

**CDN\$20,000,000**

**CREDIT AGREEMENT**

**between**

**TVA GROUP INC.  
AS BORROWER**

**- and -**

**THE GUARANTORS NAMED ON THE SIGNATURE PAGES HERETO  
AS GUARANTORS**

**- and -**

**NATIONAL BANK OF CANADA  
AS LENDER**

**DATED AS OF JUNE 28, 2023**

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**THIS CREDIT AGREEMENT** dated as of June 28, 2023

**BETWEEN:**        **TVA GROUP INC.,** as Borrower

**AND:**            **THE GUARANTORS NAMED ON THE SIGNATURE PAGES**  
**HERETO,** as Guarantors

**AND:**            **NATIONAL BANK OF CANADA,** as Lender

**WITNESSETH:**

**WHEREAS** the Borrower wishes to borrow certain monies from the Lender and the Lender is prepared to lend such monies to the Borrower upon the terms and subject to the conditions herein contained.

**NOW THEREFORE** in consideration of the premises, the mutual covenants contained herein and for other consideration, the receipt and sufficiency of which are acknowledged, the parties hereto have agreed as follows:

## **ARTICLE 1**

### **INTERPRETATION**

#### **1.1    General Definitions**

The capitalized words and expressions, wherever used in this Agreement or in any agreement ancillary hereto, unless there be something in the subject or the context inconsistent therewith, shall have the meaning ascribed thereto in Schedule "A".

#### **1.2    References to Agreements**

Each reference in this Agreement to any agreement (including this Agreement and any other defined term that is an agreement) shall be construed so as to include such agreement (including any attached schedules) and each amendment, supplement, amendment and restatement, novation and other modification made to it at or before the time in question. The terms "**this Agreement**", "**this Credit Agreement**", "**hereof**", "**hereunder**" and similar expressions refer to this Agreement and not to any particular Article, Section, subsection, paragraph, subparagraph, clause or other portion of this agreement.

#### **1.3    Headings, etc.**

The division of this Agreement into Articles, Sections and subsections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

#### 1.4 **Number and Gender**

In this Agreement, words in the singular (including defined terms) include the plural and vice versa (the necessary changes being made to fit the context) and words in one gender include all genders.

### **ARTICLE 2**

#### **THE FACILITY**

##### 2.1 **Facility**

- 2.1.1 The Lender agrees, upon the terms and subject to the conditions of this Agreement, to lend to the Borrower an amount of up to but not exceeding in the aggregate CDN\$20,000,000.
- 2.1.2 All Advances under the Facility shall be used by the Borrower exclusively for the general corporate purposes of the Borrower and its Subsidiaries.
- 2.1.3 Where under any of the terms hereof, the Facility is cancelled, reduced or terminated, same may not subsequently be increased, any such cancellation, reduction or termination thereof being permanent.
- 2.1.4 The Facility is uncommitted. Any unused portion of the Facility may be cancelled and terminated at any time by the Lender upon written notice to the Borrower and the Lender may refuse any Advance under the Facility for any reason whatsoever. Without limiting the generality of the foregoing, the Borrower acknowledges and agrees that the Lender **(i)** does not have to provide any reason or justification in support of its decision to terminate and cancel, in whole or in part, any unused portion of the Facility or to refuse an Advance, and **(ii)** may exercise its right to so terminate and cancel any unused portion of the Facility at any time, whether or not any Default or Event of Default shall have then occurred and be continuing.

##### 2.2 **Availability**

- 2.2.1 The Facility is available on a revolving basis such that, during the Revolving Period, subject to all the terms and conditions of this Agreement, the Borrower may reborrow the whole or any part of any Advance previously repaid to the extent of the then Available Facility.
- 2.2.2 The Facility is available, at the sole election of the Borrower, **(i)** in Canadian Dollars, by way of Prime Rate Loans or the issuance of LCs, and **(ii)** in US Dollars, by way of US Base Rate Loans or the issuance of LCs;

##### 2.3 **Borrowing Procedure**

In order to obtain an Advance under the Facility, the Borrower may:

- 2.3.1 in respect of the issuance of any LC hereunder, deliver to the Lender an LC Request by the times and stipulating the information specified hereunder. Once delivered, no LC Request may subsequently be revoked or withdrawn by the Borrower; or
- 2.3.2 draw cheques or provide payment instructions or give debit authorizations resulting in an overdraft in any Operating Account, including any overdraft resulting from any consolidation of accounts of the Netting Parties, which overdraft will be deemed to be a request for a Demand Loan that is sufficient to cover such overdraft, and such overdraft shall constitute an Advance with respect to which the Borrower shall be deemed to have requested that interest thereon be calculated on a Prime Rate Basis, where the overdraft is in CDN\$, or on a US Base Rate Basis, where the overdraft is in US\$.

## 2.4 **Repayment of Entire Loans**

The Borrower hereby binds and obliges itself to repay, upon demand of the Lender, the entire amount of the Loan (including, without limitation, any LC Liabilities) outstanding on such date in principal, interest, fees and accessories and interest on arrears of interest, fees and accessories. The Borrower acknowledges and agrees that the Lender may demand payment of the Loan at any time and that the Lender (i) does not have to provide any reason or justification in support of its decision to demand payment of the Loan, and (ii) may exercise its right to so demand payment of the Loan at any time, whether or not any Default or Event of Default shall have then occurred and be continuing.

## 2.5 **Compulsory Repayment of Excess Loan**

- 2.5.1 Where under any circumstances, other than those contemplated in subsection 2.5.2, the Demand Loan exceeds the Facility, then the Borrower shall forthwith repay such portion of the Demand Loan as will reduce such excess to nil;
- 2.5.2 Where at any time the Lender determines that, solely as a result of exchange rate fluctuations, the Available Facility results in a negative amount, the Borrower hereby binds and obliges itself to immediately repay such portion of the principal amount of the Demand Loan which, in the aggregate, expressed in the Equivalent of Canadian Dollars, when added to the aforesaid negative amount, would result in the Available Facility being equal to nil, provided that, without in any way limiting or affecting the rights of the Lender under Section 2.4, the Borrower will only be required to reimburse such amount when same exceeds 3% of the Facility based on the closing balance for any day calculated on the basis of the applicable Exchange Rate for that day;
- 2.5.3 Concurrently with any repayment under this Section, the Borrower shall pay any losses and expenses incurred or suffered by the Lender as a result of such repayment.



## 2.6 **Voluntary Repayment of Demand Loan**

At any time during the Revolving Period, the Borrower may, without penalty or premium, voluntarily repay the whole or any part of the Demand Loan.

# ARTICLE 3

## **PRIME AND US BASE RATE LOAN**

### 3.1 **Interest on Prime Rate Basis**

The Borrower shall pay the Lender interest on the Prime Rate Loan at an annual rate during the period in which such Loan is outstanding equal to the Prime Rate at the close of business on each day during such period plus the Relevant Margin applicable on each such day.

### 3.2 **Interest on US Base Rate Basis**

The Borrower shall pay the Lender interest on the US Base Rate Loan at an annual rate during the period in which such Loan is outstanding equal to the US Base Rate at the close of business on each day during such period plus the Relevant Margin applicable on each such day.

### 3.3 **Computation of Interest**

3.3.1 Interest in respect of the Prime Rate Loan and the US Base Rate Loan shall be computed on the basis of a 365 day year for the actual number of days elapsed.

3.3.2 Interest payable on such Loan is calculated upon the daily outstanding balance of the Loan from and including the date it is advanced until, but excluding, the date it is repaid in full.

### 3.4 **Payment of Interest**

Interest in respect of the Prime Rate Loan or US Base Rate Loan is payable in arrears on the applicable Interest Payment Date, with interest on all overdue interest at the rate applicable to principal during the period in which it remains unpaid, computed daily, compounded monthly on the applicable Interest Payment Date, such overdue interest being payable upon the demand of the Lender. Interest payable on such Loan shall be payable both before and after demand, default and judgment at the applicable rates set forth herein.

### 3.5 **Interest on Loans Generally**

Where no specific provision for interest on any amount outstanding and payable by the Borrower is made in this Agreement, interest thereon shall be computed and payable on a Prime Rate Basis if the amount outstanding is denominated in Canadian Dollars or on a US Base Rate Basis if the amount outstanding is denominated in US Dollars.

### 3.6 **Annual Administration Fee**

The Borrower shall pay to the Lender an annual administration fee equal to 7 basis points of the Facility (the "**Administration Fee**"), the first payment becoming due and payable on the Closing Date and thereafter, on each successive anniversary of such date until the later of the date the Facility is terminated or cancelled and the date that the Loans are repaid in full. Under no circumstances shall the Administration Fee be refundable either in whole or in part, even if no Advance is ever made under the terms hereof.

### 3.7 **Annual Equivalents**

The annual rates to which are equivalent the rates determined in accordance with the provisions of subsection 3.3.1 are the following rate: (the quoted rate) x (number of days in the year) ÷ 365 = % per annum.

## ARTICLE 4

### **LETTERS OF CREDIT**

#### 4.1 **Requests for the Issuance of LCs**

Any LC Request shall be delivered to the Lender by 11:00 a.m. (Montréal time) at least three (3) Business Days prior to the proposed Issuance Date and shall specify the following information:

- 4.1.1 the expiry date of each LC so requested. Each LC shall by its terms be stated to expire on a date no later than 364 days from the date of its issuance or extension, unless otherwise agreed by the Lender in its sole discretion;
- 4.1.2 the face amount of each LC so requested. Such face amount must be denominated in Canadian Dollars or US Dollars; and
- 4.1.3 the beneficiary of each LC so requested, the conditions of payment under each such LC and all other information required to prepare each such LC.

#### 4.2 **Issuance of LCs**

Provided all conditions of this Agreement have been met and subject to the provisions of subsection 2.1.4, the Lender shall deliver to the Borrower, or to the Persons designated in the relevant LC Request, on the relevant Issuance Date, the LCs requested to be issued on such date.

#### 4.3 **LC Fee**

The Borrower shall pay to the Lender with respect to each LC (the "**LC Fees**"):

- 4.3.1 a fee, which shall be in the amount determined by the Lender to be equal to the sum of the products for each day during the maturity of such LC of (a) the amount of such LC at the end of the day, and (b) the quotient of (i) the Relevant Margin then applicable and (ii) 365. Such fee shall be paid quarterly

in arrears on the first Business Day of each calendar quarter until the expiration of the maturity of such LC, at which time the final payment of such fee shall be paid; and

- 4.3.2 in addition to the amounts payable under subsection 4.3.1, customary administrative costs and expenses normally charged by the Lender to its clients in accordance with its fee schedule in force from time to time with respect to the issuance, renewal, amendment or cancellation of such LC.

Where during any maturity, the Relevant Margin changes, the fees referred to above in subsection 4.3.1 payable on the amount of such LC shall be changed accordingly as of and from the date of any such change.

#### 4.4 **Payment by the Lender under LCs**

The aggregate principal amount or amounts of monies paid by the Lender at any time and from time to time under any LC which is in excess of the amount previously provided to the Lender by the Borrower in connection with such LC, shall constitute an Advance in a principal amount equal to such unreimbursed disbursement and shall form part of the Prime Rate Loan or US Base Rate Loan, as the case may be.

#### 4.5 **Obligations Absolute**

The obligations of the Borrower with respect to LCs hereunder are unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following circumstances:

- 4.5.1 any lack of validity or enforceability of any draft or other document presented in connection with any payment requested under any LC; or
- 4.5.2 the existence of any defence, right of action, right of compensation or set-off or claim of any nature whatsoever which the Borrower may at any time have or have had against the beneficiary of a LC, the Lender or any other Person, whether in connection with this Agreement or otherwise.

#### 4.6 **Existing LCs**

The parties hereto acknowledge and agree that as of the Closing Date, all letters of credit issued and outstanding under the Existing Credit Facilities (the "**Existing LCs**") shall be deemed to be LCs issued hereunder and subject to the terms and conditions of this Agreement. As of and from the Closing Date, any LC Fee payable in respect of any Existing LCs shall be paid to the Lender in accordance with Section 4.3.

## ARTICLE 5

### **MANNER OF PAYMENTS**

#### **5.1 Currency of Payments**

All payments or repayments, as the case may be:

- 5.1.1 of principal under the Loan or any part thereof, shall be made in the same currency in which such principal is outstanding;
- 5.1.2 of interest, shall be made in the same currency as the outstanding principal amount to which it relates;
- 5.1.3 of the LC Fees, shall be made in Canadian Dollars as they pertain to the Cdn Dollar LC Liability and in US Dollars as they pertain to the US Dollar LC Liability; and
- 5.1.4 of amounts referred to in Section 15.1, shall be made in the same currency as the losses and expenses to which they relate.

