

THIRD AMENDED AND RESTATED CREDIT AGREEMENT

dated as of

March 4, 2024

among

CHORUS AVIATION INC.

as Borrower

and

THE LENDERS FROM TIME TO TIME PARTIES HERETO

as Lenders

and

THE BANK OF NOVA SCOTIA

as Sole Lead Arranger, Bookrunner, Administrative Agent and Issuing Bank

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THIRD AMENDED AND RESTATED CREDIT AGREEMENT

THIS THIRD AMENDED AND RESTATED CREDIT AGREEMENT dated as of March 4, 2024 is made among Chorus Aviation Inc., as Borrower, the Lenders from time to time parties hereto, as Lenders, The Bank of Nova Scotia, as Administrative Agent, as Issuing Bank and as sole lead arranger and bookrunner.

RECITALS

- A. Pursuant to a credit agreement dated as of October 14, 2021 among the Administrative Agent, the Lenders and the Borrower, as amended by a first amending agreement dated February 8, 2022 (collectively, the "**Original Credit Agreement**"), the Lenders have agreed to provide certain credit facilities to the Borrower.
- B. On February 27, 2022 the aggregate Commitment of the Lenders under the Original Credit Agreement was increased by Cdn.\$25,000,000 pursuant to an Accordion Request delivered by the Borrower.
- C. The Original Credit Agreement was amended and restated on May 2, 2022, as further amended by amending agreements dated August 22, 2022 and December 28, 2022 (collectively, the "**First Amended and Restated Credit Agreement**").
- D. The First Amended and Restated Credit Agreement was amended and restated on January 27, 2023, as further amended by amending agreements dated July 31, 2023 and December 15, 2023 (collectively, the "**Second Amended and Restated Credit Agreement**").
- E. On each of March 14, 2023 and May 5, 2023, the aggregate Commitment of the Lenders under the Second Amended and Restated Credit Agreement was increased by Cdn.\$25,000,000 pursuant to Accordion Requests delivered by the Borrower.
- F. The Administrative Agent, the Lenders and the Borrower have agreed to amend and restate the Second Amended and Restated Credit Agreement in accordance with the terms of this Agreement.

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by each party hereto, the parties hereto agree as follows:

ARTICLE 1 **DEFINITIONS**

1.1 Definitions.

In this Agreement:

"**Accordion Joinder Agreement**" has the meaning set out in Section 2.6(c).

"**Accordion Lender**" has the meaning set out in Section 2.6(c).

"**Accordion Request**" has the meaning set out in Section 2.6(a).

"**Accounts**" means, in respect of each Credit Party, all of such Credit Party's now existing and future: (a) accounts (as defined in the PPSA), all "claims" for the purposes of the *Civil Code of Québec* and any and

all other receivables (whether or not specifically listed on schedules furnished to the Administrative Agent), including all accounts created by, or arising from, all of such Credit Party's sales, leases, loans, rentals of goods or renditions of services to its customers, including those accounts arising under any of such Credit Party's trade names or styles, or through any of such Credit Party's divisions; (b) any and all instruments, documents, bills of exchange, notes or any other writing that evidences a monetary obligation and chattel paper (including electronic chattel paper) (all as defined in the PPSA); (c) unpaid seller's or lessor's rights (including rescission, replevin, reclamation, repossession and stoppage in transit) relating to the foregoing or arising therefrom; (d) rights to any goods represented by any of the foregoing, including rights to returned, reclaimed or repossessed goods; (e) reserves and credit balances arising in connection with or pursuant hereto; (f) guarantees, indemnification rights, supporting obligations, payment intangibles, tax refunds and letter of credit rights; (g) insurance policies or rights relating to any of the foregoing; (h) intangibles pertaining to any and all of the foregoing (including all rights to payment, including those arising in connection with bank and non-bank credit cards), and including books and records and any electronic media and software relating thereto; (i) notes, deposits or property of borrowers or other account debtors securing the obligations of any such borrowers or other account debtors to such Credit Party; (j) cash and non cash proceeds (as defined in the PPSA) of any and all of the foregoing; and (k) all monies and claims for monies now or hereafter due and payable in connection with any and all of the foregoing or otherwise.

"Acquisition" means any transaction, or any series of related transactions, consummated after the Original Closing Date, by which any Credit Party directly or indirectly (other than through an Unrestricted Subsidiary), by means of a takeover bid, tender offer, amalgamation, merger, purchase of assets or otherwise:

- (a) acquires any business (including any division of a business) or all or substantially all of the assets of any Person engaged in any business;
- (b) acquires control of securities of a Person engaged in a business representing more than 50% of the ordinary voting power for the election of directors or other governing position if the business affairs of such Person are managed by a board of directors or other governing body;
- (c) acquires control of more than 50% of the ownership interest in any Person engaged in any business that is not managed by a board of directors or other governing body; or
- (d) otherwise acquires Control of a Person engaged in a business.

"Acquisition Notice" means a notice from the Borrower to the Administrative Agent:

- (a) stating the intention of a Credit Party to make an Acquisition;
- (b) stating whether shares or assets (or both) are proposed to be acquired;
- (c) setting forth the name, address and jurisdiction of incorporation or other organization of the Target; and
- (d) executed by a Responsible Officer of the Borrower.

"Adjusted Term CORRA" means, for purposes of any calculation, the rate per annum equal to (a) Term CORRA for such calculation plus (b) the Term CORRA Adjustment; provided that if Adjusted Term CORRA as so determined shall ever be less than the Floor, then Adjusted Term CORRA shall be deemed to be the Floor.

"Adjusted Term SOFR" means, for any Interest Period, the per annum rate equal to the sum of (i) Term SOFR plus (ii) [Redacted]% for one-month, three-months and six-months, provided, that if Adjusted Term SOFR determined as provided above shall ever be less than the Floor, then Adjusted Term SOFR shall be deemed to be the Floor.

"Administrative Agent" means The Bank of Nova Scotia, in its capacity as administrative agent for the Lenders hereunder, or any successor Administrative Agent appointed pursuant to Section 8.10.

"Administrative Questionnaire" means an administrative questionnaire in a form supplied by the Administrative Agent.

"Affiliate" means, with respect to any Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with, such Person.

"Agreement" means this credit agreement and all the Exhibits and the Schedules attached hereto.

"Aircraft" means an Airframe together with all Engines originally installed on such Airframe and any Engine substituted for any such originally installed Engine (whether or not any of such originally installed or substituted Engines may from time to time no longer be installed on such Airframe or may be installed on any other Airframe or airframe).

"Aircraft Asset" means any Aircraft or Engines.

"Aircraft Collateral" means (a) all present and future Aircraft Assets, (b) all components, furnishings, equipment or other Parts of any kind which may from time to time be incorporated or installed in or attached to an Aircraft Asset for so long as the same is so incorporated, installed or attached, (c) all such components, furnishings, equipment or other Parts of any kind referred to in (b) above that have ceased to be incorporated or installed in or attached to an Aircraft Asset to the extent such components, furnishings, equipment or other Parts of any kind remain subject to any lease or financing of such Aircraft Asset, (d) all manuals, documents, data, log books and other records in respect of the Aircraft Assets or any part thereof, (e) all rights to money or other value payable under insurance policies in respect of the Aircraft Assets, (f) all warranties, representations, service contracts, product support or other agreements of any nature in respect of or that shall apply to the Aircraft Assets or any part thereof from any manufacturer, vendor, contractor or supplier thereof, (g) all rights under any lease or sublease of Aircraft Assets, including any payments under such lease or sublease, (h) all security deposits, maintenance reserves and/or letters of credit provided as collateral security in connection with any leasing or financing of Aircraft Assets, and (i) all proceeds of Aircraft Assets.

"Aircraft Lien" means a Lien taken or reserved in Aircraft Collateral to secure payment of all or part of the purchase price of the applicable Aircraft Asset (or to secure financing to fund such purchase price, whether such financing occurs at the time such Aircraft Asset is delivered or sometime thereafter, or the refinancing thereof), provided that such Lien (a) secures an amount not exceeding the lesser of the purchase price of such Aircraft Asset and the Fair Market Value of such personal property at the time such Lien is taken or reserved, and (b) extends only to such personal property and its proceeds.

"Airframe" means any aircraft (except the Engines or engines from time to time installed thereon) now or hereafter owned by a Credit Party, and any and all Parts so long as the same shall be incorporated or installed in or attached to such aircraft or subject to a Lien in respect of such aircraft.

"AML Legislation" means the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and other applicable anti-money laundering, anti-terrorist financing, government sanction and

"know your client" applicable Laws, whether within Canada or elsewhere, including any regulations, guidelines or orders thereunder.

"Anti-Corruption Laws" means all laws, rules, and regulations of any jurisdiction applicable to the Borrower or its Subsidiaries from time to time concerning or relating to bribery or corruption, including without limitation the *Corruption of Foreign Public Officials Acts* (Canada).

"Applicable Lender" means, with respect to any Borrowing of Revolving Loans, each Revolving Credit Lender.

"Applicable Margin" means the applicable rate per annum, expressed as a percentage, set out in the relevant column and row of the table below, based on the Consolidated Net Leverage Ratio as at the most recent Quarterly Date with respect to which the Borrower has delivered financial information to the Administrative Agent pursuant to Section 5.1(a).

[Redacted pricing information]

The Applicable Margin shall change (to the extent necessary, if any) on the third day after each date on which the financial statements and Compliance Certificate of the Borrower are delivered to the Administrative Agent pursuant to Section 5.1(a) to reflect any change in the Consolidated Net Leverage Ratio effective as of the date of such financial statements, based upon the financial statements and the related Compliance Certificate for the immediately preceding Rolling Period, or if such day is not a Business Day, then the first Business Day thereafter. Notwithstanding the foregoing, in the event that the Borrower has not provided the relevant financial information to the Administrative Agent on a timely basis, the Applicable Margin shall be determined with reference to a deemed Consolidated Net Leverage Ratio of $\geq$ [Redacted]x.

"Applicable Percentage" means, in respect of any Lender at any time, with respect to a Loan or all Loans, the percentage of such Loan or of all Loans, as the case may be, which such Lender has agreed to make available to the Borrower at such time, determined by dividing (a) such Lender's Commitment in respect of such Revolving Loan or of all Revolving Loans, as the case may be, by (b) the aggregate of all of the Lenders' Commitments with respect to such Revolving Loan or all Revolving Loans, as the case may be; provided that, for the purposes of determining a Lender's share of a Borrowing under the Revolving Credit Facility pursuant to Section 2.2(a), the Applicable Percentage of each Lender shall be calculated net of the Swingline Commitment. If any Commitments have terminated or expired, the Applicable Percentages in respect of the terminated or expired Commitments shall be determined based upon the relevant Commitments most recently in effect (prior to their termination or expiry), giving effect to any assignments.

"Approved Account" means (i) a bank account held with the Administrative Agent; or (ii) a bank account not held with the Administrative Agent provided that such account is subject to a Blocked Account Agreement.

"Approved Fund" means (a) a CLO, and (b) with respect to any Lender that is a fund which invests in bank loans and similar extensions of credit, any other fund that invests in bank loans or similar extensions of credit and is advised or managed by the same investment advisor as such Lender or by an Affiliate of such investment advisor.

"Asset Disposition" means, with respect to any Person, the sale, lease, license, transfer, assignment or other disposition of, or the expropriation, condemnation, destruction or other loss of, all or any portion of its business, assets, rights, revenues or property, real, personal or mixed, tangible or intangible, whether in one transaction or a series of transactions, other than (a) inventory sold in the ordinary course of business upon

customary credit terms, (b) sales of worn-out, scrap or obsolete material or equipment which are not material in the aggregate, (c) licenses granted to third parties in the ordinary course of business, (d) in respect of Aircraft Collateral or any inventory that becomes incorporated, installed or attached to Aircraft Collateral from time to time, and (e) in respect of equipment to the extent that such equipment is exchanged for credit against the purchase price of other equipment or the proceeds of such sale are applied to the purchase price of other equipment, in each case within 180 days and provided that the consideration received reflects the Fair Market Value of the property sold.

"Assignment and Assumption" means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.4), and accepted by the Administrative Agent, in the form of Exhibit D or any other form approved by the Administrative Agent.

"Authorization" means, with respect to any Person, any authorization, order, permit, approval, grant, licence, consent, right, franchise, privilege, certificate, judgment, writ, injunction, award, determination, direction, decree, by-law, rule or regulation of any Governmental Authority having jurisdiction over such Person, whether or not having the force of Law.

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if such Benchmark is a term rate, any tenor for such Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such Benchmark pursuant to this Agreement, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 2.13(d).

"Base Rate" means, on any day, the annual rate of interest equal to the greater of (a) the annual rate of interest announced by the Administrative Agent and in effect as its base rate at its principal office in Toronto, Ontario on such day for determining interest rates on U.S. Dollar-denominated commercial loans made in Canada, (b) the Federal Funds Effective Rate plus [Redacted]%, and (c) Adjusted Term SOFR for a one-month tenor in effect at such time plus [Redacted]%, provided that in no event shall the Base Rate as so determined be less than [Redacted]%. Any change in the Base Rate due to a change in the reference rate of interest in subsection (a) above, the Federal Funds Effective Rate, or Term SOFR, as applicable, shall be effective from and including the effective date of such change in the reference rate of interest in subsection (a), the Federal Funds Effective Rate or Term SOFR, respectively. If the Base Rate is being used as an alternate rate of interest pursuant to Section 2.12 (US Benchmark Replacement Setting), then the Base Rate shall be determined without reference to subsection (c) above.

"Base Rate Borrowing" means a Borrowing comprised of one or more Base Rate Loans.

"Base Rate Loan" means a Loan denominated in U.S. Dollars which bears interest at a rate based upon the Base Rate.

"Benchmark" means, initially, the Term CORRA Reference Rate; provided that if a Benchmark Transition Event has occurred with respect to the Term CORRA Reference Rate, or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.13(a).

"Benchmark Replacement" means, with respect to any Benchmark Transition Event,

- (a) where a Benchmark Transition Event has occurred with respect to Term CORRA Reference Rate, the sum of Daily Compounded CORRA and the related Benchmark Replacement Adjustment; and
- (b) where a Benchmark Transition Event has occurred with respect to a Benchmark other than the Term CORRA Reference Rate, the sum of: (i) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for Canadian Dollar-denominated syndicated credit facilities and (ii) the related Benchmark Replacement Adjustment.

If the Benchmark Replacement as determined pursuant to clause (a) or (b) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"Benchmark Replacement Adjustment" means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Lenders acting unanimously and the Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Canadian Dollar-denominated syndicated credit facilities at such time.

"Benchmark Replacement Date" means a date and time determined by the Administrative Agent, which date shall be no later than the earliest to occur of the following events with respect to the then-current Benchmark:

- (a) in the case of clause (a) or (b) of the definition of "Benchmark Transition Event," the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or
- (b) in the case of clause (c) of the definition of "Benchmark Transition Event," the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such clause (c) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the "Benchmark Replacement Date" will be deemed to have occurred in the case of clause (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);
- (b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Bank of Canada, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or
- (c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, a "Benchmark Transition Event" will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

"Benchmark Unavailability Period" means, the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.13 and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.13.

"Benefit Plans" means any retirement, savings, profit sharing, health, medical, dental, disability, life insurance, welfare or other employee benefit plan, program, policy or practice, whether written or oral, funded or unfunded, registered or unregistered, which is sponsored, maintained or contributed to or required to be contributed to by any Credit Party or under which any Credit Party has any actual or potential liability, other than a Pension Plan.

"BIA" means the *Bankruptcy and Insolvency Act* (Canada).

"Blocked Account Agreement" means a three-party agreement, in a form proposed by the deposit bank and reasonably satisfactory to the Administrative Agent, providing that, among other things, all cash, cheques and items received or deposited in the account are subject to Liens in favour of the Administrative Agent, and that upon being notified by the Administrative Agent of the occurrence of an Event of Default, the Administrative Agent shall be entitled to enforce its rights and remedies thereunder.

"Borrower" means Chorus Aviation Inc., a Canadian federal corporation.

"Borrowing" means any availment of any of the Credits, and includes any Loan, the issuance of a Letter of Credit (or any amendment thereto or renewal or extension thereof) and a rollover or conversion of any outstanding Loan.

"Borrowing Base" means, at any time, an amount (which shall not be less than zero) equal to the sum of:

- (a) [Redacted]% of the aggregate amount of all Eligible Accounts; plus
- (b) [Redacted]% of the aggregate amount of all Eligible Inventory; plus
- (c) [Redacted]% of the aggregate amount of Eligible Equipment,

in each case at such time.

"Borrowing Base Report" means the report of the Borrower concerning the amount of the Borrowing Base, to be delivered pursuant to Section 5.1(a), substantially in the form set out in Exhibit A.

"Borrowing Request" has the meaning set out in Section 2.3(a).

"Borrower's Guarantee" has the meaning given to it in the letter agreement dated February 4, 2022 among the Borrower, the Administrative Agent and the lenders under the Original Credit Agreement.

"Business Day" means any day that is not (a) a Saturday, Sunday or holiday (as defined in the *Interpretation Act* (Canada)) in Halifax, Nova Scotia, Toronto, Ontario or Montreal, Québec, (b) in the case of any U.S. Dollar-denominated Borrowing, any other statutory holiday in New York, New York, provided that in the case of a SOFR Borrowing, a Business Day shall exclude any day that is not a U.S. Government Securities Business Day.

"Canadian \$ Amount" means, on any day, in relation to any Loans or Letters of Credit, the sum of (a) the amount of all such Loans and Letters of Credit that are denominated in Canadian Dollars, and (b) the Equivalent Amount of all such Loans and Letters of Credit that are expressed in U.S. Dollars.

"Canadian Dollars" and **"Cdn.\$"** refer to lawful money of Canada.

"Canadian Prime Borrowing" means a Borrowing comprised of one or more Canadian Prime Loans.

"Canadian Prime Loan" means a Loan denominated in Canadian Dollars which bears interest at a rate based upon the Canadian Prime Rate.

"Canadian Prime Rate" means, on any day, the annual rate of interest equal to the greater of (i) the annual rate of interest announced by the Administrative Agent and in effect as its prime rate at its principal office in Toronto, Ontario on such day for determining interest rates on Canadian Dollar-denominated commercial loans in Canada, and (ii) the annual rate of interest equal to the sum of (a) the one-month Term CORRA Reference Rate in effect on such day, plus (b) [Redacted]%.

"Capacity Purchase Agreement" means the amended and restated capacity purchase agreement effective as of January 1, 2015 between Jazz Aviation LP and Air Canada, as amended, restated or otherwise supplemented or modified from time to time.

"Capital Adequacy Guideline" means the capital adequacy requirements from time to time specified by the Office of the Superintendent of Financial Institutions (or any successor Canadian Governmental Authority performing the functions and exercising the powers performed and exercised by the Office of the Superintendent of Financial Institutions) and published by it as one or more guidelines for Canadian banks.

"Capital Lease Obligations" of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the capitalized amount thereof determined in accordance with GAAP.

"Cash Equivalents" means any of the following:

- (a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the Government of Canada or of any Canadian province (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the Government of Canada or of such Canadian province), in each case maturing within one year from the date of acquisition thereof;
- (b) investments in certificates of deposit, bankers' acceptances and time deposits maturing within 180 days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of Canada or of any Canadian province having, at the date of such investments, a rating from DBRS of A, from Moody's of A2, from S&P of A, or, in each case, better than such rating;
- (c) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the Government of the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the Government of the United States of America), in each case maturing within one year from the date of acquisition thereof;
- (d) marketable and freely tradeable securities evidencing direct obligations of corporations, hospitals, municipal boards or school boards having, at the date of acquisition, a rating from DBRS of A, from Moody's of A2 or from S&P of A, in each case maturing within 180 days from the date of acquisition thereof; or
- (e) deposits in bank accounts made in the ordinary course of business and otherwise permitted hereunder.

"Cash Management Services" means any one or more of the following types of services or facilities provided to any Credit Party by a Lender or any Lender Affiliate (a) ACH transactions, (b) cash management services, including controlled disbursement services, treasury, depository, overdraft, and electronic funds transfer services, (c) credit card processing services, (d) the Credit Card Facility, and (e) purchase cards (but only to the extent that, prior to the occurrence and continuance of any Default or Event of Default, the Borrower and the Credit Party issuing such purchase cards notify the Administrative Agent in writing that such purchase cards are to be deemed Cash Management Services hereunder).

"CCAA" means the *Companies' Creditors Arrangement Act* (Canada).

"Change in Control" means (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group of Persons acting jointly or otherwise in concert, of Equity Securities representing more than 50% of the aggregate ordinary voting power represented by the issued and outstanding Equity Securities of the Borrower, or (b) the occupation of a majority of the seats (other than vacant seats) on the board of directors of the Borrower by Persons who were neither (i) nominated by the board of directors of the Borrower nor (ii) appointed by directors so nominated.

"Change in Law" means (i) the adoption or taking effect of any new Law after the date of this Agreement, (ii) any change in any existing Law or in the administration, interpretation, implementation or application thereof by any Governmental Authority after the date of this Agreement, or (iii) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority made or issued after the date of this Agreement.

"CLO" means any Person (whether a corporation, partnership, trust or otherwise) that is engaged in making, purchasing, holding or otherwise investing in bank loans and similar extensions of credit in the ordinary course of its business and is administered or managed by a Lender or a Lender Affiliate.

"Collateral" means all present and after-acquired personal property of a Credit Party excluding (i) the Equity Securities in the capital of Chorus Aviation Capital Corp., (ii) any Equity Securities in the capital of any entity that is an Unrestricted Subsidiary including, without limitation, Chorus Aviation Holdings GP Inc., Chorus Aviation Investment Holdings LP, Cygnet Aviation Academy LP, and for greater certainty, Triangle Aviation Holdings LP and its subsidiaries, and (iii) all Aircraft Collateral.

"Commitment" means, with respect to each Lender, the commitment of such Lender to make Revolving Loans hereunder as such commitment may be reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 9.4. The amount of each Lender's Commitment is set out in Schedule 2.1, or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Commitment, as applicable. The aggregate amount of the Revolving Credit Commitments as of the TARCA Closing Date is Cdn.\$150,000,000.

"Commodity Exchange Act" means the *Commodity Exchange Act* (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

"Compliance Certificate" means a certificate of the Borrower substantially in the form attached hereto as Exhibit C, signed by a Responsible Officer of the Borrower.

