rd., Richmond, British Columbia

1. Instrument No. CA2396642 being a Notice of Interest (Lands) under the *Builder's Lien Act (s.3(2))*.
2. Instrument No. T17084 Plan No. 61216 filed February 10, 1981 being Zoning Regulations and Plan under the Aeronautics Act (Canada).
3. Instrument No. 66271C, registered June 10, 1930, being a Deed of Land reserving Undersurface Rights.
4. Instrument No. J91085, registered July 19, 1973, being a Statutory Right of Way in favour of Township of Richmond.
5. Instrument No. K35447, registered March 26, 1974, being a Statutory Right of Way in favour of Township of Richmond.
6. Instrument No. BB710543, registered September 16, 2008, being a Covenant in favour of City of Richmond.

**8866 Laurel St, Vancouver, British Columbia**

1. Instrument No. 251312M, registered June 7, 1957, being an Easement and Indemnity Agreement in favour of City of Vancouver.
2. Instrument No. 281043M, registered November 12, 1958, being an Easement and Indemnity Agreement in favour of City of Vancouver.
3. Instrument No. J80243, registered October 30, 1981, being an Easement and Indemnity Agreement in favour of City of Vancouver.

**Alberta**

**410 Manning Road N.E., Calgary, Alberta**

1. Registration No. 771 147 064, registered October 20, 1977, being Zoning Regulations (Calgary International Airport Zoning Regulations).
2. Registration No. 781 196 538, registered November 20, 1980, being an Utility Right of Way in favour of the City of Calgary.
3. Registration No. 781 206 214, registered November 20, 1980, being an Utility Right of Way in favour of the City of Calgary.
4. Registration No. 871 147 020, registered August 14, 1987, being an Utility Right of Way in favour of the City of Calgary.
5. Registration No. 881 083 825, registered May 24, 1988, being an Easement.

**5950-12 Street S.E., Calgary, Alberta**

1. Registration No. 771 147 064, registered October 20, 1977, being Zoning Regulations (Calgary International Airport Zoning Regulations).
2. Registration No. 801 193 932, registered November 20, 1980, being an Utility Right of Way in favour of City of Calgary.
3. Registration No. 801 193 933, registered November 20, 1980, being a Restrictive Covenant.

**2135 Pegasus Road N.E., Calgary, Alberta**

1. Registration No. 741 042 581, registered May 7, 1974, being a Restrictive Covenant.

2. Registration No. 771 147 064, registered October 20, 1977, being Zoning Regulations (Calgary International Airport Zoning Regulations).
3. Registration No. 821 108 970, registered June 21, 1982, being a Utility Right of Way in favour of the City of Calgary.
4. Registration No. 821 108 971, registered June 21, 1982, being a Restrictive Covenant.

**2 Bowridge Drive N.W., Calgary, Alberta**

1. Registration No.2979JQ, registered August 26, 1966, being an Utility Right of Way in favour of The City of Calgary.
2. Registration No. 921 108 873, registered May 11, 1992, being a Caveat re: Deferred Services Agreement.
3. Registration No. 921 193 527, registered August 10, 1992, being a Caveat re: Restrictive Covenant.

**9920-63 Ave, Edmonton, Alberta**

1. Registration No. 982 123 366, registered May 6, 1998, being a Caveat re: Lease.

**11444-119 Street, Edmonton, Alberta**

1. Registration No. 686HK, registered April 15, 2016, being a Utility Right of Way in favour of The City of Edmonton.
2. Registration No. 152 176 553, registered June 16, 2015, being a Utility Right of Way in favour of Epcor Distribution & Transmission Inc.

**21010-100 Ave, Edmonton, Alberta**

1. Registration No. 892 014 080, registered January 17, 1989, being a Utility Right of Way in favour of The City of Edmonton.

**355 MacAlpine Cres., Fort McMurray, Alberta**

1. Registration No. 762 011 893, registered January 21, 1976 being Zoning Regulations by Her Majesty The Queen in Right of Canada as Represented by Department of Transport.
2. Registration No. 782 222 405, registered January 29, 1978, being a Utility Right of Way in favour of the Municipality of Wood Buffalo.
3. Registration No. 792 156 391, registered July 5, 1979, being a Utility Right of Way in favour of the Municipality of Wood Buffalo.