#### **5.2 Proceeds Resulting from Repayment of LC Liabilities**

Where the Borrower repays any part of the Cdn Dollar LC Liabilities or US Dollar LC Liabilities on any day other than the expiry date of the LC to which such LC Liabilities relate, whether at its sole discretion or upon demand of the Lender, with respect to the amount so repaid, the parties hereto do hereby acknowledge and agree that same:

- 5.2.1 no longer forms part of the patrimony of the Borrower;
- 5.2.2 shall be held by the Lender for its own account and exclusive benefit; and
- 5.2.3 where no request for payment is made to the Lender before the maturity date of any LC which was repaid by the Borrower, the Lender shall then pay to the Borrower an amount equal to the portion of the amounts so held by it under the provisions of this Section equal to the maximum exposure of the Lender under any such LC (plus any interest accumulated pursuant to the provisions of this Section on the amount relating to such LC) or, when the Lender has exercised its rights under Section 14.1, the Lender shall use the amounts so held by it under this Section in conformity with the Intercreditor Agreement with any excess being paid by the Lender to the Borrower.

#### **5.3 Payment on Any Business Day**

Whenever any payment or repayment falls due on a day which is not a Business Day, such payment or repayment shall be made on the next following Business Day.

## ARTICLE 6

### **GUARANTEE**

#### **6.1 Guarantee and Indemnity**

- 6.1.1 Each of the Guarantors hereby solidarily, unconditionally and irrevocably, guarantees to the Lender, the due and punctual payment and performance of the Obligations when and as due.
- 6.1.2 If any or all of the Obligations are not duly paid and are not recoverable or remain unperformed under subsection 6.1.1 for any reason whatsoever, each of the Guarantors hereby undertakes solidarily, unconditionally and irrevocably, as a separate and distinct obligation, to indemnify and save harmless the Lender from and against any losses resulting from the failure of any Credit Party to pay or perform the Obligations.
- 6.1.3 If any or all of the Obligations are not duly paid and are not recoverable or remain unperformed subsection 6.1.1 or the Lender is not indemnified under subsection 6.1.2, in each case, for any reason whatsoever, the Obligations will, unconditionally and irrevocably, as a separate and distinct obligation, be recoverable solidarily from each Guarantor as primary obligor.

#### **6.2 Obligations Absolute**

- 6.2.1 To the extent permitted by Law, the liability of each Guarantor hereunder is absolute and unconditional and is not affected by:
- 6.2.1.1 any illegality, lack of validity or enforceability of this Agreement;
  - 6.2.1.2 any impossibility, impracticability, frustration of purpose, illegality, force majeure or act of any governmental entity;
  - 6.2.1.3 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, the Lender or any other Person;
  - 6.2.1.4 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;

- 6.2.1.5 any limitation, postponement, prohibition, subordination or other restriction on the rights of the Lender to payment of the Obligations; or
- 6.2.1.6 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.
- 6.2.2 Each of the foregoing is hereby waived by each Guarantor to the fullest extent permitted under applicable Laws. The foregoing provisions apply and the foregoing waivers will be effective to the fullest extent permitted under applicable Laws even if the effect of any action or failure to take action by the 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.

### 6.3 **No Release**

The liability of each Guarantor hereunder will not be released, discharged, limited or in any way affected by anything done, suffered, permitted or omitted to be done by the Lender or any other Person in connection with any duties or liabilities of any Credit Party to the Lender 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 Lender may, subject to the terms of this Agreement:

- 6.3.1 discontinue, reduce, increase or otherwise vary the credit of each Credit Party in any manner whatsoever;
- 6.3.2 make any change in the time, manner or place of payment under, or in any other term of, this Agreement or any Counterpart Agreement to which such Guarantor is not a party or the failure on the part of any Credit Party to carry out any of its Obligations;
- 6.3.3 grant time, renewals, extensions, indulgences, releases and discharges to any Credit Party or any other Person;
- 6.3.4 subordinate, release, take or enforce, refrain from taking or enforcing or omit to take or enforce this Agreement or any Counterpart Agreement or render opposable (perfect), refrain from rendering opposable (perfecting) or omit to render opposable (perfect) this Agreement or any Counterpart Agreement, whether occasioned by the fault of the Lender or otherwise;
- 6.3.5 to the extent permitted under applicable Laws, give or refrain from giving to any Credit Party or any other Person notice of any sale or other disposition of

any Business Assets 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;

- 6.3.6 accept compromises from any Credit Party or any other Person;
- 6.3.7 marshal, refrain from marshalling or omit to marshal assets;
- 6.3.8 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 Lender may see fit or change any such application in whole or in part from time to time as the Lender may see fit; and
- 6.3.9 otherwise deal, delay or refrain from dealing or omit to deal with any Credit Party and all other Persons and the security as the Lender 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 any Guarantor's liability hereunder.

#### 6.4 **No Exhaustion of Remedies**

The Lender is not bound or obligated to exhaust its recourse against any Credit Party or other Person or any security it may hold, or take any other action before being entitled to demand payment from any Guarantor hereunder. Each Guarantor hereby waives all benefits of discussion and division.

#### 6.5 **Prima Facie Evidence**

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

#### 6.6 **No Right of Compensation or Set-Off**

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

#### 6.7 **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 Lender 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. Each Guarantor also irrevocably renounces any rights it may acquire to be released from its Obligations hereunder pursuant to Article 2362 of the *Civil Code of Québec*. Within thirty (30) days of the request of the Lender, made at any time, the Guarantors shall renew their guarantee hereunder by executing such documents for this purpose as may be requested by the Lender.

#### 6.8 **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.

#### 6.9 **Demand**

Each Guarantor will make payment to the Lender 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 Lender of all costs and expenses incurred by the Lender following an acceleration of the Obligations pursuant to Section 14.1 in enforcing the provisions of this Article 6.

#### 6.10 **Interest**

Each Guarantor will pay interest to the Lender at the Prime Rate plus (i) the Relevant Margin then in effect and (ii) to the extent permitted by applicable Laws, 2.00% per annum, in respect of 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.

#### 6.11 **Postponement of Claims**

6.11.1 All debts and liabilities, present and future, of each Credit Party to each other Credit Party and all security therefor (the "**Postponed Obligations**") are hereby postponed and made subordinate in right of payment to the prior payment in full of the Obligations; provided that, so long as there is no Event of Default which is continuing and which has not been waived in writing in accordance with the terms of this Agreement and the Obligations have not been accelerated pursuant to Section 14.1, each such Credit Party shall be entitled to receive and retain for its own account all payments in respect of the Postponed Obligations.

6.11.2 Following the occurrence of an Event of Default which is continuing and acceleration of the Obligations pursuant to Section 14.1, the Lender shall be entitled to receive payment in full in cash in respect of the Obligations (other than indemnification obligations for which no claim has been made) before any Credit Party shall be entitled to receive any payment or distribution in respect of the Postponed Obligations, and after notice from the Lender to the Credit Parties requesting the interruption of such payments, no payments will be made, given or permitted, directly or indirectly, by right of compensation or set-off, redemption, purchase or in any other manner, as payment of or



security for the whole or any part of the Postponed Obligations. If a payment or distribution is made to any Credit Party in contravention of this subsection, such payment or distribution shall be received in trust and as mandatory for the benefit of the Lender, shall be segregated from other funds and property held by such Credit Party and shall be immediately paid and distributed to the Lender.

#### 6.12 **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 (other than indemnification obligations for which no claim has been made) and the termination of the Facility. Thereafter, the Lender 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.

#### 6.13 **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 this Agreement or any Counterpart Agreement will nonetheless be payable by each other Guarantor herewith in accordance with the terms hereof.

#### 6.14 **Release of Guarantors and Liens**

At any time, the Borrower may request that any Guarantor be released of its guarantee obligations under this Article 6 and, concurrently with such release, that the Liens granted by such Guarantor (to the extent applicable) in support of its guarantee obligations be released and discharged. Within five (5) Business Days of such request, the Lender shall consent to same provided that:

- 6.14.1 no Default or Event of Default shall then have occurred and be continuing;
- 6.14.2 on or before such date, such Guarantor has ceased to be a Netting Party and a Restricted Subsidiary (as such term is defined in the QMI Credit Agreement); and
- 6.14.3 immediately following the release of such Guarantor, the Minimum Assets Threshold shall continue to be met. For this purpose, the Restricted Group Assets shall be calculated on a *pro forma* basis as at the end of the then most recent fiscal quarter of the Borrower in respect of which the Borrower was required to deliver its Financial Statements pursuant to Sections 11.1 or 11.2 as if such Guarantor had not been a Guarantor on such day.

Concurrently with the release of such Guarantor of its guarantee obligations under this Article 6, the Lender shall execute and deliver, at the reasonable cost and expense of the Borrower, all such documents of release and discharge as the Borrower may reasonably request in order to release and discharge such Guarantor of its guarantee obligations under this Article 6 and the Liens granted by such Guarantor (to the extent applicable) in support of such guarantee obligations.

## ARTICLE 7

### SECURITY DOCUMENTS

#### 7.1 Security of the Credit Parties

To secure the due payment and performance of the Obligations, the Borrower:

- 7.1.1 shall cause each of the Guarantors to solidarily guarantee the Obligations pursuant to the terms of Article 6 (including, for additional Guarantors after the Closing Date, by way of the execution and delivery of Counterpart Agreements);
- 7.1.2 shall, and shall cause each of the other Credit Parties to, grant first ranking Liens, subject only to Permitted Encumbrances, on all of its movable property, present and future, corporeal and incorporeal, provided that at all times on or after the Closing Date, only Guarantors which collectively with the Borrower meet the Minimum Assets Threshold (as defined below) shall be required to comply with the obligation to grant such Liens under this subsection 7.1.2 (the Borrower and the Guarantors that have granted Liens in favour of the Lender pursuant to this subsection 7.1.2 shall be referred to herein as the "**Restricted Credit Parties**"), it being understood that for the purposes of this subsection 7.1.2, the Borrower shall ensure that the assets (calculated on a combined unconsolidated basis) of the Borrower and the other Restricted Credit Parties (the "**Restricted Group Assets**") represent at all times no less than 80% of the consolidated assets of the Borrower (the "**Minimum Assets Threshold**");
- 7.1.3 shall grant first ranking Liens, subject only to Permitted Encumbrances, on the Maisonneuve Property;

in each case, such Security Documents to be in form and substance reasonably satisfactory to the Lender.

Further to the obligations of the Borrower and the Guarantors pursuant to subsection 7.1.2, but only after demand is made by Quebecor Media at any time after the Closing Date, the Borrower shall, and shall cause each of the Guarantors to, deliver the instruments representing the Capital Stock of the Guarantors forming part of the Business Assets of each such Guarantor and execute and deliver all such agreements, in form and substance satisfactory to the Lender, acting reasonably, as may be necessary in order to establish control in favour of the Lender and Quebecor Media over such Capital Stock or over any of the other securities and security

entitlements (as such expressions are defined in an *Act respecting the transfer of securities and the establishment of security entitlements* (Québec)) of such Guarantor as may be made subject to control in favour of the Lender and Quebecor Media.

## ARTICLE 8

### **CONDITIONS PRECEDENT**

#### **8.1 Initial Conditions**

Notwithstanding the execution of this Agreement by the parties hereto, the Facility shall not be effective and the first Advance under the Facility shall therefore not be made by the Lender until such time as each of the following conditions precedent shall have been met to the satisfaction of the Lender or, as the case may be, waived by the Lender:

- 8.1.1 the Lender shall have received true and complete copies of the constitutive documents, charter and by-laws (if applicable), resolutions, certificates of incumbency and certificate of attestation or its equivalent from the jurisdiction of incorporation or organization of the Credit Parties;
- 8.1.2 the Security Documents to be executed by the applicable Credit Parties shall have been executed, delivered and registered wheresoever required by Applicable Law;
- 8.1.3 the Compensation Agreement shall have been executed and delivered by each of the parties thereto;
- 8.1.4 the Lender shall have received a certificate of a Responsible Officer of the Borrower attesting as to certain matters of facts;
- 8.1.5 the Lender shall have received a copy of the credit agreement dated on or about the date hereof entered into between the Borrower and Quebecor Media under the terms of which a credit facility in an amount of CDN\$120,000,000 is made available by Quebecor Media to the Borrower (as amended, supplemented, replaced, restated or otherwise modified from time to time, the "**QMI Credit Agreement**");
- 8.1.6 the Lender shall have received a copy of the Intercreditor Agreement, in form and substance satisfactory to the Lender;
- 8.1.7 the Lender shall be satisfied that on the Closing Date, the Existing Credit Facilities shall have been repaid in full;
- 8.1.8 the Lender shall have received a pay-out letter for the Existing Credit Facilities;
- 8.1.9 the Lender shall have received all releases, discharges or undertakings to release and discharge (including evidence of registration of and/or

authorizations to register such releases and discharges) Liens that are not Permitted Encumbrances;

- 8.1.10 the Lender shall have received the legal opinion of counsel to the Credit Parties addressed to the Lender and Lender's counsel, and in form and substance satisfactory to the Lender;
- 8.1.11 (i) the Lender shall have received the Administration Fee payable to it on or prior to the Closing Date pursuant to Section 3.6, and (ii) Lender's counsel reasonable fees and out-of-pocket expenses incurred up to and including the Closing Date shall have been paid;
- 8.1.12 the Lender shall have received such other information or documents as it shall require, acting reasonably.