"Conforming Changes" means, with respect to the use or administration of a Benchmark or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Canadian Prime Rate," the definition of "Business Day," the definition of "Interest Period" or any similar or analogous definition (or the addition of a concept of "interest period"), timing and frequency of determining rates and making payments of interest, timing of Borrowing Requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of Section 2.15 and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"Continuous Disclosure Document" means a document that is required to be prepared and filed by a reporting issuer in accordance with National Instrument 51-102 Continuous Disclosure Obligations of the Canadian Securities Administrators or a press release.

"Consolidated" means, when used with respect to any financial term, financial covenant, financial ratio or financial statement, such financial term, financial covenant, financial ratio or financial statement calculated, prepared or determined, as applicable, for the Borrower on a consolidated basis in accordance with GAAP consistently applied.

"Consolidated Net Leverage Ratio" means, at any time, the ratio of (a) Total Indebtedness (net of (i) unrestricted cash that is held in an account with the Administrative Agent or any Lender, and (ii) any Hybrid Unsecured Indebtedness, at such time) to (b) EBITDA for the most recently completed Rolling Period.

"Consolidated Interest Coverage Ratio" means, with respect to any Rolling Period, the ratio of (a) EBITDA for such Rolling Period, to (b) the Interest Expense for such Rolling Period, but excluding any interest on or in respect of Hybrid Unsecured Indebtedness.

"Control" means, in respect of a particular Person, the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ability to exercise voting power, by contract or otherwise. **"Controlling"** and **"Controlled"** have meanings correlative thereto.

"Convertible Debenture" means the 6.00% convertible senior unsecured debentures due June 30, 2026 and any other series of convertible senior unsecured debentures issued by the Borrower from time to time pursuant to the Convertible Indenture.

"Convertible Indenture" means the indenture entered into on April 6, 2021 between the Borrower, as issuer, and the Convertible Trustee, as amended, supplemented or restated from time to time.

"Convertible Indenture Intercreditor Agreement" means the intercreditor agreement entered into as of the Original Closing Date between the Administrative Agent (on behalf of the Secured Parties) and the Convertible Trustee, and as acknowledged by the Borrower, as amended, supplemented or restated from time to time.

"Convertible Trustee" means such entity or successor appointed as trustee under the Convertible Indenture.

"CORRA" means the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada (or any successor administrator).

"Cover", when required by this Agreement for LC Exposure, shall be effected by paying to the Administrative Agent in immediately available funds, to be held by the Administrative Agent in a collateral account maintained by the Administrative Agent at its Payment Office and collaterally assigned as security, an amount equal to, as applicable, the maximum amount of LC Exposure available for drawing at such time. Such amount shall be retained by the Administrative Agent in such collateral account until such time as the applicable Letters of Credit shall have expired or matured and Reimbursement Obligations, if any, with respect thereto shall have been fully satisfied; provided that if any such Reimbursement Obligations are not satisfied when due hereunder, the Administrative Agent may apply any amounts in such collateral account against such Reimbursement Obligations.

"CPA Operating Lease Obligations" means the obligations of Jazz Aviation LP to pay rent or other amounts under any lease in connection with the Capacity Purchase Agreement.

"CPA Termination Event" means [Redacted].

"Credit Card Facility" means the Cdn.\$1,500,000 credit facility which may be established by the Administrative Agent or a Lender from time to time, and which has been established by the Canadian Imperial Bank of Commerce as of the date of this Agreement.

"Credit Card Exposure" means, at any time, the outstanding Canadian \$ amount of the outstanding principal under the Credit Card Facility.

"Credit Parties" means, collectively, the Borrower and the Guarantors, and **"Credit Party"** means any one of them.

"Credit Party Guarantee" means the unlimited multi-party guarantee dated as of the Original Closing Date in favour of the Administrative Agent with respect to the debts, liabilities and obligations of the Credit Parties under the Loan Documents.

"Credits" means any Loans of the types described in Article 2.

"Currency Excess Amount" has the meaning set out in Section 2.10(b).

"Daily Compounded CORRA" means, for any Business Day in the Interest Period, CORRA with interest accruing on a compounded daily basis, with the methodology and conventions for this rate (which will include compounding in arrears with a five Business Day lookback) being established by the Administrative Agent in accordance with the methodology and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded CORRA for business loans; provided that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion; and provided that if the administrator has not provided or published CORRA and a Benchmark Replacement Date with respect to CORRA has not occurred, then, in respect of any day for which CORRA is required, references to CORRA will be deemed to be references to the last provided or published CORRA.

"Daily Simple SOFR" means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate selected or recommended by the Relevant Governmental Body for determining "Daily Simple SOFR" for syndicated business loans; provided, that if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.

"DBRS" shall mean DBRS Limited, or its successor.

"Debenture" means the 5.75% senior unsecured debentures due December 31, 2024 and June 30, 2027 and any other series of senior unsecured indentures issued by the Borrower from time to time pursuant to the Indenture.

"Default" means any event or condition that constitutes an Event of Default or that, upon notice, lapse of time or both, would, unless cured or waived, become an Event of Default.

"Defaulting Lender" means any Lender that (a) has failed to fund any portion of a Commitment of such Lender or perform its obligations under Section 2.4 within three (3) Business Days of the date it is required to do so, unless the failure has been cured, (b) has otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it under this Agreement within three (3) Business Days of when due, unless the payment is the subject of a good faith dispute or unless the failure has been cured, (c) has been determined by a court of competent jurisdiction or regulator to be insolvent or is unable to meet its obligations or pay its debts as they generally become due, (d) is the subject of a bankruptcy or insolvency proceeding, or (e) is subject to or is seeking the appointment of an administrator, regulator, conservator, liquidator, receiver, trustee, custodian or other similar official over any portion of its assets or business.

"Defined Benefit Plan" means a pension plan registered under the Income Tax Act, the *Pension Benefits Act* (Ontario) or any other applicable pension standards legislation which contains a "defined benefit provision", as such term is defined in subsection 147.1(1) of the Income Tax Act.

"Depreciation Expense" means, with respect to any period, the collective depreciation, depletion impairment and amortization expense of the Borrower for such period, determined on a Consolidated basis.

"EBITDA" means, for any period, an amount equal to Net Income for such period minus, to the extent included in such Net Income (but without duplication):

- (a) any non-cash income and gains;
- (b) any extraordinary or non-recurring income and gains; and
- (c) any realized or unrealized foreign exchange gains;

plus, to the extent deducted from such Net Income (but without duplication):

- (a) Interest Expense;
- (b) Income Tax Expense;
- (c) Depreciation Expense;
- (d) any other non-cash expenses and losses;
- (e) any extraordinary or non-recurring charges, expenses or losses; and
- (f) any realized or unrealized foreign exchange losses,

all determined on a Consolidated basis.

"Eligible Account" means, at any time, the invoice amount (which shall be the Canadian \$ Equivalent Amount at such time of any amount denominated in U.S.\$) owing on each account of the Credit Parties (net of any credit balance, returns, trade discounts, unapplied cash, unbilled amounts or retention or finance charges); provided that no account shall be deemed an Eligible Account unless each of the following statements is accurate and complete:

- (a) such account is a binding and valid obligation of the obligor thereon and is in full force and effect;

- (b) such account is evidenced by an invoice and is payable in either Canadian Dollars, U.S. Dollars, Pound Sterling or Euros;
- (c) such account is genuine as appearing on its face or as represented in the books and records of applicable Credit Party;
- (d) such account is free from claims regarding rescission, cancellation or avoidance, whether by operation of applicable Law or otherwise;
- (e) payment of such account is less than 90 days past the original invoice date thereof (other than where the account obligor is the United Nations or the Administrative Agent confirms that such account is acceptable to it);
- (f) such account is net of concessions, offset, deduction, contras, chargebacks or understandings with the obligor thereon that in any way could reasonably be expected to adversely affect the payment of, or the amount of, such account;
- (g) the Administrative Agent, on behalf of the Lenders, has a first-priority perfected Lien covering such account and such account is, and at all times will be, free and clear of all other Liens other than Eligible Liens;
- (h) the obligor on such account is not an Affiliate, director, officer or employee of any Credit Party;
- (i) such account arose in the ordinary course of business of the applicable Credit Party;
- (j) the obligor on such account is not an individual, and is not the subject of any bankruptcy or insolvency proceeding, does not have a trustee or receiver appointed for all or a substantial part of its property, has not made an assignment for the benefit of creditors, admitted its inability to pay its debts as they mature or suspended its business, and the Administrative Agent, in its reasonable discretion, is otherwise satisfied with the credit standing of such obligor;
- (k) (i) the obligor of such account is the United Nations (or related agency) or is organized and existing under the laws of the United States of America or a state thereof, the federal laws of Canada or a province or territory thereof or the laws of the United Kingdom or any country thereof, or the laws of any country that is a member of the European Union, or (ii) if the obligor is not a Person referred to in clause (k)(i) of this definition, such account is covered under letters of credit or export/import insurance reasonably satisfactory to the Administrative Agent;
- (l) in the case of the sale of goods, the subject goods have been completed, sold and shipped, on a true sale basis on open account, or subject to contract, and not on consignment, on approval, on a "sale or return" basis, or on a "bill and hold" or "pre-sale" basis or subject to any other repurchase or return agreement, and no material part of the subject goods has been returned, rejected, lost or damaged; and
- (m) (i) the assignment (whether absolutely or by way of security) of such account is not limited or restricted by the terms of the contract evidencing or relating to such account or, (ii) if assignment of such account is so restricted, the laws of the jurisdiction(s) governing the

validity of such assignment provide that such limitation or restriction is ineffective as against the secured creditor with a security interest therein.

Notwithstanding the foregoing, where the Account obligor is a Governmental Authority, such Account shall not be excluded from "Eligible Accounts" based solely on the non-compliance with the procedures set out in the *Financial Administration Act* (Canada) or analogous provincial or foreign law, if applicable, with respect to the such Account.

"Eligible Equipment" means, at any time, tooling and other machinery and equipment (which, in each case, is not Inventory) owned by a Credit Party meeting each of the following requirements:

- (a) such Credit Party has good title to such equipment;
- (b) the Administrative Agent (on behalf of the Secured Parties) has a first-priority perfected Lien covering such equipment, and such equipment is, and at all times will be, free and clear of all Liens other than Eligible Liens;
- (c) the full purchase price for such equipment has been paid by such Credit Party;
- (d) the equipment is in the possession of a Credit Party and located in Canada;
- (e) such equipment is in good working order and condition (ordinary wear and tear excepted) and is used or held for use by such Credit Party in the ordinary course of business of the Credit Party;
- (f) such equipment is not subject to any agreement which restricts the ability of such Credit Party to use, sell, transport or dispose of such equipment or which restricts the Administrative Agent's ability to take possession of, sell or otherwise dispose of such equipment; and
- (g) such equipment does not constitute "fixtures" under the applicable laws of the jurisdiction in which such equipment is located.

Notwithstanding the foregoing, Eligible Equipment shall not include any equipment which is damaged or defective (unless such equipment reasonably can be expected to be made serviceable with the appropriate repairs).

"Eligible Inventory" means, at any time, all Inventory of the Credit Parties valued in Cdn.\$ on a lower of cost (excluding any component of cost representing intercompany profit in the case of Inventory acquired from an Affiliate) or market basis in accordance with GAAP; provided that, no Inventory shall be deemed Eligible Inventory unless each of the following statements is accurate and complete:

- (a) such Inventory is in good condition, merchantable, meets all standards imposed by any Governmental Authority having regulatory authority over it or its use or sale and is not obsolete and is either currently usable or currently saleable in the normal course of business of the applicable Credit Party;
- (b) such Inventory is:
 - (A) in possession of a Credit Party and located in Canada, unless such inventory is being repaired or refurbished; or

- (B) in transit in Canada (provided that the jurisdictions through which such Inventory is in transit are jurisdictions where the Liens in such Inventory under the Security Documents are validly perfected first-priority Liens) and between Credit Parties, and upon arrival at its destination, will comply with clause (b)(A) of this definition;
- (c) such Inventory does not include, tooling and other machinery and equipment owned by a Credit Party;
- (d) the Administrative Agent (on behalf of the Secured Parties) has a first-priority perfected Lien covering such Inventory, and such Inventory is, and at all times will be, free and clear of all Liens other than Eligible Liens;
- (e) such Inventory does not include goods (i) that are not owned by a Credit Party, or (ii) which have been sold by a Credit Party on a bill and hold basis;
- (f) such Inventory does not consist of goods that are obsolete;
- (g) any scrap Inventory shall be valued at scrap value;
- (h) such Inventory is not evidenced by negotiable documents of title unless delivered to the Administrative Agent with endorsements;
- (i) such Inventory does not constitute Hazardous Materials; and
- (j) such Inventory is covered by casualty insurance.

"Eligible Liens" means Liens described in paragraphs (a), (b), (d), (e), (f) and (g) of the definition of Permitted Liens.

"Engine" means any engine now or hereafter owned by a Credit Party, whether or not from time to time installed on an Airframe or on any other aircraft, together in each case with any and all Parts incorporated or installed in or attached thereto.

"Environmental Laws" means all Laws relating in any way to the environment, preservation or reclamation of natural resources, the generation, use, handling, collection, treatment, storage, transportation, recovery, recycling, release, threatened release or disposal of any Hazardous Material, or to health and safety matters.

"Environmental Liability" means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities) of any Credit Party directly or indirectly resulting from or based upon (a) the violation of any Environmental Laws, (b) the generation, use, handling, collection, treatment, storage, transportation, recovery, recycling or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the Release or threatened Release of any Hazardous Materials into the environment, or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Equity Securities" means, with respect to any Person, any and all shares, interests, participations, rights in, or other equivalents (however designated and whether voting and non-voting) of, such Person's capital, whether outstanding on the date hereof or issued after the date hereof, including any interest in a partnership, limited partnership or other similar Person and any beneficial interest in a trust, and any and all rights, warrants, debt securities, options or other rights exchangeable for or convertible into any of the foregoing.

"Equivalent Amount" means, with respect to any specified amount of currency other than Canadian Dollars, the amount of Canadian Dollars that may be purchased with such amount of other currency at the spot wholesale transactions buying rate of the Administrative Agent for the purchase of Canadian Dollars, provided that if the conversion is of Canadian Dollars to U.S. Dollars or of U.S. Dollars to Canadian Dollars, the rate used shall be (a) the spot rate of exchange for such conversion as quoted by the Bank of Canada at close of business on the immediately preceding Business Day, and (b) if (a) is not available, then the spot rate of exchange for wholesale transactions for such day by the Administrative Agent in Toronto, Ontario in accordance with its normal practice.

"ETA" means Part IX of the *Excise Tax Act* (Canada).

"Euros" means the single currency unit of the Participating Member States.

"Events of Default" has the meaning set out in Section 7.1.

"Excess Secured Hedge Obligations" means the positive mark-to-market of Secured Hedge Obligations equal to or greater than Cdn.\$2,500,000.

"Excluded Taxes" means, with respect to the Administrative Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of the Borrower hereunder, (i) income or franchise Taxes imposed by a jurisdiction on (or measured by) such recipient's net income, or (ii) capital Taxes imposed by a jurisdiction on (or measured by) such recipient's taxable capital, in each case by reason of the recipient being organized under the Laws of, or having its principal office located in, such jurisdiction.

"Extension Date" has the meaning set out in Section 2.7(c).

"Extension Request" has the meaning set out in Section 2.7(c).

"Fair Market Value" means with respect to any asset or group of assets at any date, the value of the consideration obtainable in a sale of such asset at such date assuming a sale by a willing seller to a willing purchaser dealing at arm's length and arranged in an orderly manner over a reasonable period of time having regard to the nature and characteristics of such asset, or, if such asset shall have been the subject of a relatively contemporaneous appraisal by an independent third party appraiser, the basic assumptions underlying which have not materially changed since its date, the value set out in such appraisal.

"Federal Funds Effective Rate" means, for any day, the per annum rate equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System of the United States of America arranged by federal funds brokers, as published for such day (or, if such day is not a Business Day, for the next preceding Business Day) by the Federal Reserve Board of New York, or, if such rate is not so published for any day which is a Business Day, the average of the quotations for such day on such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

"Federal Reserve Board" means the Board of Governors of the Federal Reserve System of the United States of America.

"Fee Letter" means the letter dated as of the TARCA Closing Date between the Administrative Agent and the Borrower relating to the payment of certain administrative agency fees.

"Financial Letter of Credit" means a Letter of Credit that serves as a payment guarantee of a Credit Party's financial obligations and is treated as a direct credit substitute for the purposes of the Capital Adequacy Guideline. For the avoidance of doubt, any Letter of Credit which serves as a guarantee of a Credit Party's performance obligations (other than financial obligations) and is treated as a transaction-related contingency for purposes of the Capital Adequacy Guideline shall not be a Financial Letter of Credit.

"First Amended and Restated Credit Agreement" has the meaning set out in recital C.

"Fiscal Quarter" means any fiscal quarter of the Borrower.

"Fiscal Year" means any fiscal year of the Borrower ending December 31.

"Floor" means 0.00%.

"GAAP" means, with respect to any Person, generally accepted accounting principles in Canada as in effect from time to time with respect to such Person, including International Financial Reporting Standards.

"Governmental Authority" means the Government of Canada, any other nation or any political subdivision thereof, whether provincial, state, territorial or local, and any agency, authority, instrumentality, regulatory body, court, central bank, fiscal or monetary authority or other authority regulating financial institutions, and any other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, including the Bank Committee on Banking Regulation and Supervisory Practices of the Bank of International Settlements.

"GSA" means the multi-party general security agreement dated as of the Original Closing Date, as amended from time to time, between each Credit Party from time to time party thereto and the Administrative Agent for the benefit of the Secured Parties constituting a first-priority Lien (subject to Permitted Liens) over the Collateral of each grantor, including all Equity Securities in which each grantor has any right, title or interest (but, for certainty, excluding Aircraft Collateral, Equity Securities in the capital of Chorus Aviation Capital Corp., Equity Securities in the capital of Cygnet Aviation Academy LP, Equity Securities in the capital of Chorus Aviation Holdings GP Inc., Equity Securities in the capital of Chorus Aviation Investment Holdings LP, and the Equity Securities in the capital of any other entity that is an Unrestricted Subsidiary).

"Guarantee" of or by any Person (in this definition, the **"guarantor"**) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (in this definition, the **"primary credit party"**) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect:

- (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any security for the payment thereof (whether in the form of a loan, advance, stock purchase, capital contribution or otherwise);
- (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof; or
- (c) as an account party in respect of any letter of credit or letter of guarantee issued to support such Indebtedness or other obligation.

The term Guarantee shall not include endorsements of instruments for deposit or collection in the ordinary course of business. The amount of any Guarantee in respect of Indebtedness shall be deemed to be an

amount equal to the stated or determinable amount of the related Indebtedness (unless the Guarantee is limited by its terms to a lesser amount, in which case to the extent of such amount) or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof. The amount of any other Guarantee shall be deemed to be zero unless and until the amount thereof has been (or in accordance with GAAP should be) quantified and reflected or disclosed in the Consolidated financial statements (or notes thereto) of the guarantor.

"Guarantor" means the Borrower, Jazz Aviation LP (represented by its general partner, Aviation General Partner Inc.), Voyageur Aviation Corp. (the successor by amalgamation to Voyageur Aviation Corp., Voyageur Airways Limited, Voyageur Aerotech Inc., Voyageur Avparts Inc., Chorus Aviation Holdings II Inc., and North Bay Leasing Inc.), Chorus Aviation Capital Corp., and any other Person that is required to provide a guarantee (by way of accession to the Credit Party Guarantee) pursuant to Section 5.1(j)(i).

"Hazardous Materials" means any substance, product, liquid, waste, pollutant, chemical, contaminant, insecticide, pesticide, gaseous or solid matter, organic or inorganic matter, fuel, micro-organism, ray, odour, radiation, energy, vector, plasma, constituent or material which (a) is or becomes listed, regulated or addressed under any Environmental Laws, or (b) is, or is deemed to be, alone or in any combination, hazardous, hazardous waste, toxic, a pollutant, a deleterious substance, a contaminant or a source of pollution or contamination under any Environmental Laws, including asbestos, petroleum and polychlorinated biphenyls, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Laws.

"Hedge Arrangement" means any derivative transaction, including foreign exchange facilities and equity swap transactions, entered into in connection with protection against, or benefit from, fluctuation in any rate or price. For the avoidance of doubt, the entry into a Master ISDA Agreement and the schedules thereto shall not in and of themselves constitute a Hedge Arrangement, but each trade entered into thereunder shall.

"Hedge Exposure" of a Person means all obligations of such Person arising under or in connection with Hedge Arrangements; provided that:

- (a) when calculating the value of a Hedge Arrangement only the mark-to-market value (or, if any actual amount is due as a result of the termination or close-out of such Hedge Arrangement, that amount) shall be taken into account; and
- (b) the Hedge Exposure with respect to any counterparty shall be calculated on an aggregate net basis after taking into account all amounts owing by such counterparty to such Person under Hedge Arrangements.

"Hostile Acquisition" means a proposed Acquisition by any Credit Party in circumstances in which the Target shall not have, as of the date of the Borrower's Acquisition Notice in respect of such Acquisition, evidenced its agreement or agreement in principle to such Acquisition by means of (a) a definitive agreement of purchase and sale, (b) a letter of intent in respect thereof, or (c) any other document, instrument, opinion or other writing reasonably satisfactory to the Lenders.

"Hybrid Unsecured Indebtedness" means any unsecured Indebtedness (including, without limitation, interest payment obligations and principal repayment obligations) of any Credit Party that such Credit Party may elect to satisfy by delivering its Equity Securities or issuing Equity Securities, including, for greater certainty, any interest payment and principal repayment obligations in respect of the Debentures and the Convertible Debentures.

"**HST**" means all amounts payable as harmonized sales tax under the ETA.

"**Income Tax Act**" means the *Income Tax Act* (Canada), as amended from time to time.

"**Income Tax Expense**" means, with respect to any period, the aggregate of all taxes on income of the Borrower for such period, whether current or deferred and net of any incentive or similar tax credits, determined on a Consolidated basis.