4. Registration No. 822 028 989, registered February 10, 1982, being a Utility Right of Way in favour Atco Gas and Pipelines Ltd.

**5433-47 Street, Red Deer, Alberta**

1. Registration No. 012 113 792, registered April 25, 2001 being a Caveat re: Encroachment Agreement pursuant to Municipal Government Act.

**Manitoba**

**11 Paramount Road, Winnipeg, Manitoba**

1. Registration No. 228344/1, registered November 6, 1973, being a Caveat by the City of Winnipeg.

**3101 Pembina Highway, Winnipeg, Manitoba**

1. Registration No. 85-103670/1, registered October 31, 1985, being a Caveat registered by 142981 Canada Incorporated.
2. Registration No. 86-34684/1, registered April 17, 1986, being a Caveat registered by Manitoba Hydro Electric Board/Manitoba Telephone System.
3. Registration No. 86-87707/1, registered August 29, 1986, being a Caveat registered by the City of Winnipeg.
4. Registration No. 1467392/1, registered October 2, 1991, being a Caveat registered by 142981 Canada Incorporated.
5. Registration No. 1467393/1, registered October 2, 1991, being a Caveat registered by Sentinel Self-Storage Corporation.
6. Registration No. 1467394/1, registered October 2, 1991, being a Caveat registered by Journey's End Motel Incorporated.

**Ontario**

**475 Harwood Avenue N., Ajax, Ontario**

1. Instrument No. 13718879, registered May 4, 1995, being a Notice Agreement in favour of The Corporation of the Town of Ajax.
2. Instrument No. LT779630Z, registered November 19, 1996, being an Application Annex Restrictive Covenant.
3. Instrument No. LT908654, registered July 14, 1999, being a Notice Agreement between 838487 Ontario Inc. and The Regional Municipality of Durham.

4. Instrument No. LT909784, registered July 20, 1999, being a Notice Agreement between 838487 Ontario Inc. and The Corporation of the Town of Ajax.
5. Instrument No. LT915838A, registered August 24, 1999, being an Application Annex Restrictive Covenant in favour of Sentinel Self-Storage Corp. (expires December 31, 2008).
6. Instrument No. LT915841, registered August 24, 1999, being a Transfer Easement between Sentinel Self-Storage Corp. and 838487 Ontario Inc.
7. Instrument No. LT989054, registered October 16, 2000, being a Bylaw regarding development charges for sanitary sewage works for the Carruthers Creek Development Area in favour of The Regional Municipality of Durham.
8. Instrument No. DR430543, registered September 23, 2005, being a Notice between Her Majesty the Queen in Right of Canada as Represented by the Minister of Transport regarding airport zoning regulations.
9. Instrument No. DR1085017, registered May 9, 2012, being a Notice of Lease between Sentinel Self-Storage Corp. and Globalive Wireless Management Corp.
10. Instrument No. DR1085019, registered May 9, 2012, being a Notice of Assignment of Lessee Interest between Globalive Wireless Management Corp. and SBA Canada, ULC regarding Notice of Lease DR1085017.
11. Instrument No. DR1085029, registered May 9, 2012, being a Notice of Non-Disturbance Agreement between SBA Canada, ULC and Royal Bank of Canada.

**12230 Kennedy Road, Stouffville, Ontario**

1. Instrument No. YR700115, registered September 14, 2005, being a Notice in favour of Her Majesty the Queen in Right of Canada as Represented by the Minister of Transport.
2. Instrument No. YR903952, registered October 31, 2006, being an Application Annex Restrictive Covenant in favour of 767916 Ontario Inc.
3. Instrument No. YR1325080, registered June 3, 2009, being a Notice between the Corporation of the Town of Whitchurch-Stouffville and Sentinel Ontario Ltd. regarding a Site Plan Control Agreement.
4. Instrument No. YR1464228, registered April 13, 2010, being an Application to Change Name – Owner from Sentinel Ontario Ltd. to Sentinel Ontario Inc.
5. Instrument No. YR1495323, registered June 14, 2010, being a Notice in favour of The Regional Municipality of York.
6. Instrument No. YR2438323, registered March 2, 2016, being an Application to Change Name Owner from Sentinel Ontario Inc. to Sentinel Self-Storage Corporation.