## 8.2 **Conditions for Each Advance**

Subject to and upon compliance with all of the relevant terms and conditions of this Agreement, the Borrower can request an Advance hereunder only if on the requested Borrowing Date:

- 8.2.1 where an LC Request is required, the Lender shall have received such LC Request within the delays herein provided;
- 8.2.2 the Lender shall have determined that the amount of the requested Advance, expressed in its Equivalent in Canadian Dollars for any portion thereof requested in US Dollars, is not greater than the Available Facility;
- 8.2.3 the representations and warranties made by (or in respect of) the Credit Parties under the Operative Documents are true and correct in all material respects as of the date of such requested Advance (unless stated to relate solely to an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date), and will remain true and correct immediately following the making of such Advance; and
- 8.2.4 no Default or Event of Default shall have occurred and be continuing or shall result therefrom.

Notwithstanding the foregoing, the Facility is an uncommitted facility and the Borrower acknowledges and agrees that the Lender may refuse any Advance under the Facility for any reason whatsoever.

## **ARTICLE 9**

### **REPRESENTATIONS AND WARRANTIES**

To induce the Lender to make the Facility available to the Borrower, the Borrower represents and warrants to and in favour of the Lender for itself and, as may be specified below, for each of the other Credit Parties, as follows:

### 9.1 **Existence**

Each Credit Party is a corporation or other legal person duly and validly incorporated or formed, organized, existing and in good standing under the Laws of its jurisdiction of organization.

### 9.2 **Authority and Enforceability**

Each Credit Party has the legal capacity to (i) enter into, execute, deliver and perform its obligations under the Operative Documents to which it is a party, (ii) own and hold under lease its property, and (iii) conduct business substantially as presently conducted. Each Operative Document to which such Credit Party is a party constitutes a valid and legally binding obligation enforceable against such Credit Party in accordance with its terms, subject only to bankruptcy, insolvency, winding-up, dissolution, administration, reorganization, arrangement or other Applicable Laws affecting the enforcement of creditors' rights in general and to general principles of equity under which specific performance and injunctive relief may be refused by a court in its discretion.

### 9.3 **Due Authorization**

Each Credit Party has taken all necessary action to authorize the execution and delivery of each Operative Document to which it is a party, the creation and performance of its obligations thereunder and the consummation of the transactions contemplated in such Operative Documents. Each Credit Party has duly executed and delivered each Operative Document to which it is a party.

### 9.4 **Absence of Litigation**

There is no existing, pending or, to the best of each Credit Party's knowledge, threatened Litigation against any Credit Party which would reasonably be expected to have a Material Adverse Effect.

### 9.5 **Financial Statements**

Each financial report and Financial Statement delivered to the Lender pursuant to or in connection with this Agreement has been prepared in accordance with GAAP (subject to year end audit adjustments, where applicable) and fairly presents in all material respects the financial information and the financial condition and results of operations contained therein as at their respective preparation dates.

### 9.6 **Accuracy of Information**

No material information furnished by any Credit Party to the Lender pursuant to any of the Operative Documents contains any material misstatement of fact or omits to state a material fact necessary to make the statements contained therein not misleading in any material respects in light of the circumstances in which they were made and as of the date made.

**9.7 Compliance with Laws**

Each Credit Party is in compliance with all Applicable Laws, the non-compliance with which could, singly or in the aggregate, have a Material Adverse Effect.

**9.8 No Default**

No Default has occurred which has not been disclosed to the Lender and either remedied or expressly waived by the Lender in writing.

**9.9 Taxes**

Each Credit Party has paid and discharged all Taxes payable by it when due except with respect to any such Tax which is being contested in good faith by appropriate proceedings and which is not required, by Applicable Law, to be paid prior to such contestation and for which appropriate reserves have been provided in its books and as to which neither any Lien has attached nor any foreclosure, distraint, seizure, attachment, sale or similar proceedings shall have been commenced, and the charges, accruals and reserves on its books in respect of Taxes are adequate, in its judgment.

**9.10 Repetition of Representations and Warranties**

The representations and warranties made under this Agreement shall be deemed to be repeated by the Borrower on each Borrowing Date by reference to the facts and circumstances then existing, it being understood that to the extent such representations and warranties relate to a specifically identified earlier date they shall be true and correct as of such earlier date.

**ARTICLE 10****GENERAL COVENANTS**

So long as any Loan or any other amount payable hereunder is outstanding and unpaid or the Borrower shall have the right to borrow hereunder (whether or not the conditions to borrowing have been or can be fulfilled), and unless the Lender shall otherwise consent in writing, the Borrower hereby covenants and agrees for itself and, as may be specified below, for each of the other Credit Parties, as follows:

**10.1 Preservation of Existence, etc.**

Each Credit Party will (i) preserve and maintain its existence (except as a result of any transaction not otherwise prohibited by the terms of this Agreement), and (ii) qualify and remain qualified to the extent required by Applicable Law and authorized to do business in each jurisdiction in which it carries on business or owns or leases its properties and assets except where the failure to do so, singly or in the aggregate, would not likely be anticipated to have a Material Adverse Effect.

## 10.2 **Authorizations**

Each Credit Party will maintain, and take all actions necessary to maintain, in full force and effect the action taken by it to authorize the execution, delivery and performance in accordance its terms of each of the Operative Documents to which it is a party and the consummation of the transactions contemplated thereby. Each Credit Party will obtain and maintain any Authorization of or from any Governmental Authority necessary or required under Applicable Law in order to carry on its business, non-compliance with which, singly or in the aggregate, would likely be anticipated to have a Material Adverse Effect.

## 10.3 **Compliance with Applicable Law**

Each Credit Party will comply with Applicable Law, non-compliance with which, singly or in the aggregate, would likely be anticipated to have a Material Adverse Effect.

## 10.4 **Insurance**

Each Credit Party will insure and keep insured its property, assets and business, and will maintain business interruption and civil liability insurance, in each case for such coverage, as a prudent administrator would obtain or do in the case of similar property, assets and business.

## 10.5 **Visits and Inspections**

Each Credit Party shall permit representatives of the Lender to visit and inspect its properties during normal business hours, inspect and make extracts of its books and records and discuss with its principal officers and employees its business, assets, liabilities, financial position, results of operations and business prospects.

## 10.6 **Payment of Legal and Other Fees and Disbursements**

The Borrower covenants to pay upon demand all reasonable legal, notarial, consulting and professional fees and disbursements or any out of pocket costs and expenses incurred from time to time by the Lender or any one thereof, in connection with:

- 10.6.1 the negotiation, preparation and delivery of this Agreement and the other Operative Documents, as well as any amendment to be made to any of the foregoing at any time and from time to time;
- 10.6.2 any advice sought by the Lender on the construction of this Agreement or any of the other Operative Documents, or in anticipation of the exercise of, or for the purpose of determining whether or not to exercise any or all of, its rights and recourses under the Operative Documents;
- 10.6.3 the collection of any moneys due under the Operative Documents or ensuring compliance with the provisions of the Operative Documents;

- 10.6.4 any disagreement as to the meaning of any provision of the Operative Documents or any Litigation arising under or in connection with the Operative Documents.

#### 10.7 **Payment of Taxes and Claims**

Each Credit Party will pay and discharge all Taxes imposed upon it or upon its income, capital or profits or upon any properties belonging to it prior to the date on which penalties attach thereto, which, if unpaid, might become a Lien upon any of its properties; provided, however, that, no such Tax need be paid which is being contested in good faith by appropriate proceedings and for which appropriate reserves shall have been set aside on the appropriate books.

#### 10.8 **Keeping of Records**

Each Credit Party will keep or cause to be kept, proper records and books of account in accordance with the Law, and make or cause to be made therein, true and faithful entries of all dealings and transactions in relation to its business, all in accordance with GAAP applied on a consistent basis.

#### 10.9 **Transactions with Affiliates**

The Borrower shall cause all agreements or transactions to be entered into from time to time with any of its Subsidiaries or Affiliates, other than its wholly-owned Subsidiaries, to be entered into on an arms' length basis on commercially reasonable market terms.

### ARTICLE 11

#### **INFORMATION COVENANTS**

So long as any Loan or any other amount payable hereunder is outstanding and unpaid or the Borrower shall have the right to borrow hereunder (whether or not the conditions to borrowing have been or can be fulfilled) and unless the Lender shall otherwise consent in writing, the Borrower hereby covenants and agrees for itself and, as may be specified below, for each of the other Credit Parties, as follows:

##### 11.1 **Quarterly Financial Statements and Information**

Within sixty (60) days after the end of each of the first three (3) fiscal quarters in each of the fiscal years of the Borrower, the Borrower shall furnish to the Lender, one (1) copy of:

- 11.1.1 the consolidated Financial Statements of the Borrower as at the end of such fiscal quarter, setting forth, in comparative form, the figures for the corresponding period of the previous fiscal year; and
- 11.1.2 a certificate of a Responsible Officer of the Borrower:
  - 11.1.2.1 confirming that no Default or Event of Default has occurred and is continuing;



- 11.1.2.2 stating that, in his or her opinion, such Financial Statements are complete and correct in all material aspects and present fairly, in accordance with GAAP, the consolidated position of the Borrower as at the end of such period;
- 11.1.2.3 setting forth the calculations required to establish the Ratio of Total Debt to EBITDA as at the end of such period; and
- 11.1.2.4 setting forth the aggregate outstanding principal amount of each component of the Indebtedness permitted under subsections 12.2.6 and 12.2.7.

## 11.2 **Annual Financial Statements and Information**

Within one hundred and twenty (120) days after the end of each fiscal year of the Borrower, the Borrower shall furnish to the Lender, one (1) copy of:

- 11.2.1 the consolidated Financial Statements of the Borrower as at the end of such fiscal year, setting forth, in comparative form, the figures as at the end of and for the previous fiscal year, as audited by the Auditors, whose opinion shall be in scope and substance satisfactory to the Lender; and
- 11.2.2 a certificate of a Responsible Officer of the Borrower:
  - 11.2.2.1 confirming that no Default or Event of Default has occurred and is continuing;
  - 11.2.2.2 setting forth the calculations required to establish the Ratio of Total Debt to EBITDA as at the end of such period; and
  - 11.2.2.3 setting forth the aggregate outstanding principal amount of each component of the Indebtedness permitted under subsections 12.2.6 and 12.2.7.

## 11.3 **QMI Credit Agreement**

The Borrower shall furnish to the Lender prompt notice of any amendment or modification to the QMI Credit Agreement, together with a copy thereof, which notice shall in any event be given within ten (10) Business Days of any such amendment or modification.

## 11.4 **Other Information**

The Borrower shall furnish to the Lender from time to time all available data, certificates, reports, statements, documents or further information regarding the business, assets, liabilities, financial position, results of operations or business prospects of any Credit Party reasonably requested by the Lender, promptly after such request, it being understood that such information shall be used by the Lender exclusively in its role as Lender under the Facility.

## ARTICLE 12

### NEGATIVE COVENANTS

So long as any Loan or any other amount payable hereunder is outstanding and unpaid or the Borrower shall have the right to borrow hereunder (whether or not the conditions to borrowing have been or can be fulfilled) and unless the Lender shall otherwise consent in writing, the Borrower hereby covenants and agrees for itself and, as may be specified below, for each of the other Credit Parties, as follows:

#### 12.1 Liens

The Borrower will not incur, create, assume or suffer to exist, and will cause each of the Credit Parties not to incur, create, assume or suffer to exist, any Lien upon or in respect of any of its present or future assets or properties except for the Liens created under the Security Documents and Permitted Encumbrances.