"**Indebtedness**" of any Person means, without duplication:

- (a) all obligations of such Person for borrowed money;
- (b) all obligations of such Person that are required to be classified and accounted for as a capital lease on a balance sheet of the Person;
- (c) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments;
- (d) all obligations of such Person upon which interest charges are customarily paid;
- (e) all obligations of such Person under conditional sale or other title retention agreements relating to property acquired by such Person (excluding, for certainty, Operating Lease Obligations and CPA Operating Lease Obligations);
- (f) all obligations of such Person in respect of the deferred purchase price of property or services;
- (g) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed;
- (h) all Guarantees by such Person of Indebtedness of others (excluding the Borrower's Guarantee);
- (i) all obligations, contingent or otherwise, of such Person as an account party in respect of letters of credit and letters of guarantee that would constitute a Financial Letter of Credit if issued hereunder;
- (j) all obligations, contingent or otherwise, of such Person in respect of bankers' acceptances; and
- (k) all mark-to-market Hedge Exposure in excess of Cdn.\$5,000,000,

but excluding any Hybrid Unsecured Indebtedness and any trade accounts payable in the ordinary course of business of such Person.

"**Indemnified Taxes**" means all Taxes other than Excluded Taxes.

"**Indemnatee**" has the meaning specified in Section 9.3(b).

"Indenture" means the indenture entered into on December 6, 2019 between the Borrower, as issuer, and the Trustee, as amended, supplemented or restated from time to time.

"Indenture Intercreditor Agreement" means the intercreditor agreement entered into on or about the Original Closing Date between the Administrative Agent (on behalf of the Secured Parties) and the Trustee, and as acknowledged by the Borrower, as amended, supplemented or restated from time to time.

"Insolvent Defaulting Lender" means any Defaulting Lender that (a) has been adjudicated as, or determined by a Governmental Authority having regulatory authority over such Person or its assets to be, insolvent, (b) becomes the subject of an insolvency, bankruptcy, dissolution, liquidation or reorganization proceeding, or (c) becomes the subject of an appointment of a receiver, receiver and manager, monitor, trustee or liquidator under the *Bank Act* (Canada) or any applicable bankruptcy, insolvency or similar law now existing or hereafter enacted; provided that a Lender shall not be an Insolvent Defaulting Lender solely by virtue of the ownership or acquisition by a Governmental Authority of an instrumentality thereof of any Equity Securities in such Lender or a parent company thereof.

"Interest Expense" means, with respect to any period, the interest expense of the Borrower during such period, determined on a Consolidated basis.

"Interest Payment Date" means:

- (a) with respect to any Canadian Prime Loan or Base Rate Loan, the first Business Day of each month;
- (b) with respect to any SOFR Loan, the last day of each Interest Period therefor and, in the case of any Interest Period of more than three months' duration, each day prior to the last day of such Interest Period that occurs at three month intervals after the first day of such Interest Period, and the Revolving Credit Maturity Date; provided that, as to any such Borrowing, (i) if any such date would be a day other than a Business Day, such date shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case the such date shall be the next preceding Business Day, and (ii) the Interest Payment Date with respect to any Borrowing that occurs on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in any applicable calendar month) shall be the last Business Day of any such succeeding applicable calendar month; and
- (c) with respect to any Term CORRA Loan, the last day of the Interest Period applicable to the Borrowing of which such loan is a part; provided that, as to any such Borrowing, (i) if any such date would be a day other than a Business Day, such date shall be extended to the next succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case the such date shall be the next preceding Business Day, and (ii) the Interest Payment Date with respect to any Borrowing that occurs on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in any applicable calendar month) shall be the last Business Day of any such succeeding applicable calendar month.

"Interest Period" means:

- (a) with respect to a SOFR Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, three or six months thereafter, as the Borrower may elect; provided that (i) if any Interest Period

would end on a day other than a Business Day, such Interest Period shall be extended to the immediately succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period, (iii) no Interest Period shall extend beyond any date that any principal payment or prepayment is scheduled to be due unless the aggregate principal amount of (A) Canadian Prime Borrowings and Base Rate Borrowings, and (B) Term CORRA Borrowings and SOFR Borrowings which have Interest Periods which will expire on or before such date, minus the aggregate amount of any other principal payments or prepayments due during such Interest Period is equal to or in excess of the amount of such principal payment or prepayment, (iv) no Interest Period shall extend beyond the Revolving Credit Maturity Date (if such SOFR Borrowing is part of a Borrowing under the Revolving Credit Facility), and (v) no tenor that has been removed from this definition pursuant to Section 2.12(a)(iv) shall be available for election by the Borrower; for purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and, in the case of a converted or continued Borrowing, thereafter shall be the effective date of the most recent conversion or rollover of such Borrowing; and

- (b) with respect to each Term CORRA Loan, the initial period (subject to availability) of one or three months commencing on and including the date specified in the Borrowing Request, or the Rollover Date, as the case may be, applicable to such Term CORRA Loan and ending on and excluding the last day of such initial period, and thereafter, each successive period (subject to availability) of approximately one or three months as selected by the Borrower and notified to the Administrative Agent in writing commencing on and including the last day of the prior Interest Period, provided that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the immediately succeeding Business Day unless such next succeeding Business Day would fall in the next calendar month, in which case such Interest Period shall end on the next preceding Business Day, (ii) any Interest Period that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period, (iii) no Interest Period shall extend beyond any date that any principal payment or prepayment is scheduled to be due unless the aggregate principal amount of (A) Canadian Prime Borrowings and Base Rate Borrowings, and (B) Term CORRA Borrowings and SOFR Borrowings which have Interest Periods which will expire on or before such date, minus the aggregate amount of any other principal payments or prepayments due during such Interest Period is equal to or in excess of the amount of such principal payment or prepayment, (iv) no Interest Period shall extend beyond the Revolving Credit Maturity Date (if such Term CORRA Borrowing is part of a Borrowing under the Revolving Credit Facility), and (v) no tenor that has been removed from this definition pursuant to Section 2.13(d) shall be available for election by the Borrower; for purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and, in the case of a converted or continued Borrowing, thereafter shall be the effective date of the most recent conversion or rollover of such Borrowing.

"Inventory" means all goods categorized as inventory in the financial statements of the Credit Parties.

"Issuing Banks" means, collectively, The Bank of Nova Scotia and Canadian Imperial Bank of Commerce, in their respective capacity as issuers of Letters of Credit hereunder, and their respective successors in such

capacity as provided in Section 2.22(i). Each Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates of such Issuing Bank, in which case the term "**Issuing Bank**" shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate.

"**Jazz Intercreditor Agreement**" means the intercreditor agreement dated the Original Closing Date between the Administrative Agent (on behalf of the Secured Parties), Jazz Aviation LP and the Subordinated Creditor.

"**Laws**" means all federal, provincial, municipal, foreign and international statutes, acts, codes, ordinances, decrees, treaties, rules, regulations, municipal by-laws, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards or any provisions of the foregoing, including general principles of common and civil law and equity, and all policies, practices and guidelines of any Governmental Authority binding on or affecting the Person referred to in the context in which such word is used (including, in the case of tax matters, any accepted practice or application or official interpretation of any relevant taxation authority); and "**Law**" means any one or more of the foregoing.

"**LC Disbursement**" means a payment made by any Issuing Bank pursuant to a Letter of Credit.

"**LC Exposure**" means, at any time, the sum of (a) the Canadian \$ Amount of the aggregate undrawn amount of all outstanding Letters of Credit at such time, plus (b) the Canadian \$ Amount of the aggregate amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Borrower at such time. The LC Exposure of any Revolving Credit Lender at any time shall be its Applicable Percentage of the total LC Exposure at such time.

"**Lender Affiliate**" means, (a) with respect to any Lender, (i) an Affiliate of such Lender, or (ii) any Person that is engaged in making, purchasing, holding or otherwise investing in bank loans and similar extensions of credit in the ordinary course of its business and is administered or managed by a Lender or an Affiliate of such Lender, and (b) with respect to any Lender that is a fund which invests in bank loans and similar extensions of credit, any other fund that invests in bank loans and similar extensions of credit and is managed by the same investment advisor as such Lender or by an Affiliate of such investment advisor.

"**Lenders**" means the Persons listed as lenders on Schedule 2.1 and any other Person that shall have become a party hereto pursuant to an Assignment and Assumption, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption. Unless the context otherwise requires, the term "**Lenders**" includes the Swingline Lender and the Issuing Banks-.

"**Lender Termination Date**" means the first date on which:

- (a) all Commitments have expired or been terminated;
- (b) the principal of and interest on each Loan and all fees, indemnities and other amounts payable hereunder shall have been paid in full; and
- (c) all Letters of Credit shall have expired or terminated and all LC Disbursements shall have been reimbursed.

"**Letter of Credit**" means any letter of credit or letter of guarantee issued pursuant to this Agreement.

"**Lien**" means, (a) with respect to any asset, any mortgage, deed of trust, lien (statutory or otherwise), deemed trust, pledge, hypothec, hypothecation, encumbrance, charge, security interest, royalty interest,

adverse claim, defect of title or right of set off in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease, title retention agreement or consignment agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to any asset, (c) any purchase option, call or similar right of a third party with respect to such assets, (d) any netting arrangement, defeasance arrangement or reciprocal fee arrangement, and (e) any other arrangement having the effect of providing security.

"Loan" means any extension of credit made by the Lenders to the Borrower pursuant to this Agreement.

"Loan Documents" means this Agreement, the Security Documents, the Jazz Intercreditor Agreement, the Borrowing Requests, the Borrowing Base Reports and the Fee Letter, together with any other document, instrument or agreement (other than participation, agency or similar agreements among the Lenders or between any Lender and any other bank or creditor with respect to any indebtedness or obligations of any Credit Party (as applicable) hereunder or thereunder) now or hereafter entered into in connection with this Agreement (including any document, instrument or agreement with respect to any Secured Hedge Arrangement and Secured Cash Management Services), as such documents, instruments or agreements may be amended, modified or supplemented from time to time.

"Material Adverse Change" means any event, development or circumstance that has had, or would reasonably be expected to have, a Material Adverse Effect.

"Material Adverse Effect" means a material adverse effect on (a) the business, assets, operations or financial condition of the Credit Parties taken as a whole, or (b) the validity or enforceability of any of the Loan Documents, the priority of the Liens created thereby or the rights and remedies of the Administrative Agent and the Lenders thereunder, or (c) any Material Contract, or (d) the ability of the Credit Parties taken as a whole to perform their material obligations under the Loan Documents.

"Material Contract" means (a) the contracts, licences and agreements listed and described on Schedule 3.1(p), and (b) any other contract, licence or agreement (i) to which any Credit Party is a party or bound, (ii) which is material to, or necessary in, the operation of the business of any Credit Party, (iii) which generates, on average, greater than 10% of the revenue of the Credit Parties taken as a whole; (iv) which any Credit Party cannot promptly replace by an alternative and comparable contract with comparable commercial terms; and (v) the absence of which would have a Material Adverse Effect.

"Material Indebtedness" means any Indebtedness (other than the Loans) of any one or more Credit Parties in an aggregate principal amount exceeding Cdn.\$5,000,000.

"Moody's" means Moody's Investors Service, Inc. or its successor.

"Net Income" means, with respect to any period, the net income of the Borrower for such period, determined on a Consolidated basis.

"Net Proceeds" means, with respect to any Asset Disposition, the gross amount received by any Credit Party from such Asset Disposition, including proceeds of any insurance policies received by any Credit Party in connection with such Asset Disposition and amounts received by any Credit Party pursuant to any expropriation proceeding or condemnation proceeding in connection with such Asset Disposition, minus the sum of (a) the amount, if any, of all Taxes paid or payable by any Credit Party directly resulting from such Asset Disposition (including the amount, if any, estimated by the Borrower in good faith at the time of such Asset Disposition for Taxes payable by any Credit Party on or measured by net income or gain resulting from such Asset Disposition) assuming the application of any Tax losses or credits available (or to be available) to any Credit Party at the time such Taxes are payable that are not used to offset other

income or gains, and (b) the reasonable out-of-pocket costs and expenses incurred by any Credit Party in connection with such Asset Disposition (including reasonable brokerage fees paid to a Person other than an Affiliate of any Credit Party, but excluding any fees or expenses paid to an Affiliate of any Credit Party).

"New Accordion Lender" has the meaning set out in Section 2.6(c)

"Non-Extending Lender" has the meaning set out in Section 2.7(c).

"Non-Financial Letter of Credit" means any Letter of Credit other than a Financial Letter of Credit.

"Non-Party Beneficiary" means any Secured Party or Indemnitee that is not a Party.

"Operating Lease Obligations" of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) personal property, or a combination thereof, which obligations are neither Capital Lease Obligations nor CPA Operating Lease Obligations.

"Original Closing Date" means October 14, 2021, being the date on which the Original Credit Agreement was executed and delivered by the parties hereto.

"Original Credit Agreement" has the meaning set out in recital A.

"Participant" has the meaning set out in Section 9.4(e).

"Parts" shall mean all appliances, parts, instruments, appurtenances, accessories, furnishings and other equipment of whatever nature (other than complete Engines or engines).

"Party" means a party to this Agreement, and reference to a Party includes its successors and permitted assigns and "Parties" means every Party.

"Payment Office" means the Administrative Agent's office located at 720 King Street West, 4th Floor, Toronto, Ontario, M5V 2T3, or such other branch or office of the Agent as the Agent may, from time to time, advise the Borrower in writing.

"Pension Plan" means a "registered pension plan", as such term is defined in subsection 248(1) of the Income Tax Act, which is or was sponsored, administered or contributed to, or required to be contributed to, by any Credit Party or under which any Credit Party has or may incur any actual or contingent liability.

"Permitted Acquisition" means any Acquisition:

- (a) where no Default or Event of Default has occurred and is continuing or would be caused thereby;
- (b) which is of a Person carrying on a business which is the same as or related to the business carried on by any Credit Party (or if an asset Acquisition, is of assets used or useful in a business which is the same as or related to the business carried on by any Credit Party);
- (c) in respect of which the Lenders will have a full recourse guarantee (by way of accession to the Credit Party Guarantee), if it is an Acquisition of a Person that is required to accede to the Credit Party Guarantee pursuant to Section 5.1(j)(i);

- (d) which, if such Acquisition is an Acquisition of Equity Securities of any Person, such acquiring Person acquires not less than 100% of the Equity Securities of such Person; and
- (e) in respect of which the Borrower has provided a Compliance Certificate prepared on a *pro forma* basis after giving effect to the Acquisition, in which the Borrower has demonstrated to the Agent's satisfaction, acting reasonably, that after giving effect to such Acquisition, the Borrower will be in compliance with the financial covenant in Section 5.1(l) as at the date of such Acquisition;
- (f) the Consolidated Net Leverage Ratio, immediately after giving effect to such Acquisition, shall be no more than 6.25 to 1.00, as determined on a *pro forma* basis; for greater certainty, when determining such Consolidated Net Leverage Ratio, the EBITDA shall include the EBITDA of such acquired Person,

provided that, notwithstanding the foregoing, a Hostile Acquisition shall not be a Permitted Acquisition.

"Permitted Hedge Payment" means any payment under or in connection with any Secured Hedge Arrangement made when no Event of Default has occurred and is continuing; provided that:

- (a) the payment of any Early Termination Amount (as defined in the applicable Master ISDA Agreement); or
- (b) any other payment of a similar nature or economic effect, whether voluntary or mandatory;

shall cease to be a Permitted Hedge Payment if an Event of Default shall occur within 12 months after the time of such payment, such that it shall become subject to the sharing provisions of Section 2.18(d).

"Permitted Liens" means:

- (a) Liens in favour of the Administrative Agent for the benefit of the Secured Parties for the obligations of any Credit Party under or pursuant to the Loan Documents;
- (b) Liens granted by a Credit Party in favour of another Credit Party in order to secure any of the Indebtedness of such first Credit Party to such other Credit Party, provided that such Liens are subject to assignment and postponement arrangements satisfactory to the Administrative Agent;
- (c) Purchase Money Liens securing Indebtedness to the extent permitted by Section 6.1(a)(vi) and Liens to secure Capital Lease Obligations to the extent permitted by Section 6.1(a)(vi);
- (d) inchoate or statutory Liens for Taxes which are not delinquent (taking into account any relevant grace periods) or the validity of which are currently being contested in good faith by appropriate proceedings and in respect of which there shall have been set aside a reserve (segregated to the extent required by generally accepted accounting principles) in an amount which is adequate therefor and not resulting in qualification by auditors;
- (e) inchoate or statutory Liens of contractors, subcontractors, mechanics, workers, suppliers, materialmen, carriers and others in respect of construction, maintenance, repair or operation of the assets of any Credit Party, provided that such Liens are related to obligations not due or delinquent (taking into account any applicable grace or cure periods),

are not registered as encumbrances against title to any Collateral of any Credit Party and adequate holdbacks are being maintained as required by applicable legislation or such Liens are being contested in good faith by appropriate proceedings and in respect of which there shall have been set aside a reserve (segregated to the extent required by generally accepted accounting principles) in an amount which is adequate with respect thereto and not resulting in qualification by auditors and provided further that such Liens do not in the aggregate materially detract from the value of the Collateral of the Credit Parties as a whole or materially interfere with the use of the assets of the Credit Parties encumbered thereby in the operation of the business of the relevant Credit Party or would not have a Material Adverse Effect;

- (f) title defects or irregularities which are of a minor nature and which do not in the aggregate materially detract from the value of the Collateral encumbered thereby or materially interfere with the use thereof in the operation of the business of the relevant Credit Party;
- (g) undetermined or inchoate Liens and charges arising or potentially arising under statutory provisions which have not at the time been filed or registered in accordance with applicable Law or of which written notice has not been duly given in accordance with applicable Law or which although filed or registered, relate to obligations not due or delinquent, including without limitation statutory Liens incurred, or pledges or deposits made, under worker's compensation, employment insurance and other social security legislation;
- (h) Liens securing appeal bonds and other similar Liens arising in connection with court proceedings (including, without limitation, surety bonds, security for costs of litigation where required by law and letters of credit) or any other instruments serving a similar purpose, the time for the appeal or petition for rehearing of which shall not have expired; provided, however, that the same would not constitute an Event of Default;
- (i) attachments, judgments and other similar Liens arising in connection with court proceedings, the time for the appeal or petition for rehearing of which shall not have expired or in respect of which the applicable Credit Party be prosecuting an appeal or proceeding for review in good faith and by appropriate proceedings and in respect of which a stay of execution pending such appeal or proceeding for review shall have been secured; provided, however, that the same would not constitute an Event of Default;
- (j) deposits, maintenance reserves, bonding arrangements and Liens to secure the performance of (or to secure obligations in respect of letters of credit posted to secure the performance of) bids, trade contracts, leases, statutory Liens, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;
- (k) securities to public utilities or to any municipalities or Governmental Authorities or other public authority when required by the utility, municipality or Governmental Authorities or other public authority in connection with the supply of services or utilities to the Credit Parties;
- (l) Liens consisting of royalties payable with respect to any Collateral of the Credit Parties existing as of the Original Closing Date and listed on Schedule 1.1(B);
- (m) statutory Liens incurred or pledges or deposits made in favour of a Governmental Authority to secure the performance of obligations of any Credit Party under Environmental Laws to which any assets of such Credit Party are subject;

- (n) customary rights of set-off or combination of accounts in favour of a financial institution with respect to deposits maintained by it;
- (o) any Lien on any Collateral of any Credit Party existing on the date hereof and set out in Schedule 1.1(B), provided that (i) such Lien shall not apply to any other Collateral of the Credit Parties, and (ii) such Lien shall secure only those obligations which it secures on the date hereof;
- (p) Liens existing on any Collateral prior to the acquisition thereof by any Credit Party or existing on any Collateral of any Person that becomes a Credit Party after the date hereof prior to the time such Person becomes a Credit Party, provided that (i) such Lien is not created in contemplation of or in connection with such acquisition or such Person becoming a Credit Party, as the case may be, (ii) such Lien shall not apply to any other Collateral of any Credit Party, and (iii) such Lien shall secure only those obligations which it secures on the date of such acquisition or the date such Person becomes a Credit Party, as the case may be;
- (q) any Liens securing the Subordinated Indebtedness obligations, provided that the Subordinated Creditor has executed and delivered the Jazz Intercreditor Agreement;
- (r) vendor's Liens in respect of current accounts payable but not overdue and extended in the ordinary course of business;
- (s) Liens in respect of the security interest deemed to be created by entering into an operating lease by any Credit Party which are limited to the applicable asset;
- (t) Liens arising in respect of any unpaid air navigation or airport fees to any Canadian air navigation or airport authority which are not delinquent (taking into account any relevant grace periods) or the validity of which are currently being contested in good faith by appropriate proceedings and in respect of which there shall have been set aside a reserve (segregated to the extent required by generally accepted accounting principles) in an amount which is adequate therefor and not resulting in qualification by auditors;
- (u) any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Permitted Liens referred to in the preceding subparagraphs (a) to (u) inclusive of this definition, so long as any such extension, renewal or replacement of such Liens is limited to all or any part of the same property that secured the Liens extended, renewed or replaced (plus improvements on such property) and that the Liens permitted hereunder shall not be extended to cover any additional Indebtedness of the Credit Parties or their property (other than a substitution of like property), except Liens in respect of Capital Lease Obligations and Purchase Money Liens as permitted by clause (c) of this definition.

"Person" means any natural person, corporation, firm, partnership, joint venture, joint stock company, incorporated or unincorporated association, government, governmental agency or any other entity, whether acting in an individual, fiduciary or other capacity.

"Purchase Money Lien" means a Lien taken or reserved in personal property (excluding Aircraft Collateral) to secure payment of all or part of its purchase price (or to secure financing to fund such purchase price), provided that such Lien (a) secures an amount not exceeding the lesser of the purchase price of such personal property and the Fair Market Value of such personal property at the time such Lien is taken or

reserved, (b) extends only to such personal property and its proceeds, and (c) is granted prior to or within 30 days after the purchase of such personal property.

"Quarterly Date" means each of the last day of each of March, June, September, and December in each calendar year.

"Receivable" means the indebtedness and payment obligations of any Person to any Credit Party or acquired by any Credit Party (including obligations constituting an account or general intangible or evidenced by a note, instrument, contract, security agreement, chattel paper or other evidence of indebtedness or security) arising from a sale of merchandise or the provision of services by such Credit Party or the Person from which such indebtedness and payment obligation were acquired by such Credit Party, including (a) any right to payment for goods sold or for services rendered and (b) the right to payment of any interest, sales taxes, finance charges, returned check or late charges and other obligations of such Person with respect thereto.

"Register" has the meaning set out in Section 9.4(c).

"Reimbursement Obligations" means, at any date, the obligations of the Borrower then outstanding in respect of the Letters of Credit to reimburse the Administrative Agent for the account of the applicable Issuing Bank for the amount paid by such Issuing Bank in respect of any drawings under the Letters of Credit.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the respective directors, officers, employees, agents and advisors of such Person and of such Person's Affiliates.