**Quebec**

**18970 Transcanada Hwy, Baie-d'Urfe, Quebec**

1. Registration No. 21-457-499, registered April 15, 2015 being a Notice of Lease with Bell Mobility Inc.

**Nova Scotia**

**231 Damascus Road, Bedford, Nova Scotia**

1. Document No. 87457447, registered March 22, 2007, being a Restrictive Covenant Agreement between Banc Developments Limited and Wal-Mart Canada Corp.
2. Document No. 87457504, registered March 22, 2007, being a Reciprocal Easement and Operating Agreement as amended by Document No. 94220655, registered on September 8, 2009.
3. Document No. 87489705, registered as March 28, 2007, being an access easement in favour of Lots 4, 5 and 6 known as Parcel ASE-7 for the purposes of ingress and egress to Lots 4, 5 and 6.
4. Document No.87489838, registered March 28, 2007, being a Restrictive Covenant Agreement between Banc Developments Limited and Spaces Self Storage (Bedford) Limited.
5. Document No. 87556180, registered April 5, 2007, being a Restrictive Covenant Agreement between Bank Developments Limited and Home Depot Holdings Inc.
6. Document No. 87796836, registered May 10, 2007, being an Easement initially described in Document No. 87489705 and amended by way of Confirmation and Amending Agreement, registered April 26, 2011 as Document No. 98200430.
7. Document No. 88856027, registered September 19, 2007, being a an Amendment to Document No. 87504446 (Restrictive Covenant Agreement).
8. Document No. 87489853, registered March 28, 2007, being a Restrictive Covenant Agreement between Banc Developments Limited and Spaces Self Storage (Bedford) Limited.
9. Document No. 87504479, registered March 29, 2007, being a Restrictive Covenant Agreement between Banc Developments Limited and Sobeys Land Holdings Limited.
10. Document No. 87889847, registered May 24, 2007, being a service easement in favour of Halifax Regional Municipality for the purposes of the installation and maintenance of sewer lines.

11. Document No. 87889847, registered May 24, 2007, being a service easement in favour of Halifax Regional Water Commission for the purposes of the installation and maintenance of water lines.
12. Document No. 91601725, registered September 11, 2008, being an amendment to a Restrictive Covenant Agreement (Document No. 87504479).

**Schedule 1.01(K)**

**Form of Lender Assignment and Assumption**

**TO: THE BANK OF NOVA SCOTIA, as Administrative Agent and on behalf of the Lenders under the Credit Agreement referred to below**

**AND TO: STORAGEVAULT CANADA INC. (the “Borrower”)**

This Assignment and Assumption Agreement (the “**Assignment and Assumption Agreement**”) is dated as of the Effective Date set forth below and is entered into by and between *[Insert name of Assignor]* (the “**Assignor**”) and *[Insert name of Assignee]* (the “**Assignee**”). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below, receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption Agreement as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of the Assignor’s rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below (including without limitation any letters of credit, guarantees, and swingline loans included in such facilities) and (ii) to the extent permitted to be assigned under Applicable Law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan-transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned pursuant to clauses (i) and (ii) above being referred to herein collectively as, the “**Assigned Interest**”). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption Agreement, without representation or warranty by the Assignor.

Assignor: \_\_\_\_\_

Assignee: \_\_\_\_\_  
[and is an Affiliate/Approved Fund of [identify Lender]<sup>1</sup>]

\_\_\_\_\_

<sup>1</sup> Select as applicable.

Borrower: \_\_\_\_\_

Administrative Agent: \_\_\_\_\_, as the administrative agent under the Credit Agreement

Credit Agreement: Credit agreement dated July 31, 2017 (as amended, supplemented or restated from time to time, the “**Credit Agreement**”, the terms defined therein being used herein as therein defined) among StorageVault Canada Inc. (the “**Borrower**”), The Bank of Nova Scotia, as lead arranger and administrative agent (the “**Administrative Agent**”), the financial institutions party from time to time thereto, as Lenders (as defined therein), and the Guarantors (as defined therein).