#### 12.2 Indebtedness

The Borrower will not incur, create, assume or suffer to exist, and will cause each of the Credit Parties not to incur, create, assume or suffer to exist, any Indebtedness, other than:

- 12.2.1 Indebtedness under this Agreement and the Operative Documents;
- 12.2.2 Indebtedness under the QMI Credit Agreement and the Security Documents (as such term is defined in the QMI Credit Agreement), it being understood and agreed that Quebecor Media shall not assign or transfer its rights and obligations under the QMI Credit Agreement except if (i) the Lender consents to such assignment or transfer, and (ii) the assignee agrees to be bound by the provisions of the Intercreditor Agreement as if it were an original party thereto;
- 12.2.3 Indebtedness secured by a Lien which is a Permitted Encumbrance;
- 12.2.4 unsecured Allowed Subordinated Debt;
- 12.2.5 unsecured QMI Subordinated Debt;
- 12.2.6 unsecured Debt for Borrowed Money (other than, for greater certainty, any such Debt for Borrowed Money otherwise permitted under this Section 12.2), provided that the aggregate outstanding principal amount of such Indebtedness for the Borrower and the Guarantors, taken as a whole, does not, at any time, exceed CDN\$40,000,000, or the Equivalent thereof in any other currency;
- 12.2.7 Purchase Money Obligations, provided that the aggregate outstanding principal amount of such Indebtedness for the Borrower and the Guarantors,

taken as a whole, does not, at any time, exceed CDN\$40,000,000, or the Equivalent thereof in any other currency;

- 12.2.8 Indebtedness incurred in the ordinary course of business and for the purpose of carrying on same, representing the deferred purchase price of property or services and commonly referred to as trade payables;
- 12.2.9 Indebtedness under ISDA Contracts to the extent same are for sound financial purposes and not for speculative purposes of any kind;
- 12.2.10 Indebtedness of any Credit Party to any other Credit Party;
- 12.2.11 Indebtedness pursuant to Back-to-Back Transactions, Tax Benefit Transactions or Daylight Loans; and
- 12.2.12 unsecured balance of sale prices or earn-out obligations incurred in connection with permitted Acquisitions.

### 12.3 **Sale of Assets, Investments and Financial Assistance**

The Borrower will not, and will cause each of the Credit Parties not to, make any Sale of Assets or Investment or grant any Financial Assistance in an aggregate amount which would exceed, for any and all such transactions made or granted after the Closing Date, an amount equal to 15% of the book value of the total assets of the Borrower as at the end of the fiscal year immediately preceding the Closing Date. Notwithstanding the foregoing, the Borrower will not, and will cause each of the Credit Parties not to, under any circumstances, make any Sale of Assets in respect of Business Assets that are materially important for the operation of its Core Business as a whole as presently conducted (including, without limitation, its intellectual property and licenses) without the prior written consent of the Lender.

In connection with any sale, transfer, conveyance, assignment or other disposition of assets by any Credit Party (including a Sale of Assets) in compliance with the provisions of this Section 12.3 (or not otherwise prohibited under the terms of this Agreement) and, at the request and expense of the Borrower, the Lender shall confirm to the purchaser of such assets that the Liens granted pursuant to the Security Documents no longer affect such assets and discharge the Liens granted pursuant to the Security Documents on such assets provided that the Lender (i) has received a certificate duly executed by one (1) Responsible Officer of the Borrower confirming that the provisions of this Section 12.3 are being complied with, providing reasonably detailed information in support of such confirmation, and (ii) is satisfied that no Default or Event of Default has occurred and is continuing.

## **ARTICLE 13**

### **EVENTS OF DEFAULT**

The occurrence of any one or more of the following events shall constitute an Event of Default (each such event being herein referred to as an "**Event of Default**");

**13.1 Non-Payment**

The Borrower fails to pay (i) upon demand, any amount of principal owed by it and outstanding hereunder or (ii) any amount of interest, fees and accessories outstanding hereunder when due, and such Default shall not be remedied within five (5) Business Days following written notice of such Default by the Lender to the Borrower.

**13.2 Misrepresentation**

Any representation or warranty made or deemed made by any Credit Party hereunder or in any other Operative Document is found to have been, when made or deemed made, either incorrect or inaccurate in any material respect.

**13.3 Covenants**

Any Credit Party fails to perform, observe or comply with any other term, covenant or agreement contained in any Operative Document to which it is a party and such failure remains unremedied for fifteen (15) days following written notice of such failure by the Lender.

**13.4 Insolvency**

An Insolvency Event shall have occurred with respect to any Credit Party (other than any Immaterial Subsidiary).

**13.5 Change in Control**

Should Quebecor Media at any time cease to have, hold or exercise Control of the Borrower.

**13.6 Material Adverse Effect**

A Material Adverse Effect occurs.

**13.7 Default on Indebtedness**

Should any Credit Party default under any agreement or instrument evidencing or constituting any Indebtedness (other than Indebtedness under this Agreement), the amount of which singly or when aggregated with all such other Indebtedness in default, exceeds CDN\$20,000,000 or the equivalent thereof in any other currency and (i) such Default is not remedied by such Credit Party or is not expressly waived by the relevant creditors of any such Indebtedness, in each case, within twenty (20) days of its occurrence; or (ii) there shall have occurred an acceleration of the maturity of any such Indebtedness.

## ARTICLE 14

### REMEDIES

#### 14.1 Termination and Acceleration

If an Event of Default shall have occurred and be continuing, the Lender may declare the Facility to be cancelled, terminated or reduced (it being understood that such remedies may be exercised by the Lender even if no Event of Default has occurred pursuant to Section 2.4), or take any other action, commence any other suit, action or proceeding or exercise such other rights as may be permitted by Applicable Law (whether or not provided for under this Agreement) at such times and in such manner as the Lender may consider expedient, all without any additional notice, demand, presentment for payment, protest, noting of protest, dishonour, notice of dishonour or any other action being required. If an Event of Default referred to in Section 13.4 occurs, the Facility shall immediately and automatically be cancelled and any Loan shall be accelerated and become immediately and automatically due and payable without any action on the part of the Lender being required.

#### 14.2 Application of Payments

Notwithstanding the provisions of Article 1572 of the *Civil Code of Québec*, as well as any other legal rule governing the application of payments, the Lender may apply the proceeds of realization and of any credit or compensating balances against such part of the Indebtedness of the Borrower under this Agreement as the Lender deems best.

#### 14.3 Compensation and Set-Off

14.3.1 In addition to any rights now or hereafter granted under Applicable Law and not by way of limitation of any such rights, after the occurrence of an Event of Default that is continuing, the Lender is hereby authorized by the Borrower, at any time and from time to time, without notice to the Borrower or to any other Person, any such notice being hereby expressly waived, to effect compensation, to set-off and to appropriate and to apply any and all deposits (general or special, time or demand, including Indebtedness evidenced by certificates of deposit, in each case whether matured or unmatured), and any other Indebtedness at any time held or owing by the Lender to or for the credit or the account of the Borrower against and on account of the obligations and liabilities of the Borrower to the Lender hereunder, irrespective of whether or not the Lender shall have made any demand hereunder or shall have declared the Loan to be due and payable as permitted hereunder and although said obligations and liabilities, or any of them, shall be contingent or unmatured.

14.3.2 For the purposes of the application of this Section, the Borrower and the Lender agree that the benefit of any term applicable to any Lender's deposit, credit indebtedness, liability or obligation referred to in this Section shall be lost immediately before the time when the Lender shall exercise its rights

under this Section in respect of such deposit, credit indebtedness, liability or obligation of the Lender.

- 14.3.3 Furthermore, in the exercise of its rights under this Section, where any Indebtedness of the Lender to the Borrower is not outstanding in the same currency as the Indebtedness of the Borrower to the Lender, then the Lender may effect all currency conversions with respect to any such Indebtedness as it considers appropriate in accordance with its normal practices by using its own rate of exchange in effect on the Business Day preceding that on which it exercised its rights under this Section.

#### 14.4 **Notices**

Save as otherwise expressly provided for herein, no notice or *mise en demeure* of any kind shall be required to be given to the Borrower by the Lender for the purpose of putting the Borrower in default, the Borrower being in default by the mere lapse of time allowed for the performance of an obligation or by the mere occurrence of any event constituting an Event of Default.

#### 14.5 **No Restriction on Demand Nature of Loan**

Nothing herein contained, including, without limitation, the provisions of Article 13 and Section 14.1, shall be construed or interpreted so as to limit, qualify or otherwise affect in any manner whatsoever, either (i) the uncommitted nature of the Facility and the right of the Lender to terminate and cancel the Facility at any time, or (ii) the demand nature of the Demand Loan and the right of the Lender, at any time, to demand its immediate payment.

### ARTICLE 15

#### **MISCELLANEOUS**

##### 15.1 **General Indemnity**

The Borrower hereby indemnifies and holds harmless (and shall cause each Credit Party to indemnify and hold harmless) the Indemnified Parties from any and all losses and expenses that may be incurred by or awarded against any Indemnified Party, arising out of or relating to any investigation, Litigation or proceeding relating to the Operative Documents or any use made or proposed to be made with the proceeds of the Facility, whether or not such investigation, Litigation or proceeding is brought by the Borrower or any other Person and whether or not such Indemnified Party is a party hereto, except to the extent such losses and expenses are found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from such Indemnified Party's intentional or gross fault or wilful misconduct.

##### 15.2 **Notices**

Except as otherwise specified herein, all notices, requests, demands or other communications to or upon the respective Parties hereto shall be deemed to have been duly given or made to the Party to which such notice, request, demand or other communication is required or permitted to

be given or made under this Agreement, when delivered to such Party (by certified mail, postage prepaid or hand delivery) at its address and attention set forth with its signature below or at such other address as any of the Parties hereto may hereafter notify the others in writing. No other method of giving notice is hereby precluded. Notices and other communications to the Lender may be delivered by electronic communication (including email and internet or intranet websites) pursuant to procedures approved by the Lender.

**15.3 Calculations and Determinations Shall Constitute *Prima Facie* Proof**

In the absence of manifest error, any calculation or determination to be made by the Lender under this Agreement, when made, shall constitute *prima facie* evidence for all of the Parties hereto.

**15.4 Maintenance of Loan Records by the Lender**

15.4.1 The Lender will open and maintain on its books a loan record for the Borrower evidencing the aggregate Indebtedness of the Borrower to the Lender hereunder and each constituent part of the Loan. The Lender shall record therein the amount of each direct Advance and the issuance of each LC, and shall enter therein each payment of principal and interest on the said loans and all amounts paid by the Borrower on account of LCs and all other amounts paid by the Borrower and becoming due under this Agreement;

15.4.2 The said loan records shall constitute, in the absence of manifest error, *prima facie* evidence of the whole and each constituent part of the Loan, the date any Advance is made to the Borrower and the aggregate amounts from time to time paid by the Borrower on account of the Loan, in principal, interest, fees and other amounts due hereunder.

**15.5 Rights and Recourses Cumulative**

The rights and remedies of the Parties under this Agreement shall be cumulative and not exclusive of any right or remedy which the Parties would otherwise have and no failure or delay by the Parties in exercising any right shall operate as a waiver thereof, nor shall any single or partial exercise of any power or right preclude its other or further exercise or the exercise of any other power or right.

**15.6 Assignments by the Borrower**

The rights of the Borrower hereunder are declared to be purely personal and may therefore not be assigned or transferred, nor can the Borrower assign or transfer any of its obligations, any such assignment being null and void insofar as the Lender is concerned and rendering any balance then outstanding of the Loan immediately due and payable at the option of the Lender and relieving the Lender from the obligation of making any or any further Advances hereunder.

### 15.7 **Assignment by the Lender**

The Lender may at any time assign all or any portion of the Loan and the Facility with the prior written consent of the Borrower, provided, however, that the Borrower's consent shall not be required for any assignment made while an Event of Default has occurred and is continuing.

### 15.8 **Conversion Rules**

If for the purpose of obtaining or enforcing a judgment in any court or for any other purpose hereunder (such as, without limitation, to determine the value of any amount expressed in a currency other than that in which is expressed hereunder the amount to which it is being compared), it is necessary to convert any amount in the currency in which it is denominated (the "**Original Currency**") into another currency (the "**Second Currency**"), the rate of exchange applied shall be the Exchange Rate for conversion of the Original Currency into the Second Currency applicable on the Business Day on which judgment is given or such determination must be made.

### 15.9 **Currency Indemnity**

The Borrower agrees that its obligations in respect of any amount due and payable to the Lender in the Original Currency hereunder shall be discharged only to the extent that, on the Business Day following receipt of any sums so paid or adjudged to be due hereunder in the Second Currency, the Lender, in accordance with normal banking procedure, may purchase in the Canadian money market or the Canadian foreign exchange market, as the case may be, the Original Currency with the amount of the Second Currency so paid or so adjudged to be due. If the amount of the Original Currency so purchased is less than the amount originally due in the Original Currency, the Borrower agrees to indemnify the Lender against such loss and, if the amount of the Original Currency so purchased is greater than the amount originally due in the Original Currency, the Lender agrees to remit to the Borrower, on demand, any such excess.

### 15.10 **Counterparts**

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

### 15.11 **Severability**

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof in that jurisdiction or affecting the validity or enforceability of such provision in any other jurisdiction.

### 15.12 **Replacement of Previous Agreements**

This Agreement replaces and supersedes all verbal or oral agreements, understandings and undertakings between the Lender and the Borrower relating to the Facility.