"Related Non-Party Beneficiaries" means, with respect to any Party, (i) any Lender Affiliate with respect to such Party, (ii) any other Related Party with respect to such Party, and (iii) any assignee of the Persons identified in (i) or (ii).

"Release" is to be broadly interpreted and shall include an actual or potential discharge, deposit, spill, leak, pumping, pouring, emission, emptying, injection, escape, leaching, seepage or disposal of a Hazardous Materials which is or may be in breach of any Environmental Laws.

"Relevant Agent" means, with respect to the Credit Parties, any agent of the Credit Parties that will act in any capacity in connection with, or benefit from, the Credits.

"Relevant Governmental Body" means (i) the Bank of Canada, or a committee officially endorsed or convened by the Bank of Canada, or any successor thereto, or (ii) the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto, as applicable.

"Required Lenders" means, at any time, Lenders having an aggregate Revolving Credit Exposures and unused and uncanceled Commitments representing at least 66^{2/3}% of the sum of the total Revolving Credit Exposures and unused and uncanceled Commitments at such time; provided that (a) from and after the Lender Termination Date, "Required Lenders" means Secured Hedge Counterparties and Secured Cash Management Providers holding Secured Hedge Obligations and Secured Cash Management Obligations representing at least 66^{2/3}% of the sum of all Secured Hedge Obligations and Secured Cash Management Obligations, and (b) if there are only two Lenders having Revolving Credit Exposures and unused and uncanceled Commitments at such time, "Required Lenders" shall mean both such Lenders.

"Responsible Officer" means, with respect to any Person, the chairman, the president, any vice president, the chief executive officer or the chief operating officer, and, in respect of financial or accounting matters, any chief financial officer, principal accounting officer, treasurer or controller of such Person.

"Restricted Payment" means, with respect to any Person, any payment by such Person (whether in cash or in kind, and whether by way of actual payment, set-off, counterclaim or otherwise):

- (a) of any dividend, distribution or return of capital with respect to its Equity Securities;
- (b) on account of the purchase, redemption, retirement or other acquisition of any of its Equity Securities or any warrants, options or similar rights with respect to its Equity Securities, other than in connection with any shareholder rights plan, employee share ownership plan or long-term incentive plan of the Borrower;
- (c) subject to the Jazz Intercreditor Agreement, of any principal of or interest or premium on any Indebtedness of such Person ranking in right of payment subordinate to any liability of such Person under the Loan Documents;
- (d) of any management, consulting or similar fee or any bonus payment or comparable payment, or by way of gift or other gratuity, to
 - (i) any director or officer of such Person (but excluding ordinary course wages and bonuses paid in the ordinary course of business and consistent with past practice); and
 - (ii) any Affiliate of such Person or director or officer thereof; and
- (e) for the purpose of setting apart any property for a sinking, defeasance or other analogous fund for any of the payments referenced above.

"Revolving Credit Facility" means the Cdn.\$150,000,000 revolving credit facility established pursuant to the Revolving Credit Commitments of the Revolving Credit Lenders.

"Revolving Credit Commitment" has the meaning set out in Section 2.1(a).

"Revolving Credit Exposure" means, with respect to any Lender at any time, the sum of (a) the Canadian \$ Amount of the outstanding principal amount of such Lender's Revolving Loans at such time, and (b) such Lender's LC Exposure and Swingline Exposure at such time.

"Revolving Credit Lender" means any Lender having a Revolving Credit Commitment hereunder or a Revolving Loan outstanding hereunder.

"Revolving Credit Maturity Date" means January 27, 2027, as such date may be extended from time to time pursuant to Section 2.7(c).

"Revolving Loan" has the meaning set out in Section 2.1(a).

"Rollover" means, with respect to any Term CORRA Borrowing or SOFR Borrowing, the continuation of all or a portion of such Borrowing (subject to the terms and conditions hereof) for an additional Interest Period subsequent to the initial or any subsequent Interest Period applicable thereto.

"Rollover Date" means the date of commencement of a new Interest Period applicable to a Term CORRA Loan or SOFR Loan.

"Rolling Period" means each Fiscal Quarter taken together with the three immediately preceding Fiscal Quarters.

"S&P" means Standard & Poor's Ratings Services, a division of S&P Global Inc., or its successor.

"Sanctions" means, at any time, economic or financial sanctions or trade embargoes imposed, administered or enforced by:

- (a) the Office of Foreign Assets Control of the U.S. Department of Treasury; or
- (b) any other Governmental Authority that are applicable to any Party at such time.

"Sanctioned Person" means, at any time, any Person with whom any Party is prohibited or restricted from transacting or otherwise dealing under any Sanction, whether by reason of designation under such Sanction or otherwise.

"Second Amended and Restated Credit Agreement" has the meaning set out in recital D.

"Secured Cash Management Obligations" means all indebtedness arising under or in connection with any Secured Cash Management Services.

"Secured Cash Management Provider" means any Lender in its capacity as a provider of Cash Management Services. For the avoidance of doubt, a Person that ceases to be a Lender (other than upon a Lender Termination Date) shall cease to be a Secured Cash Management Provider.

"Secured Cash Management Service" means any Cash Management Service provided by a Secured Cash Management Provider to a Credit Party.

"Secured Financial Product Collateralization" means either (a) providing cash collateral (pursuant to documentation reasonably satisfactory to Administrative Agent) to be held by Administrative Agent for the benefit of providers of the Secured Cash Management Services and Secured Hedge Counterparties in an amount equal to [Redacted]% of the then existing Secured Cash Management Obligations and Secured Hedge Obligations (after taking into account all amounts owed by the counterparty to such Person in accordance with normal market practices (using the mark-to-market method whenever applicable)) or (b) providing Administrative Agent with a standby letter of credit, in form and substance reasonably satisfactory to Administrative Agent, from a commercial bank reasonably acceptable to Administrative Agent in an amount equal to [Redacted]% of the then existing Secured Cash Management Obligations and Secured Hedge Obligations (after taking into account all amounts owed by the counterparty to such Person in accordance with normal market practices (using the mark-to-market method whenever applicable)).

"Secured Hedge Arrangement" means any Hedge Arrangement between a Credit Party and Person that is a Lender or Lender Affiliate at the time such Hedge Arrangement is entered into, and any Hedge Arrangement existing between a Credit Party and a Person that is a Lender or a Lender Affiliate as of the date of this Agreement as set forth in Schedule 1.1(C) to this Agreement. For the avoidance of doubt, any Hedge Arrangement entered into by a Credit Party with a Person after such Person ceases to be a Lender or Lender Affiliate shall not be a Secured Hedge Arrangement.

"Secured Hedge Counterparty" means any Person party to a Secured Hedge Arrangement other than a Credit Party, in such Person's capacity as a party thereto. For the avoidance of doubt, (i) a Person shall remain a Secured Hedge Counterparty with respect to a Secured Hedge Arrangement if it ceases to be a Lender or a Lender Affiliate, and (ii) such Secured Hedge Arrangement shall continue to have the benefit of the Security Documents.

"Secured Hedge Obligations" means all Hedge Exposure arising under or in connection with Secured Hedge Arrangements; provided that amounts owing to or from a Person under Hedge Arrangements that are not Secured Hedge Arrangements shall not be taken into account in calculating Secured Hedge Obligations.

"Secured Liabilities" means all present and future indebtedness, liabilities and obligations of any and every kind, nature and description (whether direct or indirect, joint or several, absolute or contingent, mature or unmatured) of the Credit Parties to the Secured Parties under, in connection with or with respect to the Loan Documents (including Secured Cash Management Obligations and Secured Hedge Obligations), and any unpaid balance thereof.

"Secured Parties" means the Administrative Agent, the Lenders, the Secured Hedge Counterparties and the Secured Cash Management Providers.

"Security Documents" means the agreements or instruments described or referred to in Schedule 1.1(A) or Section 5.1(j) (including, to the extent such Section describes an amendment, the agreement or instrument amended thereby) and any and all other agreements or instruments now or hereafter executed and delivered by any Credit Party as security (including by way of guarantee) for the payment or performance of all or part of the Secured Liabilities, as any of the foregoing may have been, or may hereafter be, amended, modified or supplemented.

"SOFR" means, with respect to any Business Day, a rate per annum equal to the secured overnight financing rate for such Business Day published by the SOFR Administrator on the SOFR Administrator's Website on the immediately succeeding Business Day.

"SOFR Administrator" means the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

"SOFR Administrator's Website" means the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

"SOFR Borrowing" means a Borrowing comprised of one or more SOFR Loans.

"SOFR Loan" means a Loan denominated in U.S. Dollars which bears interest at a rate based upon Adjusted Term SOFR.

"Spectacle Lake Loan" means the loan between the Borrower, as borrower, and Her Majesty the Queen in Right of the Province of Nova Scotia as represented by the Minister of Economic and Rural Development and Tourism, as lender, made pursuant to a certain letter of offer dated July 18, 2012 and secured by the land, buildings and improvements thereon municipally known as 3 Spectacle Lake Drive, Dartmouth, Nova Scotia and assignments of building tenant leases thereon.

"Subordinated Creditor" means Export Development Canada.

"Subordinated Indebtedness" means Indebtedness of Jazz Aviation LP to the Subordinated Creditor arising pursuant to the credit agreements or other financing arrangements entered into from time to time between Jazz Aviation LP, as borrower, and the Subordinated Creditor, as lender, as amended, supplemented or restated from time to time.

"subsidiary" means, with respect to any Person (the **"parent"**) at any date, any other Person the accounts of which would be consolidated with those of the parent in the parent's consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date, as well as any other Person (a) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held, or (b) that is, as of such date, otherwise Controlled, by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

"Subsidiary" means any subsidiary of any Credit Party.

"Swap Obligation" means any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of section 1a(47) of the *Commodity Exchange Act*.

"Swingline Accounts" means the Canadian Dollar and U.S. Dollar bank accounts maintained by the Swingline Lender in the name of the Borrower and designated as such by the Swingline Lender.

"Swingline Commitment" has the meaning set out in Section 2.23(a). For the avoidance of doubt, the Swingline Commitment comprises part of, and is not in addition to, the Commitment of the applicable Revolving Credit Lender.

"Swingline Exposure" means, at any time, the Canadian \$ Amount of the aggregate principal amount of all Swingline Loans outstanding at such time. The Swingline Exposure of any Lender at any time shall be its Applicable Percentage of the total Swingline Exposure at such time.

"Swingline Lender" means Canadian Imperial Bank of Commerce in its capacity as lender of Swingline Loans hereunder.

"Swingline Loan" has the meaning set out in Section 2.23(a).

"TARCA Closing Date" means March 4, 2024, being the date on which this Agreement is executed and delivered by the parties hereto.

"Target" means, with respect to any Acquisition, the Person whose shares or assets (or both) are proposed to be acquired.

"Taxes" means all taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, harmonized sales, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, payroll, employer health, excise, real property and personal property taxes, and any other taxes, customs duties, fees, assessments, or similar charges in the nature of a tax, including Canada Pension Plan and provincial pension plan contributions, employment insurance payments and workers' compensation premiums, together with any instalments with respect thereto, and any interest, fines and penalties with respect thereto, imposed by any Governmental Authority (including federal, state, provincial, municipal and foreign Governmental Authorities), and whether disputed or not.

"Term CORRA" means, for any calculation with respect to a Term CORRA Loan, the Term CORRA Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the **"Periodic Term CORRA Determination Day"**) that is two Business Days prior to the first day of such Interest Period, as such rate is published by the Term CORRA Administrator; provided, however, that if as of 1:00 p.m. (Toronto time) on any Periodic Term CORRA Determination Day the Term CORRA Reference Rate for the applicable tenor has not been published by the Term CORRA Administrator and a Benchmark Replacement Date with respect to the Term CORRA Reference Rate has not occurred, then Term CORRA will be the Term CORRA Reference Rate for such tenor as published by the Term CORRA Administrator on the first preceding Business Day for which such Term CORRA Reference Rate for such tenor was published by the Term CORRA Administrator so long as such first preceding Business Day is not more than three Business Days prior to such Periodic Term CORRA Determination Day.

"Term CORRA Adjustment" means (i) a percentage equal to 0.29547% per annum for an Available Tenor of one-month's duration, or (ii) a percentage equal to 0.32138% per annum for an Available Tenor of three-months' duration.

"Term CORRA Administrator" means Candéal Benchmark Administration Services Inc., TSX Inc., or any successor administrator.

"Term CORRA Borrowing" means a Borrowing comprised of Term CORRA Loans.

"Term CORRA Loan" means a Revolving Loan made pursuant to Section 2.1(a) that bears interest at a rate based on Adjusted Term CORRA.

"Term CORRA Reference Rate" means the forward-looking term rate based on CORRA administered and published by the Term CORRA Administrator.

"Termination Date" means the first date on which:

- (a) the Lender Termination Date shall have occurred;
- (b) subject to clause (d)(ii) below, in the case of Secured Cash Management Obligations and Secured Hedge Obligations, Secured Financial Product Collateralization shall have been provided,
- (c) the Administrative Agent shall have received cash collateral in order to secure any other contingent Secured Liabilities for which a claim or demand for payment has been made on or prior to such time or in respect of matters or circumstances known to Administrative Agent or a Lender at such time that are reasonably expected to result in any loss, cost, damage, or expense (including legal fees and expenses), such cash collateral to be in such amount as Administrative Agent reasonably determines is appropriate to secure such contingent Secured Liabilities; and
- (d) the payment or repayment in full in immediately available funds of all other outstanding Secured Liabilities (including the payment of any termination amount then applicable (or which would or could become applicable as a result of the repayment of the other Secured Liabilities) under Secured Hedge Arrangements) other than (i) unasserted contingent indemnification Secured Liabilities, and (ii) any Secured Cash Management Obligations and Secured Hedge Obligations, that, at such time, are allowed by the provider to remain outstanding without being required to be repaid or collateralized under Secured Financial Product Collateralization.

"Term SOFR" means, for the applicable Interest Period, the Term SOFR Reference Rate on the day (such day, the **"Term SOFR Determination Day"**) that is two U.S. Government Securities Business Days prior to, in the case of a SOFR Loan, the first day of such applicable Interest Period, as such rate is published by the SOFR Administrator; provided, however, that if as of 5:00 p.m. (New York City time) on any Term SOFR Determination Day the Term SOFR Reference Rate for such applicable Interest Period has not been published by the SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than five U.S. Government Securities Business Days prior to such Term SOFR Determination Day.

"Term SOFR Reference Rate" means the forward-looking term rate based on SOFR.

"Total Indebtedness" means, at any time, the aggregate amount of Indebtedness of the Borrower at such time, determined on a Consolidated basis.

"Transactions" means the execution, delivery and performance by the Credit Parties of the Loan Documents, the borrowing of Loans and the use of the proceeds thereof, and the issuance of Letters of Credit.

"Trustee" means Computershare Trust Company of Canada or such successor entity appointed as trustee under the Indenture.

"Type", when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Canadian Prime Rate, the Base Rate, Adjusted Term SOFR, the Adjusted Term CORRA or whether such Borrowing takes the form of a Letter of Credit.

"Unadjusted Benchmark Replacement" means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

"U.S. Dollars" and **"U.S.\$"** refer to lawful money of the United States of America.

"U.S. Government Securities Business Day" means any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

"Unrestricted Subsidiary" means, at any time, Chorus Aviation Holdings GP Inc., Chorus Aviation Investment Holdings LP, Cygnet Aviation Academy LP and each Subsidiary of Chorus Aviation Capital Corp. (including, for greater certainty, Triangle Aviation Holdings LP and its Subsidiaries).

"Wholly-Owned Subsidiary" of a Person means any subsidiary of such Person of which securities (except for directors' qualifying shares) or other ownership interests representing 100% of the equity or 100% of the ordinary voting power or 100% of the general partnership or membership interests are, at the time any determination is being made, owned, controlled or held by such Person or one or more subsidiaries of such Person or by such Person and one or more subsidiaries of such Person.

"WURA" means *Winding Up and Restructuring Act* (Canada).

1.2 Amendment and Restatement.

- (a) This Agreement amends and restates the Second Amended and Restated Credit Agreement and is not a novation of the Second Amended and Restated Credit Agreement.
- (b) All references to the "Credit Agreement" or similar references to the Original Credit Agreement, the First Amended and Restated Credit Agreement, or the Second Amended and Restated Credit Agreement in any of the other Loan Documents shall be deemed to refer to this Agreement, as it may be amended, restated, supplemented or replaced from time to time, without any requirement to amend such Loan Documents.
- (c) All indebtedness, liabilities and obligations of the Borrower and each other Credit Party under the Second Amended and Restated Credit Agreement shall continue as Indebtedness created under and governed by this Agreement, and this Agreement shall not evidence or result in a novation of such indebtedness, liabilities or obligations. Without limiting the foregoing, all amounts outstanding under the "Revolving Credit Facility" under the Second Amended and Restated Credit Agreement as of the date of this Agreement shall be deemed to be outstanding as Borrowings under, and subject to the terms of, this Agreement.
- (d) The Borrower hereby represents, warrants and confirms to the Administrative Agent and each Lender that, as of the date hereof and notwithstanding this Agreement and the amendments given effect by this Agreement:
 - (i) the Security Documents and the security interests granted therein continue in full force and effect as security for the Indebtedness created under or governed by this Agreement, including without limitation all indebtedness, liabilities and obligations of the Credit Parties arising under, or in connection with, this Agreement, and such documents and interests are hereby ratified and confirmed; and
 - (ii) all indemnities and guarantees contained in the Loan Documents continue in full force and effect in accordance with their terms, extend to the indebtedness, liability and obligations of the Credit Parties under this Agreement, and are hereby ratified and confirmed.

1.3 Classification of Loans and Borrowings.

For purposes of this Agreement, Loans may be classified and referred to by class (*e.g.*, a "Revolving Loan") or by Type (*e.g.*, a "SOFR Loan") or by class and Type (*e.g.*, a "SOFR Revolving Loan"). Borrowings also may be classified and referred to by class (*e.g.*, a "Revolving Borrowing") or by Type (*e.g.*, a "SOFR Borrowing") or by class and Type (*e.g.*, a "SOFR Revolving Borrowing").

1.4 Terms Generally.

The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words "include", "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The word "or" is disjunctive; the word "and" is conjunctive. The words "to the knowledge of" means, when modifying a representation, warranty or other statement of any Person, that the fact or situation described therein is known by such Person (or, in the case of a Person other than a natural Person, known by the Responsible Officer of such Person) making the representation, warranty or

other statement, or with the exercise of reasonable due diligence under the circumstances (in accordance with the standard of what a reasonable Person in similar circumstances would have done) would have been known by such Person (or, in the case of a Person other than a natural Person, would have been known by such Responsible Officer of such Person). For the purposes of determining compliance with or measuring status under any cap, threshold or basket hereunder denominated in Canadian Dollars, reference shall be had to the Equivalent Amount of any portion of the underlying component that is not denominated in Canadian Dollars. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented, restated or replaced (subject to any restrictions on such modifications set out herein), (b) any reference herein to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to such statute or section as amended, restated or re-enacted from time to time, (c) any reference herein to any Person shall be construed to include such Person's successors and permitted assigns, (d) the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (e) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement, and (f) the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement. Any reference herein to an action, document or other matter or thing being "satisfactory to the Lenders", "to the Lenders' satisfaction" or similar phrases, shall mean that such action, document, matter or thing must be satisfactory to Lenders constituting the Required Lenders, unless it is described in Section 9.2(b), hereof, in which case it must be satisfactory to each Lender whose consent is required under the applicable clause.

1.5 Québec Matters.

For purposes of any assets, liabilities or entities located in the Province of Québec and for all other purposes pursuant to which the interpretation or construction of this Agreement may be subject to the laws of the Province of Québec or a court or tribunal exercising jurisdiction in the Province of Québec, (a) "personal property" shall include "movable property", (b) "real property" or "real estate" shall include "immovable property", (c) "tangible property" shall include "corporeal property", (d) "intangible property" shall include "incorporeal property", (e) "security interest", "mortgage" and "lien" shall include a "hypothec", "right of retention", "prior claim", "reservation of ownership" and a resolutory clause, (f) all references to filing, perfection, priority, remedies, registering or recording under the Uniform Commercial Code or a Personal Property Security Act shall include publication under the *Civil Code of Québec*, (g) all references to "perfection" of or "perfected" liens or security interest shall include a reference to an "opposable" or "set up" hypothec as against third parties, (h) any "right of offset", "right of setoff" or similar expression shall include a "right of compensation", (i) "goods" shall include "corporeal movable property" other than chattel paper, documents of title, instruments, money and securities, (j) an "agent" shall include a "mandatary", (k) "construction liens" or "mechanics, materialmen, repairmen, construction contractors or other like Liens" shall include "legal hypothecs" and "legal hypothecs in favour of Persons having taken part in the construction or renovation of an immovable", (l) "joint and several" shall include "solidary", (m) "gross negligence or wilful misconduct" shall be deemed to be "intentional or gross fault", (n) "beneficial ownership" shall include "ownership on behalf of another as mandatary", (o) "easement" shall include "servitude", (p) "priority" shall include "rank" or "prior claim", as applicable (q) "survey" shall include "certificate of location and plan", (r) "state" shall include "province", (s) "fee simple title" shall include "absolute ownership" and "ownership" (including ownership under a right of superficies), (t) "accounts" shall include "claims", (u) "legal title" shall be including "holding title on behalf of an owner as mandatary or prete-nom", (v) "ground lease" shall include "emphyteusis" or a "lease with a right of superficies", as

applicable, (w) "leasehold interest" shall include a "valid lease", (x) "lease" shall include a "leasing contract" and (y) "guarantee" and "guarantor" shall include "suretyship" and "surety", respectively. The Parties hereto confirm that it is their wish that this Agreement and any other document executed in connection with the transactions contemplated herein be drawn up in the English language only and that all other documents contemplated thereunder or relating thereto, including notices, may also be drawn up in the English language only. *Les parties aux présentes confirment que c'est leur volonté que cette convention et les autres documents de crédit soient rédigés en langue anglaise seulement et que tous les documents, y compris tout avis, envisagés par cette convention et les autres documents peuvent être rédigés en langue anglaise seulement.*

1.6 Accounting Terms; GAAP.

Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP. Except as otherwise expressly provided herein, all calculations of the components of the financial information for the purposes of determining compliance with the financial ratios and financial covenant contained herein shall be made on a basis consistent with GAAP in existence as at the Original Closing Date and used in the preparation of the Consolidated financial statements of the Borrower referred to in Section 5.1(a). In the event of a change in GAAP, the Borrower and the Administrative Agent shall negotiate in good faith to revise (if appropriate) such ratios and covenants to give effect to the intention of the Parties under this Agreement as at the Original Closing Date, and any new financial ratio or financial covenant shall be subject to approval by the Required Lenders. Until the successful conclusion of any such negotiation and approval by the Required Lenders, (a) all calculations made for the purpose of determining compliance with the financial ratios and financial covenant contained herein shall be made on a basis consistent with GAAP in existence immediately prior to such adoption or change, and (b) financial statements delivered pursuant to Section 5.1(a) shall be accompanied by a reconciliation showing the adjustments made to calculate such financial ratios and financial covenant. Any financial ratios required to be maintained by the Borrower pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed in this Agreement and rounding the result up or down to the nearest number (with a round-up if there is no nearest number) to the number of places by which such ratio is expressed in this Agreement. The Borrower shall not change the framework adopted under International Financial Reporting Standards.