Assigned Interest:

<b>Aggregate Amount of Commitment/Loans Outstanding for all Lenders<sup>2</sup></b>	<b>Amount of Commitment/Loans Outstanding Assigned<sup>3</sup></b>	<b>Percentage Assigned of Commitment/Loans Outstanding<sup>4</sup></b>
\$	\$	%
\$	\$	%
\$	\$	%

[Trade Date: \_\_\_\_\_ ]<sup>5</sup>

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<sup>2</sup> Amount to be adjusted by the counterparties to take into account any payments or prepayments made between the Trade Date and the Effective Date.

<sup>3</sup> Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans Outstanding of all Lenders thereunder.

<sup>4</sup> Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans Outstanding of all Lenders thereunder.

<sup>5</sup> To be completed if the Assignor and the Assignee intend that the minimum assignment amount is to be determined of the Trade Date.

Effective Date: \_\_\_\_\_, 20\_\_ **[TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]**

The terms set forth in this Assignment and Assumption Agreement are hereby agreed to:

ASSIGNOR  
**[NAME OF ASSIGNOR]**

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

ASSIGNEE  
**[NAME OF ASSIGNEE]**

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

**[Consented to and]**<sup>6</sup> Accepted:

ASSIGNOR  
**[NAME OF ADMINISTRATIVE AGENT]**, as  
Administrative Agent

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

**[Consented to:]**<sup>7</sup>

ASSIGNOR  
**[NAME OF RELEVANT PARTY]**

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

<sup>6</sup> To be added only if the consent of the Administrative Agent is required by the terms of the Credit Agreement.

<sup>7</sup> To be added only if the consent of the Borrower and/or other parties is required by the terms of the Credit Agreement.

## ANNEX 1 to Assignment and Assumption Agreement

### CREDIT AGREEMENT DATED AS OF JULY 31, 2017 AMONG STORAGEVAULT CANADA INC., THE BANK OF NOVA SCOTIA, AS ADMINISTRATIVE AGENT, THE LENDERS PARTY THERETO AND THE GUARANTORS PARTY THERETO STANDARD TERMS AND CONDITIONS FOR ASSIGNMENT AND ASSUMPTION AGREEMENT

#### 1. Representations and Warranties.

1.1 Assignor. The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption Agreement and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrower or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Borrower or any other Person of any of their respective obligations under any Credit Document.

1.2 Assignee. The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption Agreement and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all requirements of an Eligible Assignee under the Credit Agreement (subject to receipt of such consents as may be required under the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 10.03 thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption Agreement and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender, and (v) **[it is not a Foreign Lender/if it is a Foreign Lender, attached to the Assignment and Assumption Agreement is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee]**; and (b) agrees that (i) it will, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Credit Documents are required to be performed by it as a Lender.

1.3 Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignee whether such amounts have accrued prior to, on or after the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Administrative Agent for periods prior to the Effective Date or with respect to the making of this assignment directly between themselves.