**15.13 Obligation to Pay Absolute**

The obligations of the Borrower to make payments on the Loan as and when due in accordance with this Agreement shall be unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances without any right of compensation or set-off and notwithstanding any defence, right of action or claim of any nature whatsoever which the Borrower may at any time have or have had against the Lender, whether in connection with this Agreement or otherwise.

**15.14 Governing Law**

This Agreement and the interpretation and enforcement thereof shall be governed by and in accordance with the Laws of the Province of Québec and the federal Laws of Canada applicable therein.

**ARTICLE 16****LANGUAGE****16.1 English Language**

The parties hereto have expressly required that this Agreement and all deeds, documents and notices relating thereto be drafted in the English language. *Les parties aux présentes ont expressément exigé que la présente convention et tous les autres contrats, documents ou avis qui y sont afférents soient rédigés en langue anglaise.*

**[INTENTIONALLY LEFT BLANK]**

**IN WITNESS WHEREOF**, the parties hereto have signed this Agreement on the date and in the place first herein above mentioned.

**TVA GROUP INC. / GROUPE TVA INC.,**  
AS BORROWER AND GUARANTOR

Per: (s) Marjorie Daoust

Name: Marjorie Daoust

Title: Vice President, Finance

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

Name:

Title:

Address: 1600 de Maisonneuve Est, Montreal, Quebec  
H2L 4P2

Attention: marjorie.daoust@tva.ca

**NATIONAL BANK OF CANADA,**  
AS LENDER

Per: (s) *Luc Bernier*

Name: Luc Bernier

Title: Managing Director, Corporate Banking

and Per: (s) *Jonathan Campbell*

Name: Jonathan Campbell

Title: Managing Director, Corporate Banking

Address: Banque Nationale du Canada  
1155 rue Metcalfe, 23<sup>ème</sup> étage,  
Montreal, Québec, H3B 4S9

Attention: Mr. Luc Bernier

For purposes of all LC Requests, as well as  
financial statements and information:

Address: Banque Nationale du Canada  
1155 rue Metcalfe, 23<sup>ème</sup> étage,  
Montreal, Québec, H3B 4S9

Attention: Mr. Luc Bernier

**TVA PUBLICATIONS INC.,  
TVA PRODUCTIONS INC.,  
TVA PRODUCTIONS II INC.,  
COMMUNICATIONS QOLAB INC. /  
QOLAB COMMUNICATIONS INC.,  
MELS DOUBLAGE INC. / MELS  
DUBBING INC.,  
TVA DISTRIBUTION INC.,  
9311-6127 QUÉBEC INC.,  
9311-6127 QUÉBEC INC., 9383-6641  
QUÉBEC INC. and TVA GROUP INC., as  
partners for and in respect of MELS  
STUDIOS AND POSTPRODUCTION G.P.,  
9383-6641 QUÉBEC INC.,  
INCENDO MÉDIA INC.,  
INCENDO 2022 FILM PRODUCTIONS  
INC. / PRODUCTIONS 2022 DE FILMS  
INCENDO INC.,  
INCENDO 2022 NICE PRODUCTIONS  
INC. / PRODUCTIONS 2022 NICE  
INCENDO INC.,  
INCENDO DEAD HEAD PRODUCTIONS  
INC. / PRODUCTIONS DEAD HEAD  
INCENDO INC.,  
INCENDO 2021 FILM PRODUCTIONS  
INC. / PRODUCTIONS 2021 DE FILMS  
INCENDO INC.,  
INCENDO 2021 NZ1 PRODUCTIONS  
INC. / PRODUCTIONS 2021 NZ1  
INCENDO INC.,  
INCENDO 2021 NZ2 PRODUCTIONS  
INC. / PRODUCTIONS 2021 NZ2  
INCENDO INC.,  
INCENDO 2021 NZ3 PRODUCTIONS  
INC. / PRODUCTIONS 2021 NZ3  
INCENDO INC.,  
INCENDO 2021 OZ1 PRODUCTIONS  
INC. / PRODUCTIONS 2021 OZ1  
INCENDO INC.,  
INCENDO CLEAN SWEEP 1  
PRODUCTIONS INC. / PRODUCTIONS  
CLEAN SWEEP 1 INCENDO INC.,  
INCENDO BORDERLINE 1  
PRODUCTIONS INC. / PRODUCTIONS  
BORDERLINE 1 INCENDO INC.,**

**INCENDO 2023 FILM PRODUCTIONS  
INC. / PRODUCTIONS 2023 DE FILMS  
INCENDO INC.,  
INCENDO 2024 FILM PRODUCTIONS  
INC. / PRODUCTIONS 2024 DE FILMS  
INCENDO INC.,  
INCENDO 2024 CP1 PRODUCTIONS INC.  
/ PRODUCTIONS 2024 CP1 INCENDO  
INC.,  
AS GUARANTORS**

Per: (s) Marjorie Daoust

Name: Marjorie Daoust

Title: Vice President, Finance

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

Name:

Title:

Address: 1600 de Maisonneuve Est, Montreal, Quebec  
H2L 4P2

Attention: marjorie.daoust@tva.ca

## SCHEDULE "A"

### DEFINITIONS

**"Acquisition"** with respect to any Person, means any transaction or series of transactions whereby such Person purchases, acquires or obtains:

1. the Control of another Person;
2. the whole or a substantial part of another Person's properties and assets;
3. a business, line of business or division of another Person;
4. properties and assets of another Person outside of the ordinary course of business;

the whole either directly or through Credit Parties or Subsidiaries of Credit Parties;

**"Administration Fee"** shall have the meaning ascribed thereto in Section 3.6;

**"Advance"** means any amount of money or credit advanced or to be advanced (as the context requires) to the Borrower pursuant to this Agreement, whether by way of cash advance by the Lender or the issuance of LCs by the Lender;

**"Affiliate"** means any Person which is directly or indirectly Controlling, is Controlled by, or is under direct or indirect common Control, with any other Person;

**"Allowed Subordinated Debt"** means any Debt for Borrowed Money incurred, assumed or suffered to exist by the Borrower or any Guarantor which complies with the following conditions:

1. the rights of the lender(s) in respect of such Debt for Borrowed Money are made expressly subject and subordinate to the rights of the Lender hereunder, under the terms of a subordination and postponement agreement entered into by such lender(s) in favour of the Lender. Without in any way limiting the generality of the foregoing, such lender(s) shall expressly covenant and agree under the terms of any such subordination and postponement agreement that, whenever any event of default shall occur and continue under the operative documents relating to such Debt for Borrowed Money, such lender(s) shall not be permitted to exercise, directly or indirectly, any right, recourse and/or remedy prior to the payment in full of the Obligations and the cancellation and termination of the Facility, unless the Lender shall otherwise consent to any such right, recourse or remedy. Where any such Debt for Borrowed Money shall be Debt for Borrowed Money payable upon demand from any such lender, said lender shall also expressly covenant and agree under the terms of any such subordination and postponement agreement not to demand payment of any such Debt for Borrowed Money prior to the payment in full of the Obligations and the cancellation and termination of the Facility, unless the Lender shall otherwise consent to any such demand for payment. Where the operative documents

relating to any such Debt for Borrowed Money provide for any debtor's option to pay or, as the case may be, any lender's option to be paid, the whole or any part of the principal amount of such Debt for Borrowed Money or interest thereon, by way of issuance by the Borrower (or any other Credit Party) of its Capital Stock, any such subordination and postponement agreement shall permit the exercise of any such option, it being expressly understood and agreed that, in all such cases, no payment in cash under such Debt for Borrowed Money, or any part thereof shall be permitted prior to the payment in full of the Obligations and the cancellation and termination of the Facility, unless the Lender shall otherwise consent to any such payment in cash; and

2. neither the Borrower nor any of its Subsidiaries has granted or is required to grant any Lien as security for the repayment of such Debt for Borrowed Money;

**"Applicable Law"** means, with respect to any Person, any Law applicable to such Person or its properties or assets and any judgment or award binding on such Person or its properties or assets;

**"Auditors"** means any (a) reputable firm of independent chartered accountants acceptable to the Lender, or (b) national firm of chartered accountants of recognized standing;

**"Authorization"** means any authorization, approval, consent, exemption, licence, permit, franchise or no-action letter from any Governmental Authority having jurisdiction with respect to any specified Person, property, transaction or event, or with respect to any of such Person's properties or assets;

**"Available Facility"** means, as at any time, the difference between the Facility then in effect and the Demand Loan then outstanding, expressed in the Equivalent in Canadian Dollars;

**"Back-to-Back Debt"** means any loan or debt instrument evidencing a loan described in the definition of Back-to-Back Preferred Shares;

**"Back-to-Back Preferred Shares"** means preferred shares issued:

- a) to a Credit Party by an Affiliate of the Borrower in circumstances where, immediately prior to the issuance of such preferred shares, an Affiliate of such Credit Party has loaned on an unsecured basis to such Credit Party, or an Affiliate of such Credit Party has subscribed for preferred shares of such Credit Party in an amount equal to, the requisite subscription price for such preferred shares;
- b) by a Credit Party to one of its Affiliates in circumstances where, immediately prior to or immediately after, as the case may be, the issuance of such preferred shares, such Credit Party has loaned an amount equal to the proceeds of such issuance to an Affiliate on an unsecured basis; or
- c) by a Credit Party to one of its Affiliates in circumstances where, immediately after the issuance of such preferred shares, such Credit Party has used all of the proceeds of such issuance to subscribe for preferred shares issued by an Affiliate;

in each case on terms whereby:

- (i) the aggregate redemption amount applicable to the preferred shares issued to or by such Credit Party is identical:
  - A. in the case of a), to the principal amount of the loan made or the aggregate redemption amount of the preferred shares subscribed for by such Affiliate prior to the issuance thereof;
  - B. in the case of b), to the principal amount of the loan made to such Affiliate with the proceeds of the issuance thereof; or
  - C. in the case of c), to the aggregate redemption amount of the preferred shares issued by such Affiliate with the proceeds of the issuance thereof;
- (ii) the dividend payment date applicable to the preferred shares issued to or by such Credit Party will:
  - A. in the case of a), be immediately prior to the interest payment date relevant to the loan made or the dividend payment date on the preferred shares subscribed for by such Affiliate immediately prior to the issuance thereof;
  - B. in the case of b), be immediately after the interest payment date relevant to the loan made to such Affiliate with the proceeds of the issuance thereof; or
  - C. in the case of c), be immediately after the dividend payment date on the preferred shares issued by such Affiliate with the proceeds of the issuance thereof;
- (iii) the amount of dividends provided for on any payment date in the share conditions attaching to the preferred shares issued:
  - A. to a Credit Party in the case of a), will be equal to or in excess of the amount of interest payable in respect of the loan made or the amount of dividends provided for in respect of the preferred shares subscribed for by such Affiliate prior to the issuance thereof;
  - B. by a Credit Party in the case of b), will be equal to or less than the amount of interest payable in respect of the loan made to such Affiliate with the proceeds of the issuance thereof; or
  - C. by a Credit Party in the case of c), will be equal to the amount of dividends in respect of the preferred shares issued by such Affiliate with the proceeds of the issuance thereof;

provided, for greater certainty, that in all cases, **(i)** the redemption of any preferred shares by a Credit Party, **(ii)** the repayment of any Back-to-Back Debt by a Credit Party, **(iii)** the payment of any dividends by a Credit Party in respect of its preferred shares, and **(iv)** the payment of any interest on Back-to-Back Debt of a Credit Party, may, in each case, be made by a Credit Party, at



the choice of such Credit Party, solely by delivering the relevant Back-to-Back Securities to the Affiliate in question, or by paying to the Affiliate an amount in cash not in excess of the amount already received in cash from such Affiliate. Notwithstanding the foregoing, the requirement set out above with respect to the timing and order of events or to the effect that certain amounts stipulated in (ii) and (iii) above must be equal to or not in excess of or not less than certain other amounts stipulated thereunder shall not apply to Back-to-Back Transactions between Credit Parties provided the exchange of payments relating to such transactions are completed on the same day absent administrative, technical or technological constraints.