1.7 Time.

All time references herein shall, unless otherwise specified, be references to local time in Toronto, Ontario. Time is of the essence of this Agreement and the other Loan Documents.

1.8 Third Party Beneficiaries.

- (a) Except as set out in clause (b) below, this Agreement and the Security Documents are for the sole benefit of the Parties and nothing in them, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement or the Security Documents.
- (b) Each Non-Party Beneficiary shall be entitled to enjoy the benefit of those provisions of this Agreement and the Security Documents that, by their terms, are in favour of such Non-Party Beneficiary (including all Liens granted for its benefit as a Secured Party). In furtherance thereof, each Party (i) accepts such provisions as agent and trustee for its Related Non-Party Beneficiaries, and (ii) shall be entitled to enforce such provisions on behalf of its Related Non-Party Beneficiaries. For the avoidance of doubt, any reference to

a Permitted Lien shall not serve to subordinate or postpone any Lien created by any Security Document to such Permitted Lien.

- (c) Notwithstanding clause (b) above or any other term of this Agreement or any Security Document, the consent of any Non-Party Beneficiary or other Person who is not a Party is not required to amend, modify or supplement this Agreement or any Security Document.

1.9 Rates.

The Lenders do not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to SOFR, the Base Rate, the Canadian Prime Rate, Term CORRA, Adjusted Term CORRA or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, the SOFR, the Base Rate, Canadian Prime Rate, Term CORRA, Adjusted Term CORRA or any other Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any Conforming Changes. The Lenders and their affiliates or other related entities may engage in transactions that affect the calculation of SOFR, the Base Rate, the Canadian Prime Rate, Term CORRA, Adjusted Term CORRA, any alternative, successor or replacement rate (including any Benchmark Replacement) or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain SOFR, the Base Rate, the Canadian Prime Rate, Term CORRA, Adjusted Term CORRA or any other Benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower or any other person or entity for damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

ARTICLE 2 **THE CREDITS**

2.1 Types of Credit.

- (a) *Revolving Credit Facility.* Subject to the terms and conditions set forth herein, each Revolving Credit Lender commits to make Loans (each such Loan made under this Section 2.1(a), a "**Revolving Loan**") to the Borrower from time to time during the period commencing on the Original Closing Date and ending on the Revolving Credit Maturity Date (each such commitment, a "**Revolving Credit Commitment**") in an aggregate principal amount outstanding up to the amount set forth beside such Lender's name in Schedule 2.1 under the heading "Revolving Credit Commitment", provided that a Revolving Credit Lender shall not be required to extend further credit hereunder if such extension would result in (a) such Revolving Credit Lender's Revolving Credit Exposure exceeding such Revolving Credit Lender's Revolving Credit Commitment, or (b) the aggregate of the Revolving Credit Exposure, the Credit Card Exposure and the Excess Secured Hedge Obligations exceeding either (i) the aggregate of the Revolving Credit Facility, the Credit Card Facility and the Excess Secured Hedge Obligations or (ii) the Borrowing Base.

- (b) *Maximum Principal.* For greater certainty, at no time shall the principal amount outstanding at any one time pursuant to this Agreement and secured by the Loan Documents exceed (a) the aggregate of the Revolving Credit Facility and the Credit Card Facility, or (b) the Borrowing Base. For the avoidance of doubt, such threshold shall not take into account (i) accrued and unpaid interest or non-principal payment obligations arising in respect of the Revolving Loans or Credit Card Facility, or (ii) indemnity obligations, in each case, under the Loan Documents.

2.2 Loans and Borrowings.

- (a) *Loans.* Each Revolving Loan shall be made as part of a Borrowing consisting of Revolving Loans made by the Revolving Credit Lenders rateably based upon their Applicable Percentages. Each Swingline Loan shall be made in accordance with the procedures set forth in Section 2.23. The failure of any Lender to make any Loan required to be made by it shall not relieve any other Lender of its obligations hereunder; provided that the Commitments of the Lenders are several and no Lender shall be responsible for any other Lender's failure to make Loans as required.
- (b) *Composition of Borrowings.* Subject to Section 2.23, each Revolving Loan shall be comprised entirely of Canadian Prime Loans, Base Rate Loans, Term CORRA Loans, SOFR Loans, and Letters of Credit as the Borrower may request in accordance herewith. Each Lender may at its option make any SOFR Loan by causing any domestic or foreign branch or Lender Affiliate of such Lender to make such Loan; provided that any exercise of such option shall not result in any increased costs for the Borrower or affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement.
- (c) *Availability of Borrowings.* As of the TARCA Closing Date, Canadian Prime Borrowings, Term CORRA Borrowings, Base Rate Borrowings, SOFR Borrowings and Letters of Credit shall be available to the Borrower, pursuant to the terms of this Agreement.
- (d) *Amount of Borrowings.* At the commencement of each Interest Period for any Term CORRA Borrowing or SOFR Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of Cdn.\$100,000 or U.S.\$100,000 and not less than Cdn.\$5,000,000 or U.S.\$5,000,000, as applicable. At the time that each Canadian Prime Borrowing or Base Rate Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of Cdn.\$100,000 or U.S.\$100,000 and not less than Cdn.\$5,000,000 or U.S.\$5,000,000, as applicable; provided that a Canadian Prime Borrowing or Base Rate Borrowing may be in an aggregate amount that is equal to the entire unused balance of the total applicable Commitments or that is required to finance the reimbursement of an LC Disbursement. Borrowings of more than one Type and class may be outstanding at the same time; provided that there shall not at any time be more than a total of five Term CORRA Borrowings or five SOFR Borrowings outstanding.

2.3 Requests for Borrowings.

- (a) *Requesting a Borrowing.* To request a Borrowing (other than a Swingline Loan), the Borrower shall notify the Administrative Agent of such request in writing substantially in the form of Exhibit B (each, a "**Borrowing Request**") (a) in the case of a SOFR Borrowing, not later than 11:00 a.m. three (3) Business Days before the date of the proposed Borrowing, (b) in the case of a Term CORRA Borrowing, not later than

11:00 a.m. two (2) Business Days before the date of the proposed Borrowing, or (c) in the case of a Canadian Prime Borrowing or Base Rate Borrowing, not later than 11:00 a.m. time, one Business Day before the date of the proposed Borrowing; provided that any such notice of a Canadian Prime Borrowing or Base Rate Borrowing to finance the reimbursement of an LC Disbursement shall not be given later than 10:00 a.m. on the date of the proposed Borrowing. Each Borrowing Request shall be irrevocable. The Administrative Agent and each Lender are entitled to rely and act upon any Borrowing Request given or purportedly given by the Borrower, and the Borrower hereby waives the right to dispute the authenticity and validity of any such request or resulting transaction once the Administrative Agent or any Lender has advanced funds based on such Borrowing Request. Each Borrowing Request shall specify the following information:

- (i) the aggregate amount of each requested Borrowing;
 - (ii) the date of such Borrowing, which shall be a Business Day;
 - (iii) whether such Borrowing is to be a Canadian Prime Borrowing, a Base Rate Borrowing, a Term CORRA Borrowing, a SOFR Borrowing or a Letter of Credit;
 - (iv) in the case of a SOFR Borrowing or Term CORRA Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by the definition of the term "Interest Period"; and
 - (v) the location and number of the Borrower's account to which funds are to be disbursed, which shall comply herewith.
- (b) *Default Terms.* If no election as to the Type of Borrowing is specified in the Borrowing Request, then the requested Borrowing shall be a Canadian Prime Borrowing (if denominated in Canadian Dollars) or a Base Rate Borrowing (if denominated in U. S. Dollars). If no currency is specified in the Borrowing Request, the Borrowing shall be denominated in Canadian Dollars. If no Interest Period is specified with respect to any requested SOFR Borrowing or Term CORRA Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one-month duration. Promptly following receipt of a Borrowing Request in accordance with Section 2.3, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.
- (c) *Conversion or Rollover of Borrowings.* Each Borrowing initially shall be of the Type specified in the applicable Borrowing Request. Thereafter, the Borrower may elect to convert a Borrowing to a different Type or to rollover such Borrowing to the extent permitted hereunder and, in the case of a SOFR Borrowing or Term CORRA Borrowing, may elect a new Interest Period therefor as provided in this Section 2.3(c). The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated rateably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing. This Section 2.3(c) shall not apply to Swingline Borrowings, which may not be converted or continued. To make an election pursuant to this Section 2.3(c), the Borrower shall notify the Administrative Agent of such election by the time that a Borrowing Request would be required under Section 2.3(a) if the Borrower were requesting a Borrowing of the Type resulting from such election to be made on the effective date of such election. Each such request shall be irrevocable. In addition to the

information specified in Section 2.3(a), each written Borrowing Request shall specify the Borrowing to which such request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing. Notwithstanding the foregoing, the Borrower is not entitled to elect a new Interest Period in respect of a SOFR Borrowing or Term CORRA Borrowing, or to convert a Borrowing of any Type into a SOFR Borrowing or Term CORRA Borrowing if a Default has occurred and is continuing.

- (d) *Deemed Election to Convert.* In the absence of a timely and proper election with regard to (a) SOFR Borrowings, the Borrower shall be deemed to have elected to convert such SOFR Borrowings to Base Rate Borrowings on the last day of the Interest Period of the relevant SOFR Borrowings, and (b) Term CORRA Borrowings, the Borrower shall be deemed to have elected to convert such Term CORRA Borrowings to Canadian Prime Borrowings on the last day of the Interest Period of the relevant Term CORRA Borrowings.

2.4 Funding of Borrowings.

- (a) *Funding.* Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds by 12:00 noon, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders; provided that Swingline Loans shall be made as provided in Section 2.23. The Administrative Agent shall make such Loans available to the Borrower by promptly crediting or transferring by wire the amounts so received, in like funds, to an account of the Borrower designated by the Borrower in the applicable Borrowing Request; provided that Loans made to finance the reimbursement of an LC Disbursement as provided in Section 2.22 shall be remitted by the Administrative Agent to the applicable Issuing Bank.
- (b) *Each Lender's Share of Borrowing.* Unless the Administrative Agent has received written notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.4(a) and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the Administrative Agent shall seek repayment of such corresponding amount, firstly, from the Applicable Lender and, secondly, from the Borrower, if the Applicable Lender does not immediately repay such corresponding amount. The Applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at the default interest rate applicable to Canadian Prime Loans (if the unpaid amount is denominated in Canadian Dollars) or to Base Rate Loans (if the unpaid amount is denominated in U.S. Dollars). If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing. Any payment by a Borrower shall be made without prejudice to any claim the Borrower may have against a Defaulting Lender.

2.5 Interest.

- (a) *Interest.* The Loans comprising each Canadian Prime Borrowing shall bear interest (computed on the basis of the actual number of days elapsed over a year of 365 days or 366

days, as the case may be) at a rate per annum equal to the Canadian Prime Rate plus the Applicable Margin from time to time in effect. The Loans comprising each Term CORRA Borrowing shall bear interest (computed on the basis of the actual number of days elapsed over a year of 365 days or 366 days, as the case may be) at a rate per annum equal to the Adjusted Term CORRA plus the Applicable Margin from time to time in effect. The Loans comprising each Base Rate Borrowing shall bear interest (computed on the basis of the actual number of days elapsed over a year of 365 days or 366 days, as the case may be) at a rate per annum equal to the Base Rate plus the Applicable Margin from time to time in effect. The Loans comprising each SOFR Borrowing shall bear interest (computed on the basis of the actual number of days in the relevant Interest Period over a year of 360 days) at the Adjusted Term SOFR for the Interest Period in effect for such SOFR Borrowing plus the Applicable Margin.

(b) *Before and After Judgment Interest.* Notwithstanding the foregoing, if a Default or an Event of Default shall have occurred and be continuing, the Loans shall bear interest, after as well as before judgment:

- (i) subject to Section 2.5(b)(ii), at a rate per annum equal to 2% plus the rate otherwise applicable to such Loan or, in the case of any amount not constituting principal or interest on a Loan, at a rate equal to 2% plus the rate otherwise applicable to, in the case of Canadian Dollar amounts, Canadian Prime Loans, or in the case of U.S. Dollar amounts, Base Rate Loans;
- (ii) if (i) a Security Document creates a mortgage on real property or a hypothec on immovables, or (ii) the rate provided for in Section 2.5(b)(i) is otherwise determined to be unenforceable, then, in either case, at a rate per annum equal to the rate otherwise applicable to such Loan or, in the case of any amount not constituting principal or interest on a Loan, at a rate equal to the rate otherwise applicable to, in the case of Canadian Dollar amounts, Canadian Prime Loans, or in the case of U.S. Dollar amounts, Base Rate Loans;

provided that, without limiting the effect of Section 2.5(b)(ii), nothing in Section 2.5(b)(ii) shall preclude the operation of Section 2.5(b) where:

- (iii) a Security Document that creates a mortgage on real property or a hypothec on immovables also creates a Lien on other property and assets; or
- (iv) the principal of or interest on any Loan or any fee or other amount payable by the Borrower hereunder is also secured by a Lien other than a mortgage on real property or a hypothec on immovables.

(c) *Accrued Interest.* Accrued interest on each Loan shall be payable in arrears on (a) each applicable Interest Payment Date, and (b) in the case of Revolving Loans, upon termination of the Revolving Credit Commitments. In addition, in the event of any repayment or prepayment of any Loan, accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment. Interest on overdue amounts shall be payable upon demand.

(d) *Days Interest Payable.* All interest hereunder shall be payable for the actual number of days elapsed (including the first day but excluding the last day). Any Loan that is repaid on the same day on which it is made shall bear interest for one day. The applicable

Canadian Prime Rate, Base Rate, Adjusted Term SOFR or Adjusted Term CORRA shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

- (e) *Yearly Rate of Interest.* For the purposes of the *Interest Act* (Canada) and disclosure thereunder, whenever any interest or any fee to be paid hereunder or in connection herewith is to be calculated on the basis of a 360-day or 365-day year, the yearly rate of interest to which the rate used in such calculation is equivalent is the rate so used multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by 360 or 365, as applicable. The rates of interest under this Agreement are nominal rates, and not effective rates or yields. The principle of deemed reinvestment of interest does not apply to any interest calculation under this Agreement.
- (f) *Criminal Interest.* If any provision of this Agreement would oblige the Borrower to make any payment of interest or other amount payable to any Lender in an amount or calculated at a rate which would be prohibited by applicable Law or would result in a receipt by that Lender of "interest" at a "criminal rate" (as such terms are construed under the Criminal Code (Canada)), then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by Law or so result in a receipt by that Lender of "interest" at a "criminal rate", such adjustment to be effected, to the extent necessary (but only to the extent necessary), as follows:
 - (i) first, by reducing the amount or rate of interest; and
 - (ii) thereafter, by reducing any fees, commissions, costs, expenses, premiums and other amounts required to be paid to the affected Lender which would constitute interest for purposes of section 347 of the Criminal Code (Canada).
- (g) *Reconciliation for Additional Interest and Fees.* Notwithstanding anything to the contrary contained in this Agreement, if, as a result of any restatement or other adjustment to the financial statements delivered under this Agreement (including any adjustment to unaudited financial statements as a result of subsequent audited financial statements) or for any other reason, the Borrower or the Lenders determine that the Consolidated Net Leverage Ratio as of any applicable date was inaccurate and, as a result of such occurrence the Applicable Margins applicable to any Loans or any fees for any period were lower than would otherwise be the case, then the Borrower shall immediately and retroactively be obligated to pay to the Administrative Agent for the account of the Applicable Lenders, promptly on demand by the Administrative Agent (or, if an Event of Default pursuant to Sections 7.1(f) and (g) shall have occurred and be continuing, automatically and without further action by the Administrative Agent), an amount equal to the excess of the amount of interest and fees that should have been paid by the Borrower for such period over the amount of interest and fees actually paid by the Borrower for such period, plus interest on such amount at the rate otherwise applicable herein. The Borrower's obligations under this Section 2.5(g) shall survive the termination of the Commitments and the repayment of all Indebtedness hereunder.
- (h) *SOFR Conforming Changes.* In connection with the use, administration of, or conventions associated with, Term SOFR, the Administrative Agent will have the right to make US Benchmark Replacement Conforming Changes (as such term is defined in Section 2.12(a)(vii)) from time to time in consultation with the Borrower and, notwithstanding

anything to the contrary herein or in any other Loan Document, any amendments implementing such US Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. The Administrative Agent will reasonably promptly notify the Borrower and the Lenders of the effectiveness of any such US Benchmark Replacement Conforming Changes.

2.6 Increase of Revolving Credit Commitment.

- (a) *Accordion Request.* The Borrower may, by notice to the Administrative Agent (an "**Accordion Request**"), from time to time request that the Commitment be increased by an aggregate amount of up to Cdn.\$50,000,000 (in the aggregate for all Accordion Requests). Promptly and in any event within three Business Days following receipt of an Accordion Request, the Administrative Agent shall provide a copy of the Accordion Request to the other Lenders.
- (b) *Existing Accordion Lender.* Upon receipt of a copy of the Accordion Request pursuant to Section 2.6(a), each Lender that is an existing Lender shall within 10 Business Days send a confirming letter to the Administrative Agent confirming whether or not it agrees to increase its Commitment and setting out the amounts of that increase. The increase in that Lender's Commitment shall, subject to Section 2.6(e), take place with effect from the first Business Day following the date of the delivery of such confirming letter to the Administrative Agent. Upon any such increase of that Lender's Commitment, Schedule 2.1 hereto shall be deemed to be amended to increase the Commitment of that Lender by the amount of such increase, and the maximum principal amount of the Revolving Credit Facility (and the definition of "Revolving Credit Facility") shall be deemed to be amended to add the amount of such increase.
- (c) *New Accordion Lender.* Any Lender that is not an existing Lender (each, a "**New Accordion Lender**") shall be a lender with a credit rating (i) at a minimum rating of A- as determined by S&P or (ii) at a minimum rating of A3 as determined by Moody's and shall otherwise be acceptable to the Administrative Agent and each Issuing Bank, acting reasonably. Upon delivery to the Administrative Agent of a joinder agreement substantially in the form attached hereto as Exhibit E ("**Accordion Joinder Agreement**") executed by the Borrower and the New Accordion Lender that is acceptable to the Administrative Agent, the Administrative Agent shall promptly and in any event within three Business Days execute and deliver such Accordion Joinder Agreement whereupon this Agreement and each other Credit Document shall, subject to Section 2.6(e), henceforth be read and construed as if such New Accordion Lender were party to this Agreement as a Lender having all of the rights and obligations of a Lender expressed herein with respect to the Commitment that the New Accordion Lender has agreed to accept and all references to any Lenders in any Credit Document shall (to the extent the context so admits) be construed accordingly. Consequent thereto, Schedule 2.1 hereto shall be deemed to be amended to add the Commitment of such New Accordion Lender, and the maximum principal amount of the Revolving Credit Facility (and the definition of "Revolving Credit Facility") shall be deemed to be amended to add the amount of such Commitment of such New Accordion Lender. Each Lender irrevocably appoints, authorizes and directs the Administrative Agent, as its attorney and agent, with full power of substitution and delegation, to complete and execute on its behalf each Accordion Joinder Agreement relating to each New Accordion Lender. Each Lender agrees that it will be bound by the terms of each such Accordion Joinder Agreement so completed and executed by the Administrative Agent.

- (d) The Administrative Agent shall, within two Business Days, notify the Borrower and the Lenders of the increased Commitments arising pursuant to Sections 2.6(b) or 2.6(c).
- (e) No increase in the Commitment shall be permitted at any time that an Event of Default has occurred and is outstanding.