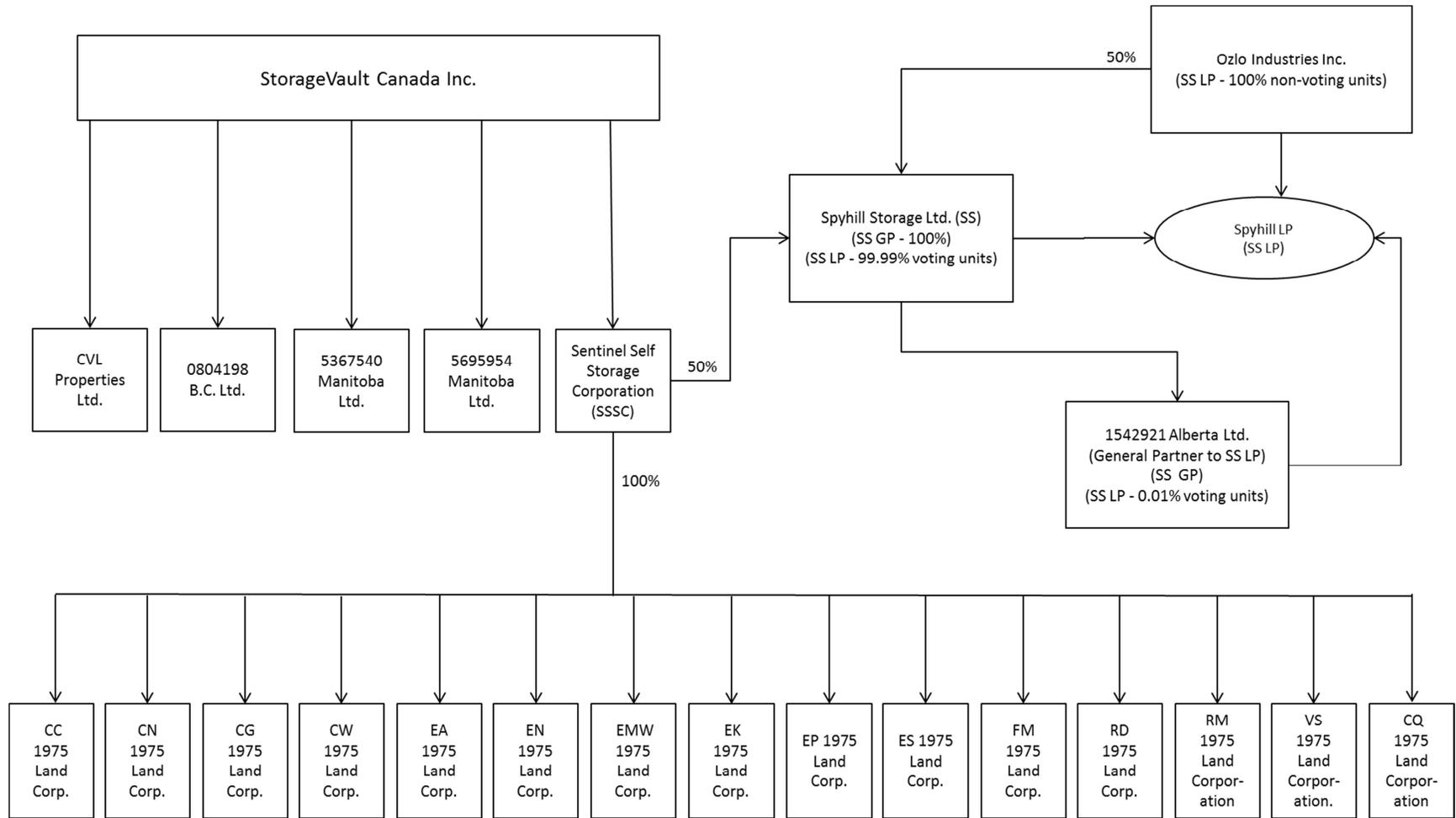
1.4 General Provisions. This Assignment and Assumption Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and permitted assigns. This Assignment and Assumption Agreement may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption Agreement by telecopy or by sending a scanned copy by electronic mail shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption Agreement. This Assignment and Assumption Agreement shall be governed by, and construed in accordance with, the law governing the Credit Agreement.

1.5 Governing Law. This Agreement shall be governed by and interpreted and enforced in accordance with the Laws of the Province of Ontario and the Laws of Canada applicable therein.

1.6 Counterparts. This Agreement may be executed in any number of counterparts and delivered by facsimile or pdf formatted attachment to an email and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

**Schedule 9.01(14)**  
**Ownership Structure**

(Attached)



**Schedule 10.03(3)**

**Borrowing Base Certificate**

TO:               **THE BANK OF NOVA SCOTIA**, as Administrative Agent

FROM:           **STORAGEVAULT CANADA INC.** (the “**Borrower**”)

DATE:            •

---

This Borrowing Base Certificate is delivered to you, as Administrative Agent, pursuant to Section 8.06(1)(b)/10.03(3) *[NTD: Note applicable reference.]* of the credit agreement made as of July 31, 2017 between and among the Borrower, you, as Administrative Agent, and the financial institutions from time to time parties thereto as Lenders, and the other Credit Parties from time to time parties thereto as Guarantors, as refinanced, amended, restated, supplemented or otherwise modified from time to time (the “**Credit Agreement**”). All terms used in this Borrowing Base Certificate that are defined in the Credit Agreement have the same meanings herein.