**"Back-to-Back Securities"** means the Back-to-Back Preferred Shares or the Back-to-Back Debt or both, as the context requires;

**"Back-to-Back Transaction"** means any transaction described in the definition of Back-to-Back Preferred Shares provided that no Default or Event of Default exists at the time of such transaction and such transaction would not result in the occurrence of a Default or Event of Default and that any Back-to-Back Debt comprised in such transaction, if the holder thereof is not a Credit Party, is made expressly subject and subordinate (but not postponed), to the rights of the Lender under the terms of a subordination agreement by the holder of such Back-to-Back Debt in form and substance satisfactory to the Lender;

**"Borrower"** refers to TVA Group Inc. and includes any successor thereto;

**"Borrowing Date"** means any day on which an Advance is made;

**"Business Assets"** means the business, operations, undertaking, property and assets of a specified Person, including the shares and the other securities held in another Person;

**"Business Day"** means any day excluding Saturday, Sunday or any other day which in Montréal, Québec, is a legal holiday or a day on which banks are authorized by law or by local proclamation to close, provided that with respect to any transaction requiring a transfer of funds in (i) Canadian Dollars, then such day must also be a day on which banks are open for business in Toronto, Ontario, and (ii) US Dollars, then such day must also be a day on which banks are open for business in New York, NY, U.S.A.;

**"Canadian Dollars"** or **"CDN\$"** means the lawful currency of Canada;

**"Capital Stock"**, with respect to any Person, means any and all shares, interests, participations or other equivalents (however designated) of corporate stock of such Person;

**"Cdn Dollar LC Liability"** means, as at any time, the face amount of the LCs denominated in Canadian Dollars issued by the Lender under the Facility and outstanding at such time;

**"Closing Date"** means June 28, 2023;

**"Compensation Agreement"** means the account consolidation agreement entered into on or about the date hereof among the Netting Parties and the Lender in connection herewith, as amended, supplemented or restated at any time and from time to time;

**"Control"** means a Person shall be deemed to control another Person where such first Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership or direction of voting securities, by agreement or otherwise, and when used as a verb, shall have a correlative meaning;

**"Core Business"** is the collective reference to the business of (i) the creation, production, distribution and broadcasting of entertainment, information and public affairs programming, (ii) the publishing and distribution of magazines, (iii) the consumer products merchandising via home shopping, internet and retailers, (iv) internet activities relating to the creation, production, distribution, programming and publishing activities of the Borrower on a consolidated basis, (v) activities relating to ancillary products based on the creation, production, distribution, programming, publishing or merchandising activities of the Borrower or its customers, (vi) investment activities (through Fidec or otherwise) for the financing of production or co-production of motion pictures, television programs and other content on any media, and (vii) the activities relating to the distribution of motion pictures, television programs and other content on any media;

**"Counterpart Agreement"** means a Counterpart Agreement substantially in the form of Schedule "D" delivered pursuant to subsection 7.1.1 or a similar agreement, in form and substance reasonably acceptable to the Lender;

**"Credit Parties"** refers collectively to the Borrower and the Guarantors, and **"Credit Party"** refers to any one thereof;

**"Daylight Loan"** means a transaction or series of transactions relating to a Back-to-Back Transaction or a Tax Benefit Transaction described as follows:

1. the Borrower or the relevant Guarantor borrows a sum of money (the **"D Loan"**) from a lender or lenders (the **"Daylight Lender"**);
2. the D Loan is used to effect a Back-to-Back Transaction or a Tax Benefit Transaction and is fully reimbursed to the Daylight Lender on the day it is advanced by the Daylight Lender; and
3. the D Loan is unsecured;

**"Debt for Borrowed Money"**, with respect to any Person, means, without duplication, such Person's:

1. obligations for borrowed money;
2. obligations under letters of credit or letters of guarantee or obligations to financial institutions who issued such letters of credit or letters of guarantee for the account of such Person;
3. (i) obligations under banker's acceptances, depository bills or depository notes (as these latter two expressions are defined in the *Depository Bills and Notes Act* (Canada)), and

(ii) balance of sale prices or earn-out obligations incurred in connection with permitted Acquisitions;

4. Purchase Money Obligations;
5. obligations evidenced by bonds, debentures or promissory notes;
6. redeemable shares of its Capital Stock which are either redeemable at the option of the holder thereof, are redeemable at a fixed date or are redeemable during fixed intervals. The amount of Debt for Borrowed Money of any such Capital Stock shall be the whole or any portion of the fixed redemption or repurchase price therefor which in accordance with GAAP would constitute a liability on the balance sheet of such Person;
7. 100% of the Mark to Market Exposure, provided that same shall only be included in Debt for Borrowed Money at any time and from time to time where the Ratio of Total Debt to EBITDA (calculated without taking into account any such Mark to Market Exposure) shall be greater than 3.00 to 1.00;
8. obligations under Guarantees given by such Person of obligations of another Person of the kind described in any one or more of paragraphs 1 to 7 inclusively; and
9. obligations under Guarantees given by such Person for obligations of another Person under Guarantees of the kind described in paragraph 8 above given by such other Person;

provided, however, that Debt for Borrowed Money shall not include the obligations of such Person pursuant to Back-to-Back Transactions;

**"Default"** means any Event of Default or any default, breach, failure, event, state or condition which, unless remedied or waived, with the lapse of time or giving of notice, or both, would constitute an Event of Default;

**"Demand Loan"** means, as at any time, the aggregate of the principal amount of Advances then outstanding hereunder, including the LC Liabilities;

**"Derivative Instruments"** means currency exchange contracts, interest rate contracts or equity compensation hedging contracts or any combination thereof and includes currency or interest rate swap agreements, any spot, future, forward or other foreign exchange agreements, hedging agreements, cap, collar or floor transactions or other similar money market facilities and any combination thereof and shall include any commodity swap agreement;

**"EBITDA"** means, with respect to the Borrower, for any period, calculated on a consolidated basis, earnings before non-controlling interests, equity in income of companies subject to significant influence, extraordinary or non-recurring items (including, but not limited to, gains or losses on asset sales or refinancings or restructuring charges, impairment of assets and goodwill), financial charges, foreign exchange translation gains or losses not involving the payment of cash, taxes, depreciation and amortization, less any income in connection with Back-to-Back Securities and without taking into account any goodwill or license non-cash adjustments, provided however that (a) with respect to the Acquisition of any Person, a historic consolidation

of the net income of such Person (adjusted as hereinabove contemplated), on a pro forma basis, may be utilized for the purposes of calculating EBITDA as hereinabove calculated, provided that the underlying data relating thereto has been audited by the Auditors or, if no such audited data shall then exist, is otherwise satisfactory to the Lender, **(b)** with respect to any sale of asset made in favour of any Person which is not a Subsidiary of the Borrower, the EBITDA attributable to all property disposed of in any such sale of asset shall be excluded for the relevant period as if such sale of asset had occurred as of the first day of such relevant period, and **(c)** with respect to any Acquisition of any Person from time to time, cost synergies may be utilized for the purposes of calculating EBITDA as hereinabove calculated, provided that (i) such cost synergies are readily quantifiable and substantiated by documentation in form and substance satisfactory to the Lender and (ii) such cost synergies shall not exceed, for any relevant period, 25% of EBITDA for such relevant period;

**"Equivalent"** means the equivalent in any currency of any value or sum denominated in any other currency using the Exchange Rate, the whole as calculated by the Lender as required under the terms hereof on the date that any such calculation is so required to be made;

**"Event of Default"** or **"*cas de manquement*"** means any of the events described in Article 13;

**"Exchange Rate"** means the rate of exchange announced by the Lender in accordance with its normal business practices on the Business Day preceding the day as of which any determination of such rate is required to be made under the terms hereof, as its rate for conversions of any currency into another currency;

**"Existing Credit Facilities"** means the credit facilities to be repaid in full as at the Closing Date, made available to the Borrower under the amended and restated credit agreement dated as of November 3, 2014 with the Lender as administrative agent, as amended and supplemented from time to time;

**"Existing LCs"** has the meaning ascribed to it in Section 4.6;

**"Facility"** means, as at any time, the aggregate amount which the Lender has agreed to make available to the Borrower pursuant to Section 2.1;

**"Financial Assistance"**, with respect to any Person, means, directly or indirectly, any loan, advance or Guarantee other than **(i)** any loan, advance or Guarantee to or in favour of any Credit Party, or **(ii)** pursuant to any Back-to-Back Transaction or Tax Benefit Transaction;

**"Financial Statements"** means for any period, all prepared in accordance with GAAP, the balance sheet of such Person as at the end of such period and the related statements of income, of retained earnings, of the shareholders' equity and of cash flows for such period, setting forth in each case, in comparative form, the figures for the corresponding period of the previous fiscal quarter or for the previous fiscal year, as the case may be;

**"GAAP"** means the generally accepted accounting principles, consistently applied, as published in the Handbook of the Canadian Institute of Chartered Accountants which are in effect from time to time;

**"Governmental Authority"** means Canada, the Provinces thereof, any other sovereign country and any other regional, municipal, state, provincial, local or other subdivision of any jurisdiction, and any other governmental entity of any such jurisdiction and includes any agency, department, commission, office, régime, ministry, tribunal, central bank or other Person exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government;

**"Guarantees"** means, with respect to any Person, any indebtedness of another Person which such guaranteeing Person has guaranteed or in respect of which such guaranteeing Person is liable, contingently or otherwise, including, without limitation, liable by way of agreement to purchase property or services, to provide funds for payment, to supply funds to or otherwise invest in such other Person, or otherwise, in all cases to assure a creditor of such other Person against loss, other than endorsements for collection or deposit in the ordinary course of business. For the purposes of this Agreement, the amount of any Guarantee shall be deemed to be the lesser of (i) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee is made and (ii) the maximum amount for which such guaranteeing Person may be liable pursuant to the terms of the instrument embodying such Guarantee, unless such primary obligation and the maximum amount for which such guaranteeing Person may be liable are not stated or determinable, in which case the amount of such Guarantee shall be deemed to be such guaranteeing Person's maximum reasonably anticipated liability in respect thereof as reasonably determined by the Lender in good faith;

**"Guarantors"** refers collectively to the Borrower and the wholly-owned Subsidiaries of the Borrower which shall have granted the Security Documents pursuant to Article 6 and Article 7 which, at all times, shall include the Netting Parties and the Restricted Subsidiaries (as such term is defined in the QMI Credit Agreement). As at the Closing Date, the Guarantors are those listed as such in Schedule "F";

**"Immaterial Subsidiary"** shall mean any Guarantor that holds less than 2% of the book value of total assets (excluding Back-to-Back Securities) of the Borrower on a consolidated basis, provided that the aggregate book value of total assets (excluding Back-to-Back Securities) of the Borrower on a consolidated basis held by all of the Immaterial Subsidiaries cannot at any time exceed 5% of the book value of total assets (excluding Back-to-Back Securities) of the Borrower on a consolidated basis;

**"Indebtedness"** of any Person means: (a) all obligations of such Person for borrowed money, including obligations for borrowed money evidenced by bonds, debentures, notes or similar instruments, (b) all obligations of such Person, contingent or otherwise, relative to the face amount of all letters of credit, whether or not drawn, and banker's acceptances issued for the account of such Person, (c) all capitalized lease liabilities and Purchase Money Obligations of such Person, (d) net hedging obligations of such Person, (e) all obligations of such Person to pay the deferred purchase price of property or services to the extent such obligations bear interest (excluding trade accounts payable in the ordinary course of business), and (f) all contingent liabilities of such Person in respect of any of the foregoing;

**"Indemnified Parties"** refers collectively to the Lender, its subsidiaries and affiliates as well as their respective directors, officers, employees, advisors, representatives and agents and **"Indemnified Party"** refers to any one thereof;

**"Insolvency Event"** means the occurrence of any of the following events:

1. a Credit Party applies for, consents to, or acquiesces in the appointment of a receiver, receiver and manager, statutory manager, trustee or similar official for all or substantially all of its assets; or
2. a Credit Party is declared to be insolvent in a final judgment or admits in writing that it is unable to pay its debts generally when they fall due; or
3. a Credit Party takes any steps to obtain or is granted protection from its creditors, under any Applicable Law; or
4. (a) the commencement of an involuntary proceeding against a Credit Party (i) seeking bankruptcy, liquidation, reorganization, dissolution, winding up, a composition or arrangement with creditors, a readjustment of debts, or other relief with respect to it or its debts under any bankruptcy laws or other customary insolvency actions or (ii) seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its assets, the issuance of a writ of attachment, execution, or similar process, or like relief, and such involuntary proceeding shall remain undismissed and unstayed for a period of 30 days, (b) an order for relief is entered against a Credit Party under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or any other present or future federal bankruptcy or insolvency Laws of Canada, (c) filing by a Credit Party of an answer admitting the material allegations of a petition filed against it in any involuntary proceeding commenced against it, or (d) consent by a Credit Party to any relief referred to in this paragraph or to the appointment of or taking possession by any such official in any involuntary proceeding commenced against it; or
5. anything analogous or having a substantially similar effect to any of the events specified above happens under the Law of any applicable jurisdiction;

**"Intercreditor Agreement"** or **"convention entre créanciers"** means that certain intercreditor agreement dated as of the Closing Date entered into among the Lender, Quebecor Media and the Borrower, with respect to, *inter alios*, the ranking and other provisions relating to the Liens held by each of the Lender, as security for the Obligations from time to time, and Quebecor Media, as security for the Obligations (as such term is defined in the QMI Credit Agreement), as same may be amended, supplemented, restated, replaced or otherwise modified at any time and from time to time;