2.7 Termination and Reduction of Commitments; Extensions.

- (a) *Maturity Dates.* Unless previously terminated, the Revolving Credit Commitments shall terminate on the Revolving Credit Maturity Date.
- (b) *Cancellation of Unused Credit.* The Borrower may, upon five (5) Business Days prior written notice to the Administrative Agent, permanently cancel any unused portion of the Revolving Credit Facility, without penalty, provided that (i) each reduction of the Revolving Credit Facility shall be in an amount that is an integral multiple of \$500,000 and not less than \$1,000,000 and (ii) the Borrower shall not terminate or reduce the Revolving Credit Facility if, after giving effect to any concurrent prepayment of the Revolving Loans in accordance with Section 2.10, the aggregate Revolving Credit Exposures would exceed the aggregate Revolving Credit Commitments. The Administrative Agent shall promptly notify each Revolving Credit Lender of the receipt by the Administrative Agent of any such notice. Any such cancellation shall be applied rateably in respect of the Revolving Credit Commitments of each Revolving Credit Lender. Each notice delivered by the Borrower pursuant to this Section 2.7(b) shall be irrevocable.
- (c) *Extensions.* No earlier than 90 days and no later than 60 days prior to the first anniversary of the Original Closing Date, and, thereafter, on an annual basis (such date being referred to in Section 2.7 as, an "**Extension Date**"), the Borrower may, subject to satisfaction of the conditions precedent for a Borrowing set forth in Sections 4.2(a) and 4.2(c), deliver to the Administrative Agent a request for an extension of the Revolving Credit Maturity Date for a period of up to 365 days after the then applicable Revolving Credit Maturity Date (the "**Extension Request**"); provided that the Borrower may withdraw an Extension Request, even if the Required Lenders have already consented to such Extension Request, by notice in writing delivered to the Administrative Agent not later than the close of business on the third Business Day prior to the Extension Date. The Administrative Agent shall promptly notify the Lenders of its receipt of any Extension Request, with particulars thereof. Within 30 days after the Administrative Agent has notified a Lender of its receipt of an Extension Request, such Lender shall notify the Borrower and the Administrative Agent of its election to extend or not extend the Revolving Credit Maturity Date as requested in such Extension Request (which election to extend or not extend shall be made by each such Lender in its sole and absolute discretion). Any failure by any Lender to notify the Borrower and the Administrative Agent of its election to extend or not extend the Revolving Credit Maturity Date as requested in such Extension Request shall be deemed to be a refusal to extend the Revolving Credit Maturity Date. Unless the Extension Request has been withdrawn by the Borrower in accordance with the proviso above, if the Required Lenders approve in writing the extension of the Revolving Credit Maturity Date requested in such Extension Request, the Revolving Credit Maturity Date shall automatically and without any further action by any Person be extended for the period specified in such Extension Request; provided that each such extension shall be for a maximum of 365 days, and if an Extension Request has been made, but there are one or more Lenders which do not consent in writing to the Extension Request within 35 days after receipt of the notice of the Extension Request from the Administrative Agent (a

"Non-Extending Lender"), then the Borrower shall be entitled to choose one of the following options, and the Borrower shall notify the Administrative Agent of its choice not later than 10 days prior to the Extension Date:

- (i) the Borrowings under the applicable Credit of any Non-Extending Lender shall be prepaid voluntarily by the Borrower and the Commitments under such Credit of such Non-Extending Lender shall be permanently cancelled on the tenth Business Day following the date on which the Borrower shall have notified the Administrative Agent of its choice under Section 2.7(c);
 - (ii) the Borrowings under the applicable Credit of any Non-Extending Lender shall be repaid on the Extension Date (without giving effect to the extension requested in such Extension Request, with respect to the Non-Extending Lender only);
 - (iii) at the sole expense of the Borrower, upon notice to such Lender and the Administrative Agent, the Commitments under the applicable Credit of any Non-Extending Lender shall be assigned to (and assumed by) an assignee permitted hereunder upon payment by the assignee to the Non-Extending Lender of an amount equal to the outstanding principal of the Loans under the applicable Credit and participation in LC Disbursements and Swingline Loans thereunder, if any, accrued interest thereon, accrued fees and all other amounts payable to the Non-Extending Lender hereunder in respect of such Credit, provided that (i) such assignment does not conflict with any applicable Law, and (ii) any assignee which becomes a Lender as a result of such an assignment shall be deemed to have consented to the applicable Extension Request and, therefore, shall not be a Non-Extending Lender; or
 - (iv) the Borrower may withdraw the applicable Extension Request.
- (d) *Non-Extending Lenders.* Any Non-Extending Lender shall provide to the Borrower its full co-operation in facilitating the assignment of the applicable Commitment of such Non-Extending Lender to an assignee permitted hereunder (which assignee may be another Lender, if such assignee Lender accepts such assignment) identified by the Borrower that is ready, willing and able to be an assignee with respect thereto. If an Extension Request has been made and if, within 35 days after receipt by the Lenders of the notice of the Extension Request from the Administrative Agent, the Required Lenders have not approved in writing the extension of the Revolving Credit Maturity Date requested in an Extension Request, the Revolving Credit Maturity Date shall not be extended pursuant to such Extension Request. The Administrative Agent shall promptly notify the Lenders and the Borrower of (a) any extension of the Revolving Credit Maturity Date pursuant to Section 2.7, and (b) of any Lender which becomes a Non-Extending Lender.

2.8 Repayment of Loans.

- (a) *Repayment of Revolving Loans.* The Borrower hereby unconditionally promises to pay to the Administrative Agent for the account of the Revolving Credit Lenders the outstanding principal amount of the Revolving Loans on the Revolving Credit Maturity Date.

2.9 Evidence of Debt.

- (a) *Accounts of Indebtedness.* Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the Indebtedness of the Borrower to such Lender resulting from each Borrowing made by such Lender hereunder, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.
- (b) *Account Details.* The Administrative Agent shall maintain accounts in which it shall record (a) the amount of each Borrowing made hereunder, the class and Type thereof and, in the cases of Term CORRA Borrowings and SOFR Borrowings, the relevant Interest Period, applicable thereto, (b) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder, and (c) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.
- (c) *Accounts Conclusive.* The entries made in the accounts maintained pursuant to Sections 2.9(a) and (b) shall be conclusive evidence (absent manifest error) of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Borrowings in accordance with the terms of this Agreement. In the event of a conflict between the records maintained by the Administrative Agent and any Lender, the records maintained by the Administrative Agent shall govern (absent manifest error).

2.10 Prepayments.

- (a) *Borrowing Base.* If at any time the aggregate of all Revolving Credit Exposure, the Credit Card Exposure and the Excess Secured Hedge Obligations of the Lenders exceeds the Borrowing Base, then the Borrower shall immediately pay to the Administrative Agent, for the account of the Revolving Credit Lenders, the amount of such excess to be applied (a) as a prepayment of the Revolving Loans and Reimbursement Obligations outstanding, (b) thereafter as Cover for any LC Exposure under the Revolving Credit in an amount of such remaining excess and (c) thereafter split rateably between the Credit Card Exposure and the Excess Secured Hedge Obligations.
- (b) *Currency Fluctuations.* If at any time the Revolving Credit Exposure of any Lender exceeds by greater than [Redacted]% its Revolving Credit Commitment (any such excess being referred to in this Section 2.10(b) as a "**Currency Excess Amount**"), then the Borrower shall immediately pay to the Administrative Agent, for the account of such Lender, an amount equal to the Currency Excess Amount with respect to such Lender to be applied (a) as a prepayment of the Loans and Reimbursement Obligations outstanding to such Lender, and (b) thereafter as Cover to such Lender for its LC Exposure under the Revolving Credit in an amount of such remaining Currency Excess Amount.
- (c) *Voluntary Prepayments.* The Borrower may, at its option, at any time and from time to time, prepay the Loans, in whole or in part, upon giving three (3) Business Days' prior written notice to the Administrative Agent. Such notice shall specify the date and amount of prepayment and whether the prepayment is of Canadian Prime Loans, Term CORRA Loans, Base Rate Loans, SOFR Loans or any combination thereof, and, in each case if a combination thereof, the principal amount allocable to each. If any such notice is given, the amount specified in such notice shall be due and payable on the date specified therein.

Each voluntary prepayment of any Canadian Dollar-denominated Loan shall be in a minimum principal amount of Cdn.\$1,000,000 and in an integral multiple of Canadian \$100,000, and each voluntary prepayment of any U.S. Dollar-denominated Loan shall be in a minimum principal amount of U.S.\$1,000,000 and in an integral multiple of U.S.\$100,000. Any principal amount so repaid under the Revolving Credit Facility may be reborrowed.

- (d) *Notice by Borrower.* Each notice provided by the Borrower hereunder in respect of any prepayment hereunder shall be irrevocable and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid.
- (e) *Notice by Administrative Agent.* Upon receipt of a notice of prepayment pursuant to Section 2.10, the Administrative Agent shall promptly notify each Applicable Lender of the contents thereof and of such Lender's share of such prepayment based upon its Applicable Percentage.
- (f) *General.* Any amount required to be prepaid on a date pursuant to Section 2.10 shall be due and payable together with any amount payable pursuant to Section 2.16 and accrued interest to such date on such amount in accordance with Section 2.5(c). Any prepayment pursuant to Sections 2.10(a) or (b) shall be applied within a Credit first to Canadian Prime Loans or Base Rate Loans, and second to SOFR Loans or Term CORRA Loans.

2.11 Fees.

- (a) *Standby Fees.* The Borrower shall pay to the Administrative Agent for the account of and distribution to each Revolving Credit Lender a standby fee for the period commencing on the Original Closing Date to and including the day immediately prior to the Revolving Credit Maturity Date (or such earlier date as the Revolving Credit Commitments shall have been terminated entirely) computed at a rate per annum equal to the Applicable Margin on the excess amount of the Revolving Credit Commitment of such Revolving Credit Lender over its Revolving Credit Exposure. Such standby fee shall be (a) payable in arrears on the first Business Day of each Fiscal Quarter, commencing on the first Fiscal Quarter to occur after the Original Closing Date, and on the date on which the Revolving Credit Commitments terminate, and (b) computed daily on the basis of a year of 365 or 366 days, as the case may be, and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).
- (b) *Fronting Fees.* The Borrower shall pay to the applicable Issuing Bank a fronting fee, which shall accrue at the rate of [Redacted] % per annum on the daily amount of the LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Original Closing Date to but excluding the later of the date of termination of the Revolving Credit Commitments and the date on which there ceases to be any LC Exposure.

Fronting fees shall be (a) payable in arrears on the first Business Day of each Fiscal Quarter, commencing on the first Fiscal Quarter to occur after the Original Closing Date, and on the date on which the Revolving Credit Commitments terminate, and (b) computed daily on the basis of a year of 365 days or 366 days, as the case may be, and shall be payable for the actual number of days elapsed (including the first day but excluding the last day). Fronting fees accruing after the date on which the Revolving Credit Commitments terminate shall be payable on demand.

- (c) *Issuance Fees.* The Borrower shall pay to the Administrative Agent for the account of and distribution to each Revolving Credit Lender an issuance fee with respect to its participations in Letters of Credit, which shall accrue at the Applicable Margin for Letters of Credit on the average daily amount of such Lender's LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Original Closing Date to but excluding the later of the date on which such Lender's Revolving Credit Commitment terminates and the date on which such Lender ceases to have any LC Exposure. Such issuance fees shall be (a) payable quarterly in arrears on the first Business Day of each calendar quarter and on the date on which the Revolving Credit Commitments terminate, and (b) computed daily on the basis of a year of 365 days or 366 days, as the case may be, and shall be payable for the actual number of days elapsed (including the first day but excluding the last day). Issuance fees accruing after the date on which the Revolving Credit Commitments terminate shall be payable on demand.
- (d) *Fees to Administrative Agent.* The Borrower shall pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times separately agreed upon in the Fee Letter.
- (e) *Upfront Fee.* The Borrower shall pay to the Administrative Agent, for the account of and distribution to each Revolving Credit Lender, an upfront fee in an amount equal to [Redacted]% of the aggregate Revolving Credit Commitment.
- (f) *Payment of Fees.* All fees payable hereunder shall be paid on the dates due, in immediately available funds, to the Administrative Agent (or to the applicable Issuing Bank, in the case of fees payable to it) for distribution, in the case of standby fees, to the Lenders. Fees paid shall not be refundable except in the case of manifest error in the calculation of any fee payment.

2.12 US Benchmark Replacement Setting.

- (a) *Effect of US Benchmark Transition Event.*
 - (i) *Hardwired Protocol.* Notwithstanding anything to the contrary herein or in any other Loan Document (and any Hedge Arrangement shall be deemed not to be a "Loan Document" for purposes of this Section 2.12), if a US Benchmark Transition Event and its related US Benchmark Replacement Date have occurred prior to the Reference Time in respect of any setting of the then-current US Benchmark, then:
 - (A) if a US Benchmark Replacement is determined in accordance with clause (A) of the definition of "US Benchmark Replacement" for such US Benchmark Replacement Date, such US Benchmark Replacement will replace such US Benchmark for all purposes hereunder and under any Loan Document in respect of such US Benchmark setting and subsequent US Benchmark settings without any amendment to, or further action or consent of any other Party to, this Agreement or any other Loan Document; and
 - (B) if a US Benchmark Replacement is determined in accordance with clause (B) of the definition of "US Benchmark Replacement" for such US

Benchmark Replacement Date, such US Benchmark Replacement will replace such US Benchmark for all purposes hereunder and under any Loan Document in respect of any US Benchmark setting at or after 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such US Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other Party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such US Benchmark Replacement from Lenders comprising the Required Lenders.

- (ii) *Conforming Changes.* In connection with the implementation of a US Benchmark Replacement, the Administrative Agent will have the right to make US Benchmark Replacement Conforming Changes from time to time in consultation with the Borrower, and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such US Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other Party to this Agreement or any other Loan Document.
- (iii) *Notices; Standards for Decisions and Determinations.* The Administrative Agent will promptly notify the Borrower and the Lenders of:
 - (A) any occurrence of a US Benchmark Transition Event, and its related US Benchmark Replacement Date;
 - (B) the implementation of any US Benchmark Replacement;
 - (C) the effectiveness of any US Benchmark Replacement Conforming Changes;
 - (D) the removal or reinstatement of any tenor of a US Benchmark pursuant to Section 2.12(a)(iv); and
 - (E) the commencement or conclusion of any US Benchmark Unavailability Period.

Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 2.12(a)(iii) including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other Party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.12(a)(iii).

- (iv) *Unavailability of Tenor of US Benchmark.* Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a US Benchmark Replacement):

- (A) if the then-current US Benchmark is a term rate (including Term SOFR) and either (A) any tenor for such US Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (B) the regulatory supervisor for the administrator of such US Benchmark has provided a public statement or publication of information announcing that any tenor for such US Benchmark is or will be no longer representative, then the Administrative Agent may modify the definition of "Interest Period" for any US Benchmark settings at or after such time to remove such unavailable or non-representative tenor; and
 - (B) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a US Benchmark (including a US Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is or will no longer be representative for a US Benchmark (including a US Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" for all US Benchmark settings at or after such time to reinstate such previously removed tenor.
- (v) *US Benchmark Unavailability Period.* Upon the Borrower's receipt of notice of the commencement of a US Benchmark Unavailability Period, the Borrower may revoke any request for a then-current US Benchmark Borrowing of, conversion to or continuation of then-current US Benchmark Loans to be made, converted or continued during any US Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to Base Rate Loans. During any US Benchmark Unavailability Period or at any time that a tenor for the then-current US Benchmark is not an Available US Tenor, the component of the Base Rate based upon the then-current US Benchmark or such tenor for such US Benchmark, as applicable, will not be used in any determination of the Base Rate.
- (vi) *No Liability.* The Administrative Agent does not warrant or accept responsibility for, and shall not have any liability with respect to (a) the continuation of, administration of, submission of, calculation of or any other matter related to the US Benchmark, any component definition thereof, or any alternative, successor or replacement rate thereto (including any US Benchmark Replacement), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any US Benchmark Replacement) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, Term SOFR or any other US Benchmark prior to its discontinuance or unavailability, or (b) the effect, implementation or composition of any US Benchmark Replacement Conforming Changes. The Administrative Agent and its Affiliates or other related entities may engage in transactions that affect the calculation of the US Benchmark, any alternative, successor or replacement rate (including any US Benchmark Replacement) and/or any relevant adjustments thereto, in each case, in a manner adverse to the Borrower. The Administrative Agent may select information sources or services in its reasonable discretion to ascertain Term SOFR or any other US Benchmark, in each case pursuant to the terms of this Agreement, and shall have no liability to the Borrower, any Lender or any other person or entity for damages of any kind, including direct or indirect,

special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.

(vii) Certain Defined Terms. As used in this Section 2.12:

"Available US Tenor" means, as of any date of determination and with respect to the then-current US Benchmark, as applicable, (x) if such US Benchmark is a term rate, any tenor for such US Benchmark (or component thereof) that is or may be used for determining the length of an interest period pursuant to this Agreement or (y) otherwise, any payment period for interest calculated with reference to such US Benchmark (or component thereof) that is or may be used for determining any frequency of making payments of interest calculated with reference to such US Benchmark, in each case, as of such date and not including, for the avoidance of doubt, any tenor for such US Benchmark that is then-removed from the definition of "Interest Period" pursuant to Section 2.12.

"Corresponding US Tenor" with respect to any Available US Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available US Tenor.

"Reference Time" means the time determined by the Administrative Agent in its reasonable discretion.

"Unadjusted US Benchmark Replacement" means the applicable US Benchmark Replacement excluding the related US Benchmark Replacement Adjustment.

"US Benchmark" means, initially, the Term SOFR Reference Rate; provided that if a US Benchmark Transition Event and its related US Benchmark Replacement Date have occurred with respect to the Term SOFR Reference Rate or the then-current US Benchmark, then "US Benchmark" means the applicable US Benchmark Replacement to the extent that such US Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 2.12.

"US Benchmark Replacement" means, for any Available US Tenor, either of the following to the extent selected by the Administrative Agent in its unilateral discretion for the applicable US Benchmark Replacement Date:

- (A) the sum of: (A) Daily Simple SOFR, and (B) the related US Benchmark Replacement Adjustment; or
- (B) the sum of: (A) the alternate benchmark rate that has been selected by the Administrative Agent and the Borrower as the replacement for the then-current US Benchmark for the applicable Corresponding US Tenor giving due consideration to (I) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (II) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for

the then-current US Benchmark for U.S. Dollar-denominated syndicated credit facilities at such time and (B) the related US Benchmark Replacement Adjustment;

provided that, if the US Benchmark Replacement as determined pursuant to clause (i) or (ii) above would be less than the Floor, the US Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"US Benchmark Replacement Adjustment" means, with respect to any replacement of the then-current US Benchmark with an Unadjusted US Benchmark Replacement for any applicable Interest Period and Available US Tenor for any setting of such Unadjusted US Benchmark Replacement, the spread adjustment (which may be a positive or negative value or zero), that has been selected by the Administrative Agent and the Borrower and consented to in writing by the Required Lenders giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such US Benchmark with the applicable Unadjusted US Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such US Benchmark with the applicable Unadjusted US Benchmark Replacement for U.S. Dollar-denominated syndicated credit facilities.

"US Benchmark Replacement Conforming Changes" means with respect to either the use or administration of Term SOFR or the use, administration, adoption or implementation of any US Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Base Rate," the definition of "Business Day," the definition of "Interest Period," the definition of "U.S. Government Securities Business Day", the timing and frequency of determining rates and making payments of interest, the timing of Borrowing Requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides, acting reasonably, may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides, acting reasonably, that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines, acting reasonably, that no market practice for the administration of any such rate exists, in such other manner of administration as the Administrative Agent decides, acting reasonably, is necessary in connection with the administration of this Agreement and the other Loan Documents).

"US Benchmark Replacement Date" means the earliest to occur of the following events with respect to the then-current US Benchmark:

- (A) in the case of clause (A) or (B) of the definition of "US Benchmark Transition Event," the later of (A) the date of the public statement or

publication of information referenced therein and (B) the date on which the administrator of such US Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available US Tenors of such US Benchmark (or such component thereof); or

- (B) in the case of clause (C) of the definition of "US Benchmark Transition Event", the first date on which such US Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such US Benchmark (or such component thereof) to be no longer representative; provided, that such non-representativeness or non-compliance will be determined by reference to the most recent statement or publication referenced in such clause (C) and even if any Available US Tenor of such US Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the "US Benchmark Replacement Date" will be deemed to have occurred in the case of clause (A) or (B) with respect to any US Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available US Tenors of such US Benchmark (or the published component used in the calculation thereof).

"US Benchmark Transition Event" means the occurrence of one or more of the following events with respect to the then-current US Benchmark:

- (A) a public statement or publication of information by or on behalf of the administrator of such US Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available US Tenors of such US Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available US Tenor of such US Benchmark (or such component thereof);
- (B) a public statement or publication of information by the regulatory supervisor for the administrator of such US Benchmark (or the published component used in the calculation thereof), the Federal Reserve Board, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such US Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such US Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such US Benchmark (or such component), which states that the administrator of such US Benchmark (or such component) has ceased or will cease to provide all Available US Tenors of such US Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available US Tenor of such US Benchmark (or such component thereof); or

- (C) a public statement or publication of information by the regulatory supervisor for the administrator of such US Benchmark (or the published component used in the calculation thereof) announcing that all Available US Tenors of such US Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative.

For the avoidance of doubt, a "US Benchmark Transition Event" will be deemed to have occurred with respect to any US Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available US Tenor of such US Benchmark (or the published component used in the calculation thereof).

"US Benchmark Unavailability Period" means the period (if any) (x) beginning at the time that a US Benchmark Replacement Date pursuant to clauses (A) or (B) of that definition has occurred if, at such time, no US Benchmark Replacement has replaced the then-current US Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.12, and (y) ending at the time that a US Benchmark Replacement has replaced the then-current US Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 2.12.

2.13 Canadian Benchmark Replacement Setting.

- (a) *Benchmark Replacement.* Notwithstanding anything to the contrary herein or in any other Loan Document (and any Hedge Arrangement shall be deemed not to be a "Loan Document" for purposes of this Section 2.13), if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior any setting of the then-current Benchmark, then (a) if a Benchmark Replacement is determined in accordance with clause (a) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document and (b) if a Benchmark Replacement is determined in accordance with clause (b) of the definition of "Benchmark Replacement" for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (Toronto time) on the fifth (5th) Business Day after the date such Benchmark Replacement is selected by the Administrative Agent and the Borrower without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders.
- (b) *Benchmark Replacement Conforming Changes.* In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Administrative Agent will have the right to make Conforming Changes from time to time in consultation with the Borrower, and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

- (c) *Notices; Standards for Decisions and Determinations.* The Administrative Agent will promptly notify the Borrower and the Lenders of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Administrative Agent will notify the Borrower and the Lenders of (x) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 2.13(d) and (y) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Administrative Agent pursuant to this Section 2.13 including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 2.13.
- (d) *Unavailability of Tenor of Benchmark.* Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term CORRA) and either (x) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Administrative Agent in its reasonable discretion or (y) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (x) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (y) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then the Administrative Agent may modify the definition of "Interest Period" (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.
- (e) *Benchmark Unavailability Period.* Upon the Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of Revolving Loans, which are of the Type that have a rate of interest determined by reference to the then-current Benchmark, to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to, (i) for a Benchmark Unavailability Period in respect of Term CORRA, Daily Compounded CORRA loans, and (ii) for a Benchmark Unavailability Period in respect of a Benchmark other than Term CORRA, Canadian Prime Loans.