I, [name], the [title] of the Borrower, certify for and on behalf of the Borrower, and not in my personal capacity and without personal liability, that:

1.     Examinations. I have made or caused to be made such examinations or investigations as are, in my opinion, necessary to furnish this Borrowing Base Certificate and I have furnished this Borrowing Base Certificate with the intent that it may be relied upon by the Lenders as a basis for determining compliance by the Borrower with the Borrower’s covenants and obligations under the Credit Agreement. I have read and am familiar with the Credit Agreement including, in particular, the definitions of the various financial terms used in the Credit Agreement, the representations and warranties and covenants contained in Article 9 and Article 10 and the Events of Default described in Article 11 of the Credit Agreement.
2.     Representations and Warranties All of the representations and warranties of the Credit Parties contained in Section 9.01 of the Credit Agreement are true and correct on and as of the date hereof as though made on and as of the date hereof, subject to changes thereto:
  - (a)     given to the Administrative Agent by the Borrower and accepted in writing by the Administrative Agent, and
  - (b)     expressly contemplated by the terms of the Credit Agreement and disclosed to the Administrative Agent in writing.
3.     Terms, Covenants and Conditions All of the terms, covenants and conditions of the Credit Agreement and each of the other Loan Documents to be performed or complied

with by the Credit Parties at or prior to the date hereof have been performed or complied with.

4. Default No Default or Event of Default has occurred and is continuing on the date hereof.
5. Borrowing Base. The Borrower is in compliance with the Borrowing Base provisions of Section 6.04 of the Credit Agreement as of the Reference Date as demonstrated in the calculations set forth in Appendix A to this Compliance Certificate. As of the Reference Date, the outstanding Loans under the Credit Facility do not exceed the Borrowing Base.

**DATED** \_\_\_\_ day of \_\_\_\_\_, 201● .

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Name:  
Title:

**APPENDIX A TO BORROWING BASE CERTIFICATE (REFERENCE DATE ●)**

**Borrowing Base – Storage Vault Canada Inc. – Sentinel Acquisition with Normalization Adjustment (as applicable)**

	Property	Location	Occ%	F201● NOI (with Normalization Adjustment, as applicable)	Applicable Cap Rate	Capitalized Value	A	B	Lending Value (lesser of A or B)
							Margined value @ ● LTV (See Note 1)	Refinancing Value	
1.	195 Schoolhouse St.	Coquitlam							
2.	8866 Laurel St.	Vancouver							
3.	11151 Bridgeport Rd.	Richmond							
4.	410 Manning Road NE	Calgary							
5.	5950 - 12th Street SE	Calgary							
6.	2 Bowridge Dr. NW	Calgary							
7.	2135 Pegasus Dr. NW	Calgary							
8.	9920 - 63 Ave.	Edmonton							
9.	11444 - 119 Street	Edmonton							
10.	5403 - 136 Ave.	Edmonton							
11.	21010 - 100 Ave.	Edmonton							
12.	9944 - 33 Ave.	Edmonton							
13.	355 MacAlpine Cres.	Fort McMurray							
14.	5433 - 47 Street	Red Deer							
15.	11 Paramount Road	Winnipeg							
16.	3101 Pembina Highway	Winnipeg							
17.	12230 Kennedy Road	Stouffville							
18.	475 Harwood Ave. N	Ajax							
19.	18970 TransCanada Hwy	Baie-d'Urfe							
20.	231 Damascus Road	Bedford							

Borrowing Base  
Facility Limit 270,000,000  
**Maximum Availment**

Valuation assumptions	
Rate	4.00%
Amortization	25
Payments	300
Required DSCR	● (See Note 2)

Note 1: See “Margined Value” for applicable percentage; and  
Note 2: See “Net Refinancing Value” for applicable DSCR.