**"Interest Payment Date"** means, with respect to the Prime Rate Loan and the US Base Rate Loan, the first (1<sup>st</sup>) Business Day of each and every calendar month of each year with respect to amounts of interest accrued to and including the last day of the previous month;

**"Investment"**, with respect to any Person, means, directly or indirectly, capital contribution to, or the purchase of any Capital Stock, bonds, notes, debentures or other securities of any other Person or the making of any investment in any other Person, other than (i) an Acquisition, cash

on hand or cash equivalent investments, **(ii)** Investments in any Credit Party, or **(iii)** pursuant to any Back-to-Back Transaction or Tax Benefit Transaction;

**"ISDA Contracts"** is the collective reference to the Derivative Instruments entered into from time to time between **(i)** any Credit Party and **(ii)** any financial institution, and **"ISDA Contract"** refers to any one thereof;

**"Issuance Date"** means the date on which the Lender issued an LC;

**"Law"** means any international treaty or any federal, provincial, territorial, state, municipal, county or local statute, law, ordinance, code, rule, regulation or order (including any consent, decree or administrative order) or any directive, guideline or policy of any Governmental Authority;

**"LC Fees"** refers collectively to the fees payable pursuant to the provisions of Section 4.3;

**"LC Liabilities"** refers collectively to the Cdn Dollar LC Liability and the US Dollar LC Liability of the Lender, and **"LC Liability"** refers individually to anyone thereof;

**"LC Request"** means a notice substantially in the form of the one attached hereto as Schedule "C";

**"LCs"** is the collective reference to any outstanding letter of guarantee or stand-by or other letter of credit and all renewals and substitutions therefor, issued from time to time by the Lender, in accordance with the provisions hereof, and **"LC"** means any one of the LCs;

**"Lender"** means National Bank of Canada and shall include its successors and assigns;

**"Lien"** means any interest in property or the income or profits therefrom securing an obligation owed to, or a claim by, a Person other than the owner of such property, whether such interest is based on common law, civil law, statute or contract, and including, but not limited to, any security interest, hypothec, mortgage, pledge, lien, claim, charge, cession, transfer, assignment, encumbrance, title retention agreement, lessor's interest under a lease which would be capitalized on a balance sheet of the owner of such property or analogous instrument in, of, or on any property or the income or profits therefrom of a Person;

**"Litigation"** means any grievance, litigation, legal action, lawsuit or other proceeding (whether civil, administrative, quasi-criminal or criminal) before any Governmental Authority or arbitrator;

**"Loan"** means, the Demand Loan, together with any other amount in principal, interest, fees and accessories and interest on arrears of interest, fees and accessories, in each case, due and payable to the Lender by the Borrower;

**"Maisonneuve Property"** means the immovable properties of the Borrower located at 1600 De Maisonneuve Boulevard, East, Montréal, Québec, 1405, 1425 and 1475 rue Alexandre-De-Sève, Montréal, Québec, 1420 and 1470 rue de Champlain, Montréal, Québec and 1500 avenue

Papineau, Montréal, Québec and designated as lots 1 567 715, 1 567 716 and 6 031 150 of the Cadastre du Québec, Registration Division of Montréal;

**"Mark to Market Exposure"** with respect to any Credit Party's liability under any ISDA Contract, means, as at the end of any fiscal quarter of such Credit Party, the net amount that would be payable by such Credit Party under such ISDA Contract, as though such day were an **"Early Terminating Date"** and the **"Transaction"** was a **"Terminated Transaction"** in accordance with the payment measures provided for in Section 6(e)(i)(3) of the 1992 ISDA Master Agreement (Multicurrency-Cross Border) as published by the International Swaps and Derivatives Association, Inc. as amended or replaced from time to time. For the purposes of this Agreement, such liability shall be expressed in the Equivalent of Canadian Dollars as at the end of any such fiscal quarter. Furthermore, the amount of such liability shall be established by the Borrower in good faith after informing itself with the relevant counterparties to such ISDA Contracts who themselves shall determine same in accordance with their respective customary practices;

**"Material Adverse Effect"** means a material adverse effect upon (i) the business, financial condition, operations or properties of the Credit Parties, taken as a whole, (ii) the rights and remedies of the Lender under the Operative Documents, or (iii) the ability of the Credit Parties taken as a whole to perform their material obligations under the Operative Documents;

**"Minimum Assets Threshold"** has the meaning ascribed to it in subsection 7.1.2;

**"Netting Parties"** refers collectively to the Borrower and any wholly-owned Subsidiary which shall be or become a party to the Compensation Agreement at any time and from time to time;

**"Obligations"** or **"obligations garanties"** refers collectively to the performance by the Credit Parties and the other Netting Parties of all of their obligations, present and future, direct and indirect, absolute and contingent, presently owing and due and hereafter to become owing and due to the Lender under the Operative Documents, including, without limitation, (i) the obligation of the Borrower to repay the Loan on the terms and conditions provided for hereunder, and (ii) the obligations of the Netting Parties or any one thereof under the Compensation Agreement, and (iii) the obligations of the Credit Parties or any one thereof under any Derivative Instrument entered into between any such Credit Party and the Lender;

**"Operating Accounts"** refers collectively to the accounts of the Netting Parties maintained with the Lender;

**"Operative Documents"** refers collectively to this Agreement, the Security Documents, the Derivative Instruments entered into between a Credit Party and the Lender, cash management agreements (including the Compensation Agreement) and any other financial services agreements entered into between the Credit Parties and the Lender (or any Affiliate of the Lender) and each document, instrument or agreement entered into by or between any Credit Party, the Lender or any other Person in connection with the transactions contemplated herein or therein or which is supplemental hereto or thereto, and **"Operative Document"** refers to any one thereof;



**"Parties"** refers collectively to the Credit Parties and the Lender;

**"Permitted Encumbrances"** with respect to the Borrower and any Guarantor, means, as at any time, any one or more of the following:

1. the reservations in the original grant of an immovable from the Crown;
2. restrictions, easements, rights of way, servitudes or other similar rights in land, including, without in any way limiting the generality of the foregoing, rights of way and servitudes for sewers, drains, gas and water mains, electric light and power or telephone and telegraph conduits, poles and cables, pipelines or zoning restrictions affecting the use of the immovable properties of the Borrower or such Guarantor, as the case may be, which do not materially or adversely impair the use for which any one of such immovable properties is intended;
3. any Lien for taxes, assessments or other governmental charges or levies not yet due or, if due, the validity of which is being contested diligently and in good faith by or on behalf of the Borrower or such Guarantor, as the case may be;
4. any Lien of any judgment rendered or claim filed against the Borrower or such Guarantor, as the case may be, which the Borrower or such Guarantor, as the case may be, or others on its behalf shall be contesting diligently and in good faith;
5. any Lien of any craftsman, workman, builder, contractor, supplier of materials, architect, engineer or subcontractor of any one thereof or any other similar Lien related to the construction or the maintenance of any immovable property of the Borrower or such Guarantor, as the case may be, or any undetermined or inchoate Lien, provided that any such Lien is not registered or published or that the Borrower or such Guarantor, as the case may be, has not received a notice in respect of same in accordance with the provisions of any applicable Law, or if notice has been given or if such Lien is registered or published, provided that such Lien secures an obligation whose term has not expired or that the Borrower or such Guarantor, as the case may be, is not in default to perform same, or if its term has expired or the Borrower or such Guarantor, as the case may be, is in default to perform same, provided that the Borrower or such Guarantor, as the case may be, causes its cancellation or radiation within a delay of less than fifteen (15) days of its registration or publication unless the validity of such Lien is being contested diligently and in good faith by or on behalf of the Borrower or Guarantor, as the case may be;
6. minor title defects, homologated lines, zoning and building by-laws ordinances, regulations and other governmental restrictions on the use of any immovable property of the Borrower or such Guarantor, provided that none of the foregoing materially and adversely affects the value or marketability of such immovable property;
7. the pledges or deposits made pursuant to Laws relating to workmen's compensation or similar Laws, or deposits made in good faith in connection with offers, tenders, leases or contracts (excluding, however, the borrowing of money or the repayment of money borrowed), deposits of cash or securities in order to secure appeal bonds or bonds required in respect of judicial proceedings;

8. any Lien which is created, incurred, assumed or suffered to exist to secure a Purchase Money Obligation, subject to the limitations set forth in subsection 12.2.7 and provided that such Lien is restricted to the property acquired;
9. the Liens referred to in Schedule "E";
10. Liens incurred in the ordinary course of the Core Business securing any obligation (including, but not limited to, Indebtedness) in an aggregate amount not to exceed CDN\$20,000,000; or
11. Any Liens securing Debt for Borrowed Money under the QMI Credit Agreement;
12. Any Lien in favour of the Borrower or any Guarantor;

**"Person"** means any individual, corporation, company, limited liability company, estate, limited or general partnership, trust, joint venture, other legal entity, unincorporated association or Governmental Authority;

**"Postponed Obligations"** shall have the meaning ascribed to it in subsection 6.11.1;

**"Prime Rate"** means, for any day, the rate of interest, expressed as an annual rate, quoted or announced on such day by the Lender in the City of Montréal, as being its reference rate then in effect for determining interest rates on commercial loans made in Canada, in Canadian Dollars;

**"Prime Rate Basis"** means the calculation of interest on the Prime Rate Loan as provided in Sections 3.1 and 3.3;

**"Prime Rate Loan"** means, as at any time, that portion of the Demand Loan with respect to which the Borrower has elected or, under the terms of this Agreement, is required to pay interest on a Prime Rate Basis;

**"Purchase Money Obligation"** means, with respect to any Person, any debt for borrowed money incurred in respect of the cost of acquisition, including, without limitation, by way of conditional sale contracts, or leasing by way of a capital lease, of any movable property, which debt for borrowed money existed at the time of acquisition or was created, issued, incurred, assumed or guaranteed contemporaneously therewith or within ninety (90) days thereafter and includes any extension, renewal or refunding of any such debt for borrowed money if the amount thereof outstanding on the date of such extension, renewal or refunding is not increased;

**"QMI Credit Agreement"** shall have the meaning ascribed to it in subsection 8.1.5;

**"QMI Subordinated Debt"** means any Debt for Borrowed Money incurred by the Borrower or any Guarantor and owed to Quebecor Media or any of its Subsidiaries (other than a Credit Party), provided that (i) the rights of Quebecor Media (or any such of its Subsidiary acting as lender under such Debt for Borrowed Money) in respect of such Debt for Borrowed Money shall be made expressly subject and subordinate to the rights of the Lender hereunder under the terms of a subordination and postponement agreement entered into by Quebecor Media (or any such of its Subsidiary acting as lender under such Debt for Borrowed Money) in favour of the Lender,

and (ii) payments of principal and interest on such Debt for Borrowed Money shall only be permitted if:

1. no Default of Event of Default exists at the time of the proposed payment or would result therefrom; and
2. at the time of the proposed payment, the Ratio of Total Debt to EBITDA, calculated on a *pro forma* basis after taking into account such payment, is equal to or less than 3.00 to 1.00, it being understood that such payment may nevertheless be made if the Ratio of Total Debt to EBITDA is greater than 3.00 to 1.00 to the extent that such payment is made using proceeds from an equity offering of the Borrower, provided that the amount of all such payments so funded by proceeds from any equity offering shall not exceed, in the aggregate, CDN\$75,000,000;

**"Quebecor Media"** means Quebecor Media Inc. and includes any successor thereof;

**"Ratio of Total Debt to EBITDA"** means, as at any time, with respect to the Borrower, the ratio of Total Debt to EBITDA, calculated and measured quarterly, on a consolidated basis. For the purposes of this ratio, EBITDA shall be determined on the basis of the four (4) completed fiscal quarters of the Borrower preceding (or ending on) such time, taken as one period and Total Debt shall be determined as of the last day of such period;

**"Relevant Margin"** has the meaning ascribed to it in Schedule "B";

**"Reset Date"** shall have the meaning ascribed to it in Schedule "B";

**"Responsible Officer"** means, with respect to any Person, the president, the chief executive officer, the chief financial officer, the treasurer, a vice-president, the corporate secretary, the assistant corporate secretary or the general manager, provided that, with respect to financial matters, it shall mean the chief financial officer, the treasurer or any individual performing similar functions of such Person;

**"Restricted Credit Parties"** has the meaning ascribed to it in subsection 7.1.2. As at the Closing Date, the Borrower and Mels Studios and Postproduction G.P. (a general partnership formed under the *Civil Code of Québec*) are the only Restricted Credit Parties;

**"Restricted Group Assets"** has the meaning ascribed to it in subsection 7.1.2;

**"Revolving Period"** means the period commencing on the Closing Date and terminating on the date that the Facility is terminated and cancelled in its entirety as herein contemplated or the Lender demands payment of the Loan;