2.14 Inability to Determine Rates.

- (a) Subject to Section 2.12 and Section 2.13, as applicable, if, on or prior to the first day of any Interest Period for any SOFR Loan or Term CORRA Loan, as applicable:
 - (i) the Administrative Agent determines (which determination shall be conclusive and binding absent manifest error) that "Term SOFR" or "Term CORRA", as

applicable, cannot be determined pursuant to the definition thereof, for reasons other than a Benchmark Transition Event, or

- (ii) the Required Lenders notify the Administrative Agent that the Required Lenders have determined that for any reason in connection with any request for a SOFR Loan or Term CORRA Loan, as applicable, or a conversion thereto or a continuation thereof that Adjusted Term SOFR or Adjusted Term CORRA, as applicable, for any requested Interest Period with respect to a proposed SOFR Loan or Term CORRA Loan, as applicable, does not adequately and fairly reflect the cost to the Lenders of funding such Borrowing,

the Administrative Agent will promptly so notify the Borrower and the Lenders, as applicable. Upon notice thereof by the Administrative Agent to the Borrower and the Lenders, as applicable, any obligation of the Lenders to make or continue SOFR Loans, SOFR Borrowings, Term CORRA Loans and/or Term CORRA Borrowings, as applicable, shall be suspended (to the extent of the affected SOFR Loans, SOFR Borrowings, Term CORRA Loans and/or Term CORRA Borrowings, and the affected Interest Periods) until the Administrative Agent revokes such notice at the instruction of the Required Lenders. Upon receipt of such notice, (i) the Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of SOFR Loans, SOFR Borrowings, Term CORRA Loans, and/or Term CORRA Borrowings, as applicable (to the extent of the affected SOFR Loans, SOFR Borrowings, Term CORRA Loans, and/or Term CORRA Borrowings, and the affected Interest Periods) or, failing that, the Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to Base Rate Loans or Canadian Prime Rate Loans, as applicable, in the amount specified therein and (ii) any outstanding affected SOFR Loans will be deemed to have been converted into Base Rate Loans and any outstanding affected Term CORRA Loans will be deemed to have been converted into Canadian Prime Rate Loans at the end of the applicable Interest Period. Upon any such conversion, the Borrower shall pay accrued interest on the amount so converted, together with any additional amounts required pursuant to Section 2.15.

2.15 Increased Costs; Illegality.

- (a) *Compensation for Increased Costs.* If any Change in Law shall:
 - (i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Lender; or
 - (ii) impose on any Lender or any Issuing Bank or any applicable interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement (including the imposition on any Lender of, or any change to, any Tax or other charge with respect to its Loans or any Letter of Credit or participation therein, or its obligation to make Loans or issue or participate in any Letter of Credit),

and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any Loan (or of maintaining its obligation to make any such Loan) or to increase the cost to such Lender or such Issuing Bank of participating in, issuing or maintaining any Letter of Credit or to reduce the amount of any sum received or receivable by such Lender or such Issuing Bank hereunder (whether of principal, interest or otherwise), then, from time to time upon the request of the Administrative Agent, the

Borrower will pay to such Lender or such Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or such Issuing Bank, as the case may be, for such increased costs actually incurred or reduction actually suffered.

- (b) *Compensation for Reduced Rate of Return.* If any Lender or Issuing Bank determines that any Change in Law regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's or such Issuing Bank's capital or on the capital of such Lender's holding company or such Issuing Bank's holding company, if any, as a consequence of this Agreement or the Loans made by, or participations in Letters of Credit held by such Lender, or the Letters of Credit issued by such Issuing Bank, to a level below that which such Lender or such Issuing Bank or such Lender's or such Issuing Bank's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or such Issuing Bank's policies and the policies of such Lender's or such Issuing Bank's holding company with respect to capital adequacy and such Lender's desired return on capital), then from time to time the Borrower shall pay to such Lender or such Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or such Issuing Bank or such Lender's or such Issuing Bank's holding company for any such reduction actually suffered. Notwithstanding anything herein to the contrary, (a) all requests, rules, guidelines, requirements and directives promulgated by the Bank for International Settlements, and Basel Committee on Banking Supervision (or any successor or similar authority) or by United States, Canadian or foreign regulatory authorities, in each case pursuant to Basel III, and (b) the Dodd-Frank Wall Street Reform and Consumer Protection Act (United States) and all requests, rules, guidelines, requirements and directives thereunder or issued in connection therewith or in implementation thereof, shall in each case be deemed to be a Change in Law for purposes of this Section 2.15(b) regardless of the date enacted, adopted, issued or implemented.
- (c) *Certificate.* A certificate of a Lender setting forth the amount or amounts necessary to compensate such Lender as specified in Sections 2.15(a) or (b), together with a brief description (prepared in good faith) of the Change in Law, shall be delivered to the Borrower by such Lender, and shall be conclusive absent manifest error. In preparing any such certificate, a Lender shall be entitled to use averages and to make reasonable estimates, and shall not be required to "match contracts" or to isolate particular transactions. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.
- (d) *Notification for Compensation.* Each Lender shall use its reasonable commercial efforts to notify the Borrower if it reasonably believes that it may require compensation from the Borrower under Section 2.14; provided that failure or delay on the part of any Lender to demand compensation pursuant to Section 2.14 shall not constitute a waiver of such Lender's right to demand such compensation. Notwithstanding anything else contained herein, the Borrower shall not be obliged to pay any compensation under this Section 2.14 to a Lender for any period prior to the date which is 90 days prior to the date on which notice is provided by such Lender pursuant to this Section 2.15(d); provided, however, that if the change giving rise to such increased costs or reductions is retroactive, the 90-day period referred to above will be extended by the period covered by the retroactive effect thereof, on a day for day basis.
- (e) *Illegality.* If any Lender determines that any law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable lending office to make, maintain or fund any Loan whose interest is determined by

reference to the Adjusted Term SOFR or Adjusted Term CORRA, as applicable (or to maintain its obligation to make any such Loan), or to participate in, issue or maintain any Letter of Credit (or to maintain its obligation to participate in or to issue any Letter of Credit), or to determine or charge interest rates based upon Adjusted Term SOFR or Adjusted Term CORRA, as applicable, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, any obligation of such Lender with respect to the activity that is unlawful shall be suspended until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. For the avoidance of doubt, such suspension shall occur notwithstanding that the activity in question was lawful on the Original Closing Date. Upon receipt of such notice, the Borrower shall, upon three Business Days' notice from such Lender (with a copy to the Administrative Agent), prepay or, if applicable, convert all SOFR Loans or Term CORRA Loans, as applicable, to Base Rate Loans or Canadian Prime Rate Loans, either on the last date of the Interest Period, if such Lender may lawfully continue to maintain such SOFR Loans or Term CORRA Loans, as applicable, to such day, or immediately, if such Lender may not lawfully continue to maintain such SOFR Loans or Term CORRA Loans, as applicable, or take any necessary steps with respect to any Letter of Credit in order to avoid the activity that is unlawful. Such Lender shall notify the Borrower through the Administrative Agent in writing promptly upon becoming aware that it is no longer illegal for such Lender to determine or charge interest rates based upon Adjusted Term SOFR or Adjusted Term CORRA, as applicable. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted. Each Lender agrees to designate a different lending office if such designation will avoid the need for such notice and will not, in the good faith judgment of such Lender, otherwise be materially disadvantageous to such Lender.

- (f) *Foreign Currency Loans.* In the event that any Lender shall have determined in good faith (which determination shall, absent manifest error, be final, conclusive and binding upon all parties) at any time that the current or reasonably expected foreign currency markets are unusually unstable or that the making or continuance of any Loan denominated in a currency other than Canadian Dollars has become unlawful or materially restricted as a result of compliance by such Lender in good faith with any applicable Law, or by any applicable guideline or order (whether or not having the force of law and whether or not failure to comply therewith would be unlawful), then, in any such event, such Lender shall give prompt written notice to the Borrower and to the Administrative Agent of such determination (which notice the Administrative Agent shall promptly transmit to the other Lenders). Upon the giving of the notice to the Borrower referred to in this Section 2.15(f), the Borrower's right to request (by continuation, conversion or otherwise), and such Lender's obligation to make, Loans denominated in a currency other than Canadian Dollars shall be immediately suspended, and thereafter any requested Borrowing of Loans denominated in a currency other than Canadian Dollars shall, as to such Lender only, be deemed to be a request for a Canadian Prime Loan, and if the affected Loan or Loans are then outstanding, the Borrower shall immediately, or if permitted by applicable Law, no later than the date permitted thereby, upon at least one Business Day prior written notice to the Administrative Agent and the affected Lender, convert each such Loan denominated in a currency other than Canadian Dollars into a Canadian Prime Loan, provided that if more than one Lender is affected at any time, then all affected Lenders must be treated the same pursuant to this Section 2.15(f).

2.16 Break Funding Payments.

- (a) In the event of (i) the failure by the Borrower to borrow, convert, continue or prepay any SOFR Loan on the date specified in any notice delivered by the Borrower pursuant hereto, (ii) the payment or conversion of any SOFR Loan other than on the last day of an Interest Period (including as a result of an Event of Default), or (iii) the assignment of any SOFR Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.20, then, in any such event, the Borrower shall compensate each Lender for the loss, cost and expense attributable to such event and such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (A) the amount of interest which would have accrued on the principal amount of such SOFR Loan had such event not occurred, at the Adjusted Term SOFR that would have been applicable to such SOFR Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such SOFR Loan), over (ii) the amount of interest which would accrue on such principal amount for such period and the interest rate which such Lender would bid were it to bid, at the commencement of such period, for U.S. Dollar deposits of a comparable amount and period from other banks in the Eurodollar market. A certificate of any Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section 2.16 shall be delivered to the Borrower by such Lender and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within ten days after receipt thereof.
- (b) In the event of (i) the payment of any principal of any Term CORRA Loan, prior to the last day of an Interest Period (including as a result of an Event of Default), (ii) the conversion of any Term CORRA Loan, other than on the last day of the Interest Period, (iii) the failure to borrow, convert, continue or prepay any Term CORRA Loan on the date specified in any notice delivered pursuant hereto, or (iv) the assignment of any Term CORRA Loan, other than on the last day of the Interest Period as a result of a request by the Borrower pursuant to Section 2.20, then, in any such event, the Borrower shall, after receipt of a written request by any Lender through the Administrative Agent (which request shall set forth in reasonable detail the basis for requesting such amount), compensate such Lender for the loss, cost and expense attributable to such event. A certificate of such Lender setting forth any amount or amounts that such Lender is entitled to receive pursuant to this Section 2.16(b) delivered to the Borrower shall be presumptively correct absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within ten days after receipt of such demand.

2.17 Taxes.

- (a) *Gross-up for Taxes.* Any and all payments by or on account of any obligation of the Borrower hereunder or under any Loan Document shall be made free and clear of and without deduction or withholding for any Taxes except as required by applicable Laws; provided that if the Borrower shall be required to deduct or withhold any Taxes from such payments, then (a) in the case of Indemnified Taxes, the sum payable shall be increased as necessary so that, after making all required deductions or withholdings (including deductions or withholdings applicable to additional sums payable under Section 2.17), the Administrative Agent, Lender or Issuing Bank (as the case may be) receives an amount equal to the sum it would have received had no such deduction or withholding been made, (b) the Borrower shall make such required deduction or withholding, and (c) the Borrower

shall pay to the relevant Governmental Authority the full amount deducted or withheld in accordance with, and within the time limits prescribed by, applicable Law.

- (b) *Stamp and Other Taxes.* In addition to the payments by the Borrower required by Section 2.17(a), the Borrower shall pay any and all present or future stamp or documentary Taxes or any other excise or property Taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement to the relevant Governmental Authority in accordance with applicable Law.
- (c) *Indemnity for Taxes.* The Borrower shall indemnify the Administrative Agent, each Lender and each Issuing Bank, within 10 days after written demand therefor, for the full amount of any Indemnified Taxes paid by the Administrative Agent, such Lender or such Issuing Bank, as the case may be, on or with respect to any payment by or on account of any obligation of the Borrower hereunder or under any Loan Document (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under Section 2.17) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender or an Issuing Bank, or by the Administrative Agent on its own behalf or on behalf of a Lender or an Issuing Bank, shall be conclusive absent manifest error.
- (d) *Evidence of Tax Payments.* As soon as practicable after any payment of Indemnified Taxes described in Section 2.17(a) or (b) by the Borrower to a Governmental Authority, the Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

2.18 Payments Generally; Pro Rata Treatment; Sharing of Set-offs.

- (a) *Payments.* The Borrower shall make each payment required to be made by it hereunder (whether of principal, interest, fees or reimbursement of LC Disbursements, amounts payable under any indemnity contained herein, or otherwise hereunder) prior to noon, on the date when due, in immediately available funds, without set-off or counterclaim. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at the Payment Office, except that payments pursuant to Sections 2.11(b), 2.14, 2.16, 2.17 and 9.3 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension, provided that, in the case of any payment with respect to a SOFR Loan or Term CORRA Loan, the date for payment shall be advanced to the next preceding Business Day if the next succeeding Business Day is in a subsequent calendar month. All payments under Section 2.18 in respect of SOFR Loans and Base Rate Loans shall be made in U.S. Dollars. All other payments under Section 2.18 shall be made in Canadian Dollars. The Borrower hereby authorizes the

Administrative Agent to debit the general operating bank account of the Borrower which is maintained with the Administrative Agent to effect any payment due to the Lenders or the Administrative Agent pursuant to this Agreement. Any resulting overdraft in such account shall be payable by the Borrower to the Administrative Agent in same day funds.

- (b) *Allocation of Insufficient Funds.* If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, unreimbursed LC Disbursements, interest and fees then due hereunder, such funds shall be applied (a) first, towards payment of interest and fees then due hereunder, rateably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (b) second, towards payment of principal and unreimbursed LC Disbursements then due hereunder, rateably among the parties entitled thereto in accordance with the amounts of principal and unreimbursed LC Disbursements then due to such parties.
- (c) *Allocation of Funds in Event of Default.* If an Event of Default shall have occurred and be continuing, and the maturity of the Loans shall have been accelerated pursuant to Section 7.1, all payments or proceeds received by the Administrative Agent hereunder or under any other Loan Document in respect of any of the Secured Liabilities (including, but not limited to, Secured Cash Management Obligations and Secured Hedge Arrangements that are owing to any Secured Cash Management Provider or Secured Hedge Counterparty, as applicable), including, but not limited to all proceeds received by the Administrative Agent in respect of any sale of, any collection from, or other realization upon, all or any part of the Collateral, shall be applied as follows:
 - (i) first, to the payment of all reasonable and documented costs and expenses of such sale, collection or other realization, including reasonable and documented compensation to the Administrative Agent and its agents and outside counsel, and all other reasonable and documented expenses, liabilities and advances made or incurred by the Administrative Agent in connection therewith, and all amounts for which the Administrative Agent is entitled to indemnification hereunder or under any other Loan Document (in its capacity as Administrative Agent and not as a Lender), and to the payment of all reasonable and documented costs and expenses paid or incurred by the Administrative Agent in connection with the exercise of any right or remedy hereunder or under any other Loan Document, all in accordance with the terms hereof or thereof;
 - (ii) second, to the extent of any excess of such payments or proceeds, to the rateable payment of any accrued interest, fee or commission due but unpaid under this Agreement;
 - (iii) third, to the extent of any excess of such payments or proceeds, to the rateable payment of the Loans, Cover for Letters of Credit, the Secured Hedge Obligations and the Secured Cash Management Obligations;
 - (iv) fourth, to the extent of any excess of such payments or proceeds, to the payment of any other amount due but unpaid under the Loan Documents; and
 - (v) fifth, to the extent of any excess of such payments or proceeds, to the payment to or upon the order of the Borrower or to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

Notwithstanding the foregoing, in no event shall payments or proceeds received by the Administrative Agent from a Guarantor or in respect of its Collateral be applied against excluded Swap Obligations of such Guarantor.

- (d) *Sharing of Set-Offs.* If any Secured Party shall obtain payment in respect of any of its Secured Liabilities (including by way of set-off or counterclaim) resulting in such Secured Party receiving payment of a greater proportion of the aggregate amount of its Secured Liabilities than the proportion received by any other Secured Party on its Secured Liabilities, then the Secured Party receiving such greater proportion shall purchase (for cash at face value) participations in the Secured Liabilities owed to other Secured Parties (as applicable) to the extent necessary so that the benefit of all such payments shall be shared by the Secured Parties rateably in accordance with the aggregate amount of their respective Secured Liabilities; provided that (a) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (b) this Section 2.18(d) shall not apply to:
- (A) any payment made by the Borrower pursuant to and in accordance with the express terms of this Agreement;
 - (B) any payment obtained by a Lender as consideration for the assignment of, or sale of a participation in, any of its Loans (including participations in LC Disbursements and Swingline Loans);
 - (C) any payment made by the Borrower under or in connection with any Secured Cash Management Services when no Event of Default has occurred and is continuing;
 - (D) netting under or as between Secured Hedge Arrangements; and
 - (E) any Permitted Hedge Payment.

The Borrower hereby consents to the foregoing and agrees, to the extent it may effectively do so under applicable Law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

- (e) *Assumption of Payment; Reimbursement of Agent.* Unless the Administrative Agent shall have received written notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or an Issuing Bank hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the applicable Issuing Bank, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Lenders or each of the Issuing Banks, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or Issuing Bank with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the applicable default rate for Canadian Prime Loans (if such

amount is denominated in Canadian Dollars) or the applicable default rate for Base Rate Loans (if such amount is denominated in U.S. Dollars).

- (f) *Failure of Lender to Make Payment.* If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.18(e), then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations under such Section 2.18(e) until all such unsatisfied obligations are fully paid.
- (g) *No Deemed Obligation for Source of Funds.* Nothing in this Agreement shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

2.19 Currency Indemnity.

If, for the purposes of obtaining judgment in any court in any jurisdiction with respect to this Agreement or any other Loan Document, it becomes necessary to convert into a particular currency (the "**Judgment Currency**") any amount due under this Agreement or under any other Loan Document in any currency other than the Judgment Currency (the "**Currency Due**"), then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment is given. For this purpose "rate of exchange" means the rate at which the Administrative Agent is able, on the relevant date, to purchase the Currency Due with the Judgment Currency in accordance with its normal practice at its head office in Toronto, Ontario. In the event that there is a change in the rate of exchange prevailing between the Business Day immediately preceding the day on which the judgment is given and the date of receipt by the Administrative Agent of the amount due, the Borrower shall, on the date of receipt by the Administrative Agent, pay such additional amounts, if any, or be entitled to receive reimbursement of such amount, if any, as may be necessary to ensure that the amount received by the Administrative Agent on such date is the amount in the Judgment Currency which when converted at the rate of exchange prevailing on the date of receipt by the Administrative Agent is the amount then due under this Agreement or such other Loan Document in the Currency Due. If the amount of the Currency Due which the Administrative Agent is so able to purchase is less than the amount of the Currency Due originally due to it, the Borrower shall indemnify and save the Administrative Agent and the Lenders harmless from and against all loss or damage arising as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other obligations contained in this Agreement and the other Loan Documents, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by the Administrative Agent from time to time and shall continue in full force and effect notwithstanding any judgment or order for a liquidated sum in respect of an amount due under this Agreement or any other Loan Document or under any judgment or order.

2.20 Mitigation Obligations; Replacement of Lenders.

- (a) *Mitigation.* If any Lender requests compensation under Section 2.15, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or Lender Affiliates, if, in the judgment of such Lender, such designation or assignment (a) would eliminate or reduce amounts payable pursuant to Section 2.15 or 2.17, as the case may be, in the future, and (b) would not subject such Lender to any unreimbursed cost or expense

and would not otherwise be disadvantageous to such Lender. The Borrower shall pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

- (b) *Replacement of Lender.* If any Lender requests compensation under Section 2.15, or if the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.17, or if any Lender is a Defaulting Lender, then the Borrower may, at its sole expense (including the processing and recording fee contemplated by Section 9.4(b)) and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 9.4), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that (a) if such assignee is not otherwise a Lender, the Borrower shall have received the prior written consent of the Administrative Agent (and, if a Commitment is being assigned, the Issuing Banks and the Swingline Lender), which consent shall not unreasonably be withheld, (b) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in LC Disbursements and Swingline Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts), and (c) in the case of any such assignment resulting from a claim for compensation under Section 2.15 or payments required to be made pursuant to Section 2.17, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

2.21 Collection of Accounts.

- (a) *General.* Each Credit Party shall, and shall cause each other Credit Party to, at its expense, enforce, collect and receive all amounts owing on its Accounts in the ordinary course of its business and any proceeds it so receives shall be subject to the terms hereof. Any proceeds received by a Credit Party in respect of Accounts, and any cheques, cash, credit card sales and receipts, notes or other instruments or property received by a Credit Party with respect to any Collateral, shall be held by such Credit Party in an Approved Account.
- (b) *Cash Management Arrangements.* The Borrower shall, and shall cause each other Credit Party to, provide the Administrative Agent with prior written notice of any and all deposit accounts opened or to be opened subsequent to the Original Closing Date and that are not listed in Schedule 3.1(v) to this Agreement, and all such accounts shall be Approved Accounts. The Borrower shall, and shall cause each Credit Party to (a) indicate on all of its invoices that funds should be delivered to and deposited in an Approved Account, and (b) direct all of its account debtors to deposit any and all proceeds of Collateral into an Approved Account.
- (c) *Blocked Accounts.* The Borrower shall promptly cause to be deposited in an Approved Account all proceeds of Collateral received by any Credit Party, including all amounts payable to any Credit Party from credit card issuers and credit card processors. The Borrower hereby confirms and agrees that all amounts deposited in an Approved Account and any other funds received and collected by the Administrative Agent, whether as

proceeds of inventory or any other Collateral or otherwise, shall be subject to the Liens in favour of the Administrative Agent. Concurrently with the establishment by any Credit Party after the date hereof of any bank account, such Credit Party shall provide the Administrative Agent with an amended Schedule 3.1(v) reflecting such new account.

- (d) *Activation Notice.* At any time after the commencement and during the continuance of an Event of Default, the Administrative Agent shall have the right to deliver an "Activation Notice" or notice of exclusive control (or similar term, as defined in each Blocked Account Agreement) with respect to each Approved Account subject to a Blocked Account Agreement (each such account, when placed under a Blocked Account Agreement, a "**Controlled Account**"). So long as no Event of Default has occurred and is continuing, the applicable Credit Parties shall have full and complete access to, and may direct, and shall have sole control over, the manner of disposition of funds in all Controlled Accounts, subject always to the terms, conditions and provisions of this Agreement.
- (e) *Acknowledgement.* The parties hereto hereby acknowledge, confirm and agree that the implementation of the cash management arrangements is a contractual right provided to the Administrative Agent and the Lenders hereunder in order for the Administrative Agent and the Lenders to manage and monitor their collateral position and not a proceeding for enforcement or recovery of a claim, or pursuant to, or an enforcement of, any security or remedies whatsoever, that the cash management arrangements contemplated herein are critical to the structure of the lending arrangements contemplated herein, that the Lenders are relying on the Borrower's acknowledgement, confirmation and agreement with respect to such cash management arrangements in making accommodations of credit available to the Borrower and in particular that any accommodations of credit are being provided by the Lenders to the Borrower strictly on the basis of a borrowing base calculation to fully support and collateralize any such accommodations of credit hereunder.