**"Sale of Assets"**, with respect to any Person, means any sale, transfer, conveyance, assignment or other disposition of assets by such Person, other than (i) in the ordinary course of business and for the purpose of carrying on the same, (ii) any sale, transfer, conveyance, assignment or other disposition of assets from one Credit Party to another Credit Party, (iii) any sale, transfer, conveyance, assignment or other disposition of assets pursuant to a Back-to-Back Transaction or a Tax Benefit Transaction, or (iv) any sale, transfer, conveyance, assignment or other disposition

of machinery, equipment, spare parts and materials, appliances or vehicles, if same are no longer necessary or useful to the operation of the business or have become obsolete, worn out, surplus, damaged or unusable, as well as non-material assets;

"**Security Documents**" is the collective reference to the guarantee agreements (including the Guarantee contemplated herein and any Counterpart Agreement) and all security agreements or instruments entered into in furtherance of the provisions of Article 6 and Article 7;

"**Subsidiary**" of any Person means (i) a corporation more than 50% of the outstanding voting stock of which is owned, directly or indirectly, by such Person or by one or more other Subsidiaries of such Person or by such Person and one or more other Subsidiaries thereof or (ii) any other Person (other than a corporation) in which such Person, or one or more Subsidiaries of such Person or such Person and one or more other Subsidiaries thereof, directly or indirectly, has at least a majority ownership and power to direct the policies, management and affairs thereof;

"**Tax Benefit Transaction**" means, for so long as the Borrower is a direct or indirect Subsidiary of Quebecor Inc. ("**Quebecor**"), any transaction between a Credit Party and Quebecor or any of its Affiliates, the primary purpose of which is to create tax benefits for any Credit Party or for Quebecor or any of its Affiliates; provided that (i) the Credit Party involved in the transaction obtains a favourable tax ruling from a competent tax authority or a favourable tax opinion from a nationally recognized Canadian law or accounting firm having tax practice of national standing as to the tax efficiency for such Credit Party, except in respect of any Tax Benefit Transaction in an amount of less than CDN\$2,000,000 each, provided that the aggregate of all Tax Benefit Transactions for amounts less than CDN\$2,000,000 does not exceed CDN\$10,000,000 in the aggregate in any twelve (12) month period, (ii) the Borrower delivers to the Lender a resolution of the board of directors of the Borrower certifying that such transaction has been approved by a majority of the disinterested members of such board of directors together with a copy of any tax ruling or tax opinion referred to in clause (i) above, (iii) such transaction is set forth in writing, (iv) the EBITDA of the Borrower is not reduced after giving *pro forma* effect to the transaction as if the same had occurred at the beginning of the most recently ended four fiscal quarter period of the Borrower, and (v) no Default or Event of Default exists at the time of such transaction and such transaction would not result in the occurrence of a Default or Event of Default provided, however, that if such transaction shall thereafter cease to satisfy the requirement set forth in clause (iv) above, it shall thereafter cease to be a Tax Benefit Transaction for the purposes of this Agreement and shall be deemed to have been effected as of such date and, if the transaction is not otherwise permitted by this Agreement as of such date, the Borrower will be in Default hereunder if such transaction is not otherwise unwound within thirty (30) days of that date;

"**Taxes**" means all taxes of any kind or nature whatsoever including federal large corporation taxes, provincial capital taxes, realty taxes (including utility charges which are collectible like realty taxes), business taxes, property transfer taxes, income taxes, sales taxes, levies, stamp taxes, royalties, duties, and all fees, deductions, compulsory loans and withholdings imposed, levied, collected, withheld or assessed as of the Closing Date or at any time in the future, by any Governmental Authority having power to tax, together with penalties, fines, additions to tax and interest thereon, and "**Tax**" shall have a correlative meaning;

**"Total Debt"** means, as at any time, calculated on a consolidated basis, without duplication, all Debt for Borrowed Money, minus (i) cash on hand not earmarked against any other obligation, and (ii) the QMI Subordinated Debt.

**"US Base Rate"** means, for any day, the rate of interest, expressed as an annual rate, quoted or announced on such day by the Lender in the City of Montréal, as being its reference rate then in effect for determining interest rates on commercial loans made in Canada in US Dollars;

**"US Base Rate Basis"** means the calculation of interest on the US Base Rate Loan as provided in Sections 3.2 and 3.3;

**"US Base Rate Loan"** means, as at any time, that portion of the Demand Loan with respect to which the Borrower has elected or, under the terms of this Agreement, is required to pay interest on a US Base Rate Basis;

**"US Dollar LC Liability"** means, as at any time, the face amount of the LCs denominated in US Dollars issued by the Lender under the Facility and outstanding at such time;

**"US Dollars"** or **"US\$"** means the lawful currency of the United States of America.

## SCHEDULE "B"

### DEFINITION OF RELEVANT MARGIN

WHEN R IS	RELEVANT MARGIN IS	
	Prime Rate / US Base Rate	LCs
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]

Where "R" means the Ratio of Total Debt to EBITDA, as such expression is defined in Schedule "A" to this Agreement.

For the purposes of the calculations required to be made under this Schedule, the Ratio of Total Debt to EBITDA shall be measured quarterly, on the day (the "**Reset Date**") which is three (3) Business Days after the Lender receives the Financial Statements pursuant to Sections 11.1 or 11.2, as the case may be, and the certificate of compliance required pursuant to subsections 11.1.2 or 11.2.2 with respect to the fiscal quarter or fiscal year, as the case may be, most recently ended.

Any adjustment in the Relevant Margin shall only take place on a Reset Date. For the period commencing as of the Closing Date up to but excluding the first Reset Date, it is understood and agreed that the Relevant Margin shall be the corresponding percentage rate indicated under the last line on the matrix set forth above.

If the Borrower fails to submit to the Lender the Financial Statements described in Sections 11.1 or 11.2, as the case may be, and the certificate of compliance required pursuant to subsections 11.1.2 or 11.2.2, in each case when required under such Sections or subsections, then, throughout the period from the third (3<sup>rd</sup>) day following any such date upon which the Borrower is required to submit such Financial Statements and such certificate of compliance until the date which is three (3) Business Days following the date on which the Lender receives such quarterly Financial Statements and certificate of compliance, then, the Relevant Margin shall be the corresponding percentage rate indicated under the last line on the matrix set forth above.

## SCHEDULE "C"

### LC REQUEST

Date: \_\_\_\_\_

#### NATIONAL BANK OF CANADA

AS LENDER

1155 Metcalfe Street, 23<sup>rd</sup> Floor  
Montréal, Québec H3B 4S9

Ladies and Gentlemen:

We refer you to the credit agreement dated as of June 28, 2023 entered into between TVA Group Inc., as Borrower, and National Bank of Canada, as Lender (as amended, supplemented, restated, replaced or otherwise modified from time to time, the "**Credit Agreement**").

Unless otherwise defined herein or unless there is something in the subject or the context inconsistent therewith, all capitalized terms and expressions used herein shall have the same meaning as that ascribed to them from time to time in the Credit Agreement.

Pursuant to Section 2.3.1 of the Credit Agreement we hereby request an Advance under the Facility by way of the issuance of LCs, as indicated below.

Issuance Date: \_\_\_\_\_

**[Insert all details in respect of the requested LC.]**

***[INTENTIONALLY LEFT BLANK]***

Yours truly,

**TVA GROUP INC.**

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

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



## SCHEDULE "D"

### COUNTERPART AGREEMENT

**THIS COUNTERPART AGREEMENT**, dated as of [●], 20[●] (this "**Counterpart Agreement**") is delivered pursuant to the credit agreement (the "**Credit Agreement**"; the terms defined therein and not otherwise defined herein being used herein as therein defined) dated as of June 28, 2023 between TVA Group Inc., as Borrower, the Guarantors party thereto, as Guarantors, and National Bank of Canada, as Lender, as amended, restated, supplemented or otherwise modified from time to time, pursuant to which the Lender has made available the Facility to the Borrower.

1. The undersigned hereby:

- a) confirms it is a Guarantor;
- b) undertakes with effect from the date of this Counterpart Agreement to observe and perform the terms and obligations set out in the Credit Agreement relative to its capacity as a Guarantor, all of which shall be binding on the undersigned and its property and assets as if it were originally included in the term "Guarantor" under the Credit Agreement;
- c) agrees that this Counterpart Agreement may be attached to the Credit Agreement and that by the execution and delivery hereof, the undersigned becomes a Guarantor under Article 6 of the Credit Agreement and agrees to be bound by all of the terms thereof applicable to it as a Guarantor thereunder;
- d) represents and warrants that each of the representations and warranties set forth in the Credit Agreement and applicable to the undersigned as a Guarantor is true and correct on and as of the date of this Counterpart Agreement, except to the extent that any such representation and warranty relates solely to any earlier date, in which case such representation and warranty is true and correct as of such earlier date; and
- e) agrees to unconditionally and irrevocably solidarily guarantee payment and performance of the Obligations in accordance with Article 6 of the Credit Agreement.

2. The undersigned agrees from time to time, upon request of the Lender, to take such additional actions and to execute and deliver such additional documents and instruments as the Lender may reasonably request to effect the transactions contemplated by, and to carry out the intent of, this Counterpart Agreement. Any notice or other communication herein required or permitted to be given shall be given pursuant to Section 15.2 of the Credit Agreement. In case any provision in or obligation under this Counterpart Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby. This Counterpart Agreement may be executed and delivered in any number of original and faxed counterparts,

each of which shall be deemed an original and which, taken together, shall constitute one and the same instrument, effective as of the date hereof.

3. This Counterpart Agreement and the interpretation and enforcement thereof shall be governed by and in accordance with the Laws of the Province of Québec.
4. The parties hereto confirm that it is their wish that this Counterpart Agreement and all documents relating thereto, including notices, be drawn up in the English language. *Les parties aux présentes confirment leur volonté que cet acte de même que tous documents, y compris tous avis, s'y rapportant soient rédigés en langue anglaise.*

**[Remainder of page intentionally left blank]**

**IN WITNESS WHEREOF**, the undersigned has caused this Counterpart Agreement to be duly executed and delivered by its duly authorized officer as of the date above first written.

,

AS GUARANTOR

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

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

**Acknowledged, approved and consented to by:**

**NATIONAL BANK OF CANADA,**

AS LENDER

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

Name:

Title:

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

Name:

Title:

**SCHEDULE "E"**

**EXISTING LIENS**

NIL.

## **SCHEDULE "F"**

### **GUARANTORS**

TVA GROUP INC. / TVA GROUPE INC.	INCENDO 2022 NICE PRODUCTIONS INC. / PRODUCTIONS 2022 NICE INCENDO INC.
TVA PUBLICATIONS INC.	INCENDO DEAD HEAD PRODUCTIONS INC. / PRODUCTIONS DEAD HEAD INCENDO INC.
TVA PRODUCTIONS INC.	INCENDO 2021 FILM PRODUCTIONS INC. / PRODUCTIONS 2021 DE FILMS INCENDO INC.
TVA PRODUCTIONS II INC.	INCENDO 2021 NZ1 PRODUCTIONS INC. / PRODUCTIONS 2021 NZ1 INCENDO INC.
COMMUNICATIONS QOLAB INC. / QOLAB COMMUNICATIONS INC.	INCENDO 2021 NZ2 PRODUCTIONS INC. / PRODUCTIONS 2021 NZ2 INCENDO INC.
MELS DOUBLAGE INC. / MELS DUBBING INC.	INCENDO 2021 NZ3 PRODUCTIONS INC. / PRODUCTIONS 2021 NZ3 INCENDO INC.
TVA DISTRIBUTION INC.	INCENDO 2021 OZ1 PRODUCTIONS INC. / PRODUCTIONS 2021 OZ1 INCENDO INC.
9311-6127 QUÉBEC INC.	INCENDO CLEAN SWEEP 1 PRODUCTIONS INC. / PRODUCTIONS CLEAN SWEEP 1 INCENDO INC.
MELS STUDIOS AND POSTPRODUCTION G.P. (represented by its partners 9311-6127 QUÉBEC INC., 9383-6641 QUÉBEC INC. and TVA GROUP INC.)	INCENDO BORDERLINE 1 PRODUCTIONS INC. / PRODUCTIONS BORDERLINE 1 INCENDO INC.
9383-6641 QUÉBEC INC.	INCENDO 2023 FILM PRODUCTIONS INC. / PRODUCTIONS 2023 DE FILMS INDENDO INC.
INCENDO MÉDIA INC.	INCENDO 2024 FILM PRODUCTIONS INC. / PRODUCTIONS 2024 DE FILMS INCENDO INC.
INCENDO 2022 FILM PRODUCTIONS INC. / PRODUCTIONS 2022 DE FILMS INCENDO INC.	INCENDO 2024 CP1 PRODUCTIONS INC. / PRODUCTIONS 2024 CP1 INCENDO INC.