2.22 Letters of Credit; Letters of Guarantee.

- (a) *General.* Subject to the terms and conditions set out herein, the Borrower may request the issuance of Letters of Credit as an availment of the Revolving Credit Commitment, in a form reasonably acceptable to the applicable Issuing Bank, at any time and from time to time up to the Revolving Credit Maturity Date. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Borrower to, or entered into by the Borrower with, an Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall govern.
- (b) *Notice of Issuance, Amendment, Renewal, Extension, Certain Conditions.* To request the issuance of a Letter of Credit (or the amendment, renewal or extension of an outstanding Letter of Credit), the Borrower shall hand deliver or telecopy (or transmit by electronic communication, if arrangements for doing so have been approved by the applicable Issuing Bank) to an Issuing Bank and the Administrative Agent (at least five (5) Business Days in advance of the requested date of issuance, amendment, renewal or extension) a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying the date of issuance, amendment, renewal or extension, the date on which such Letter of Credit is to expire (which shall comply with Section 2.22(c)), the amount and currency (Canadian Dollars and U.S. Dollars only) of such Letter of Credit, the name and address of the beneficiary thereof and such other information as shall be necessary to prepare, amend, renew or extend such Letter of Credit.

If requested by the applicable Issuing Bank, the Borrower also shall submit a letter of credit application on such Issuing Bank's standard form in connection with any request for a Letter of Credit. A Letter of Credit shall be issued, amended, renewed or extended only if, after giving effect to such issuance, amendment, renewal or extension, (a) the aggregate LC Exposure shall not exceed \$15,000,000, (b) the aggregate Revolving Credit Exposure shall not exceed total Revolving Credit Commitments and (c) the aggregate of the Revolving Credit Exposure, the Credit Card Exposure and the Excess Secured Hedge Obligations shall not exceed either (i) the aggregate of the Revolving Credit Facility, the Credit Card Facility and the Excess Secured Hedge Obligations or (ii) the Borrowing Base.

- (c) *Expiration Date.* Each Letter of Credit shall expire at or prior to the close of business on the earlier of (a) the date that is one year after the date of the issuance of such Letter of Credit (or, in the case of any renewal or extension thereof, one year after such renewal or extension) and (b) the date that is five (5) Business Days prior to the Revolving Credit Maturity Date; provided that a Letter of Credit for which Cover has been provided may expire at any time.
- (d) *Participations.* By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the applicable Issuing Bank or the Lenders, each Issuing Bank hereby grants to each Revolving Credit Lender, and each Revolving Credit Lender hereby acquires from each Issuing Bank, a participation in such Letter of Credit equal to such Revolving Credit Lender's Applicable Percentage of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Revolving Credit Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of the applicable Issuing Bank, such Revolving Credit Lender's Applicable Percentage of each LC Disbursement made by an Issuing Bank and not reimbursed by the Borrower on the date due as provided in Section 2.22(e), or of any reimbursement payment required to be refunded to the Borrower for any reason. Each Revolving Credit Lender acknowledges and agrees that its obligation to acquire participations pursuant to this Section 2.22(d) in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.
- (e) *Reimbursement.* If any Issuing Bank shall make any LC Disbursement in respect of a Letter of Credit, the Borrower shall reimburse such LC Disbursement by paying to the Administrative Agent an amount equal to such LC Disbursement not later than 12:00 noon on the date that such LC Disbursement is made, if the Borrower shall have received notice of such LC Disbursement prior to 10:00 a.m. on such date, or, if such notice has not been received by the Borrower prior to 10:00 a.m. on such date, then not later than 12:00 noon on (a) the Business Day that the Borrower receives such notice, if such notice is received prior to 10:00 a.m. on the day of receipt, or (b) the Business Day immediately following the day that the Borrower receives such notice, if such notice is not received prior to 10:00 a.m. on the day of receipt; provided that the Borrower may, subject to the conditions to borrowing set out herein, request in accordance with Section 2.3 that such payment be financed with a Canadian Prime Borrowing, a Base Rate Borrowing, or a Swingline Borrowing in an Equivalent Amount and, to the extent so financed, the Borrower's obligation to make such payment shall be discharged and replaced by the resulting Canadian Prime Borrowing, Base Rate Borrowing or Swingline Borrowing. If the

Borrower fails to make such payment when due, the Administrative Agent shall notify each Revolving Credit Lender of the applicable LC Disbursement, the payment then due from the Borrower in respect thereof and such Revolving Credit Lender's Applicable Percentage thereof. Promptly following receipt of such notice, each Revolving Credit Lender shall pay to the Administrative Agent its Applicable Percentage of the payment then due from the Borrower, and the Administrative Agent shall promptly pay to the applicable Issuing Bank the amounts so received by it from the Revolving Credit Lenders. Promptly following receipt by the Administrative Agent of any payment from the Borrower pursuant to this Section 2.22(e), the Administrative Agent shall distribute such payment to the applicable Issuing Bank or, to the extent that Revolving Credit Lenders have made payments pursuant to this Section 2.22(e) to reimburse an Issuing Bank, then to such Revolving Credit Lenders and such Issuing Bank as their interests may appear. Any payment made by a Revolving Credit Lender pursuant to this Section 2.22(e) to reimburse an Issuing Bank for any LC Disbursement (other than the funding of Canadian Prime Borrowings, or Swingline Borrowings as contemplated above) shall not constitute a Loan and shall not relieve the Borrower of its obligation to reimburse such LC Disbursement.

- (f) *Obligations Absolute.* The Borrower's obligation to reimburse LC Disbursements as provided in Section 2.22(e) shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (a) any lack of validity or enforceability of any Letter of Credit or this Agreement, or any term or provision therein or herein, (b) any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (c) payment by an Issuing Bank under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit, or (d) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of Section 2.22, constitute a legal or equitable discharge of, or provide a right of set-off against, the Borrower's obligations hereunder. Neither the Administrative Agent, the Revolving Credit Lenders nor the Issuing Banks, nor any of their Related Parties, shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of the Issuing Banks; provided that the foregoing shall not be construed to excuse the Issuing Banks from liability to the Borrower to the extent of any direct damages (as opposed to indirect, special, punitive or consequential damages, claims in respect of which are hereby waived by the Borrower to the extent permitted by applicable Law) suffered by the Borrower that are caused by the applicable Issuing Bank's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence or wilful misconduct on the part of an Issuing Bank (as finally determined by a court of competent jurisdiction), such Issuing Bank shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the Borrower and the Lenders agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, the applicable Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or

information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

- (g) *Disbursement Procedures.* An Issuing Bank shall, promptly following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. Such Issuing Bank shall promptly notify the Administrative Agent and the Borrower by telephone (confirmed in writing) of such demand for payment and whether such Issuing Bank has made or will make an LC Disbursement thereunder; provided that any failure to give or delay in giving such notice shall not relieve the Borrower of its obligation to reimburse such Issuing Bank and the Revolving Credit Lenders with respect to any such LC Disbursement.
- (h) *Interim Interest.* If an Issuing Bank shall make any LC Disbursement, then, unless the Borrower shall reimburse such LC Disbursement in full on the date such LC Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the Borrower reimburses such LC Disbursement, at the rate then applicable to Canadian Prime Loans (if in Canadian Dollars) or Base Rate Loans (if in U.S. Dollars). Interest accrued pursuant to this Section 2.22(h) shall be for the account of the applicable Issuing Bank, except that interest accrued on and after the date of payment by any Revolving Credit Lender pursuant to Section 2.22(e) to reimburse an Issuing Bank shall be for the account of such Revolving Credit Lender to the extent of such payment.
- (i) *Replacement of the Issuing Bank.* An Issuing Bank may be replaced by any Lender at any time by written agreement among the Borrower, the Administrative Agent, the replaced Issuing Bank and the successor Issuing Bank. The Administrative Agent shall notify the Revolving Credit Lenders of any such replacement of an Issuing Bank. At the time any such replacement shall become effective, the Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Bank. From and after the effective date of any such replacement, (a) the successor Issuing Bank shall have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit to be issued thereafter, and (b) references herein to the term "Issuing Bank" shall be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After the replacement of an Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit.
- (j) *Cash Collateralization.* If any Event of Default shall occur and be continuing, on the Business Day that the Borrower receives notice from the Administrative Agent or the Required Lenders (or, if the maturity of the Loans has been accelerated, Lenders with LC Exposure representing greater than [Redacted]% of the total LC Exposure) demanding the deposit of Cover, the Borrower shall deposit in an account with the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Revolving Credit Lenders, an amount in cash equal to the LC Exposure as of such date plus any accrued and unpaid interest thereon; provided that the obligation to deposit such cash collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to the Borrower described in Section 7.1(g), 7.1(h) or 7.1(i). Such deposit shall be held by the Administrative Agent as collateral for the payment and

performance of the obligations of the Borrower under this Agreement. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent and at the Borrower's risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse each Issuing Bank for LC Disbursements for which it has not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the Reimbursement Obligations of the Borrower for the LC Exposure at such time or, if the maturity of the Loans has been accelerated (but subject to the consent of Lenders with LC Exposure representing greater than [Redacted]% of the total LC Exposure), be applied to satisfy other obligations of the Borrower under this Agreement. If the Borrower is required to provide an amount of cash collateral hereunder as a result of the occurrence of an Event of Default, such amount (to the extent not applied as aforesaid) shall be returned to the Borrower within three (3) Business Days after all Events of Default have been cured or waived or the total LC Exposure is reduced to nil.

2.23 Swingline Loans.

- (a) *General.* Subject to the terms and conditions set out herein and as part of its Revolving Credit Commitment, the Swingline Lender commits to make Loans (each such Loan made under this Section 2.23, a "**Swingline Loan**") to the Borrower from time to time during the period commencing on the Original Closing Date and ending on the Revolving Credit Maturity Date (such commitment being the "**Swingline Commitment**"), in an aggregate principal amount at any time outstanding up to Cdn.\$5,000,000; provided that the Swingline Lender shall not be required to extend further credit hereunder if such extension would result in (a) the Swingline Exposure at such time exceeding the amount of the Swingline Commitment, (b) the aggregate of the Revolving Credit Exposures exceeding the total Revolving Credit Commitments, (c) the aggregate of the Revolving Credit Exposure, the Credit Card Exposure and the Excess Secured Hedge Obligations exceeding either (i) the aggregate of the Revolving Credit Facility, the Credit Card Facility and the Excess Secured Hedge Obligations or (ii) the Borrowing Base, or (d) a Swingline Loan refinancing an outstanding Swingline Loan. Within the foregoing limits and subject to the terms and conditions set out herein, the Borrower may borrow, prepay and reborrow Swingline Loans.
- (b) *Interest; Overdrafts; Swingline Loan Requests.* Subject to the terms and conditions set out herein, the Borrower shall be entitled to obtain Swingline Loans by way of overdraft on the Swingline Accounts, and at any given time the Canadian \$ Amount of the outstanding principal amount of all Swingline Loans shall be equal to the aggregate amount by which the Swingline Accounts are overdrawn. Swingline Loans shall bear interest at a rate per annum equal to the rate applicable to a Canadian Prime Borrowing (if in Canadian Dollars) or at a rate per annum equal to the rate applicable to a Base Rate Loan (if in U.S. Dollars). Interest shall be payable on such dates, not more frequent than monthly, as may be specified by the Swingline Lender and in any event on the Revolving Credit Maturity Date. The Swingline Lender shall be responsible for invoicing the Borrower for such interest. The interest payable on Swingline Loans is solely for the account of the Swingline Lender (subject to Section 2.23(c) below).

- (c) *Reallocation.* At any time that an Event of Default has occurred and is continuing, the Swingline Exposure shall be adjusted as necessary so as to cause the Revolving Credit Exposure of each Revolving Credit Lender to equal its Applicable Percentage of the aggregate Revolving Credit Exposure of all Revolving Credit Lenders. Such adjustment shall be effected by either:
- (i) the Swingline Lender making Swingline Loans in the requisite amount(s) and advancing the proceeds thereof to other Revolving Credit Lenders in repayment of their Revolving Credit Loans; or
 - (ii) the Revolving Credit Lenders other than the Swingline Lender making Revolving Credit Loans in the requisite amounts(s) and advancing the proceeds thereof to the Swingline Lender in repayment of Swingline Loans,

and the Borrower irrevocably authorizes and directs such Borrowings to be automatically made and the proceeds thereof so applied.

2.24 Defaulting Lenders.

Notwithstanding any provision of this Agreement to the contrary, if any Lender is a Defaulting Lender, then the following provisions shall apply to such Lender for so long as it remains a Defaulting Lender:

- (a) fees shall cease to accrue pursuant to Section 2.11(a) on the unfunded portion of the Revolving Credit Commitment of such Defaulting Lender;
- (b) the Revolving Credit Commitments of such Defaulting Lender shall not be included in determining whether all Lenders or the Required Lenders have taken or may take any action hereunder (including any consent to any amendment or waiver pursuant to Section 9.2); provided that any waiver or amendment which affects such Defaulting Lender differently than other Lenders generally shall require the consent of such Defaulting Lender;
- (c) any amount owing by a Defaulting Lender to the Administrative Agent or another Lender that is not paid when due shall bear interest at the interest rate applicable to Canadian Prime Loans or Base Rate Loans under the Revolving Credit, as applicable;
- (d) any amount payable to such Defaulting Lender hereunder (whether on account of principal, interest, fees or otherwise and including any amount that would otherwise be payable to such Defaulting Lender other than in respect of the assignment of such Defaulting Lender's Loans and Commitments) shall, in lieu of being distributed to such Defaulting Lender, be retained by the Administrative Agent in a segregated account and, subject to any applicable requirements of law, be applied at such time or times as may be determined by the Administrative Agent (i) first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder, (ii) second, pro rata, to the payment of any amounts owing by such Defaulting Lender to the Issuing Banks or Swingline Lender hereunder, (iii) third, to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, (iv) fourth, held in such account as cash collateral for future funding obligations of the Defaulting Lender under this Agreement (the amount of such cash collateral not to exceed the Revolving Credit Commitment of such Defaulting Lender minus the outstanding principal amount of such Defaulting Lender's Revolving Loans), (v) fifth, to the payment of any other amounts owing to the Lenders or the Issuing Banks or the Swingline Lender hereunder, (vi) sixth,

to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement, and (vii) seventh, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if such payment is a prepayment of the principal amount of any Loans or Reimbursement Obligations in respect of Letters of Credit with respect to which a Defaulting Lender has funded its participation obligations, such payment shall be applied solely to prepay the Loans of, and Reimbursement Obligations owed to, all Lenders other than Defaulting Lenders pro rata prior to being applied to the prepayment of any Loans, or Reimbursement Obligations owed to, any Defaulting Lender;

- (e) if a Defaulting Lender is an Insolvent Defaulting Lender, any amount payable to such Defaulting Lender hereunder may, in lieu of being distributed pursuant to Section 2.24(d), be retained by the Administrative Agent to collateralize indemnification and reimbursement obligations of such Defaulting Lender hereunder in an amount determined by the Administrative Agent, acting reasonably;
- (f) If any Swingline Loans or Letters of Credit are outstanding at the time a Lender becomes a Defaulting Lender, then:
 - (i) all or any part of the pro rata share of such Defaulting Lender in respect of the outstanding Swingline Loans and Letters of Credit shall be reallocated among the Revolving Credit Lenders which are not Defaulting Lenders (in this Section 2.24, "**Non-Defaulting Lenders**") in accordance with their respective Revolving Credit Commitments, provided that any such reallocation shall not cause any Non-Defaulting Lender to exceed its Revolving Credit Commitment;
 - (ii) if the reallocation described in clause (i) above cannot, or can only partially, be effected, the Borrower shall within five (5) Business Days following notice by the Agent (x) first, prepay such outstanding Swingline Loans, and (y) second, cash collateralize for the benefit of the Issuing Banks the Borrower's obligations corresponding to such Defaulting Lender's pro rata share of the outstanding Letters of Credit (after giving effect to any partial reallocation pursuant to clause (i) above) in accordance with the procedures set forth in Section 2.24(h), for so long as such Letters of Credit are outstanding;
 - (iii) upon any reallocation pursuant to clause (i) above, the fees payable to the Lenders pursuant to Section 2.11(b) shall be adjusted in accordance with such Non-Defaulting Lenders' Revolving Credit Commitment; and
 - (iv) if all or any portion of such Defaulting Lender's pro rata share of the outstanding Letters of Credit is cash collateralized pursuant to clause (ii) above, then, without prejudice to any rights or remedies of the Issuing Banks or any other Lender hereunder, all fees payable under Section 2.11(b) with respect to such Defaulting Lender's pro rata share of the outstanding Letters of Credit shall be payable to the applicable Issuing Bank.
- (g) So long as any Lender is a Defaulting Lender, the Swingline Lender shall not be required to fund any Swingline Loan and neither Issuing Bank shall be required to issue, amend or increase any Letter of Credit, unless it is satisfied that the related exposure and the Defaulting Lender's then outstanding pro rata share of the outstanding Letters of Credit

will be 100% covered by the Revolving Credit Commitments of the Non-Defaulting Lenders and/or cash collateral will be provided by the Borrower in accordance with Section 2.24(h), and participating interests in any such newly made Swingline Loan or any newly issued or increased Letter of Credit shall be allocated among Non-Defaulting Lenders in a manner consistent with Section 2.24(f) (and such Defaulting Lender shall not participate therein);

- (h) If required by Section 2.24(f)(ii), the Borrower shall deposit in an account with the Agent, in the name of the Agent and for the benefit of the Revolving Credit Lenders (the "**LC Collateral Account**"), an amount in cash equal to **[Redacted]**% of the Cdn. \$ Amount of the outstanding Letters of Credit as of such date (as may be reduced from time to time) plus accrued and unpaid interest thereon. Such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the obligations of the Borrower under the Loan Documents. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent and at the Borrower's risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse each Issuing Bank for outstanding Letters of Credit for which it has not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the Reimbursement Obligations of the Borrower for the outstanding Letters of Credit at such time, until the expiry date of such Letters of Credit (in which case, to the extent such Letters of Credit are undrawn when they expire, the funds shall be returned to the Borrower); and
- (i) If the Administrative Agent, the Borrower, the Swingline Lender and the Issuing Bank each agrees that a Defaulting Lender has adequately remedied all matters that caused such Lender to be a Defaulting Lender, then the Swingline Exposure of the Revolving Credit Lenders shall be readjusted to reflect the inclusion of such Revolving Credit Lender's Commitment and on such date such Revolving Credit Lender shall purchase at par such of the Loans of the other Revolving Credit Lenders (other than the Swingline Loans) as the Administrative Agent shall determine may be necessary in order for such Revolving Credit Lender to hold such Revolving Credit Loans in accordance with its Revolving Credit Commitment.

Except as otherwise expressly provided in this Section 2.24, no Revolving Credit Commitment of any other Lender shall be increased or otherwise affected, and performance by a Borrower of its obligations hereunder and the other Loan Documents shall not be excused or otherwise modified as a result of any Lender becoming a Defaulting Lender. The rights and remedies against a Defaulting Lender under this Section 2.24 are in addition to other rights and remedies which a Borrower may have against such Defaulting Lender as a result of it becoming a Defaulting Lender and which the Administrative Agent or any other Lender may have against such Defaulting Lender with respect thereto.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Borrower.

In order to induce the Administrative Agent and the Lenders to enter into this Agreement, to make any Loans hereunder and to issue any Letters of Credit hereunder, the Borrower represents and warrants to the

Administrative Agent and each Lender that each statement set forth in this Article 3 is true and correct in all material respects on the date hereof.

- (a) *Organization; Powers.* Each Credit Party is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business as now and formerly conducted and, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required.
- (b) *Authorization; Enforceability.* The Transactions are within the Credit Parties' corporate or partnership powers and have been duly authorized by all necessary corporate, partner and shareholder action, as applicable. This Agreement and the other Loan Documents have been duly executed and delivered by each Credit Party (as applicable) and constitute legal, valid and binding obligations of each Credit Party (as applicable), enforceable in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other Laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.
- (c) *Governmental Approvals; No Conflicts.* The Transactions (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except as disclosed in Schedule 3.1(c), (b) will not materially violate any applicable Law or the charter, by-laws or other organizational documents of any Credit Party or any order of any Governmental Authority, (c) will not materially violate or result in a default under any material indenture, agreement or other instrument binding upon any Credit Party or their respective assets, or give rise to a right thereunder to require an acceleration of any payment to be made by any Credit Party, and (d) will not result in the creation or imposition of any Lien on any Collateral of any Credit Party, except for any Lien arising in favour of the Administrative Agent, for the benefit of the Lenders, under the Loan Documents.
- (d) *Financial Condition; No Material Adverse Effect.*
 - (i) The Borrower has furnished to the Lenders the Borrower's consolidated balance sheets and statements of income, retained earnings and changes in financial position as of and for the Fiscal Year ended December 31, 2021 reported on by its auditors, certified by a Responsible Officer of the Borrower. Such financial statements, and any subsequent financial statements delivered pursuant to Section 5.1(a), present fairly, in all material respects, the consolidated financial position and results of operations and cash flows of the Borrower, on a Consolidated basis, as of the applicable dates and for the applicable periods in accordance with GAAP, subject to year-end audit adjustments and the absence of footnotes in the case of the quarterly financial statements.
 - (ii) Since December 31, 2021, there has been no event, development or circumstance that has had or could reasonably be expected to have a Material Adverse Effect.
 - (iii) All information (including that disclosed in all financial statements) pertaining to the Credit Parties (other than projections and business plans) that has been or will be made available to the Lenders or the Administrative Agent by the Borrower or any representative of the Credit Parties, taken as a whole, is or will be, when

furnished, complete and correct in all material respects and does not or will not, when furnished, contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein not materially misleading in light of the circumstances under which such statements are made. The projections that have been or will be made available to the Lenders or the Administrative Agent by the Borrower or any representative of the Borrower have been or will be prepared in good faith based upon reasonable assumptions.

- (e) *Litigation.* Except as disclosed in Schedule 3.1(e) (as updated from time to time by the Borrower) and except for environmental-related matters (which are dealt with in Section 3.1(q)), there are no actions, suits or proceedings (including any Tax-related matter) by or before any arbitrator or Governmental Authority pending against or, to the knowledge of the Borrower, threatened against or affecting any of the Credit Parties (i) as to which there is a reasonable likelihood of an adverse determination and that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect (other than as described in Schedule 3.1(q)), or (ii) that involve this Agreement, any other Loan Document or the Transactions.
- (f) *Compliance with Laws.* Each Credit Party is in compliance with all Laws applicable to it or its property except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. No Credit Party has violated or failed to obtain any Authorization necessary to the ownership of any of its property or assets or the conduct of its business, which violation or failure could reasonably be expected to have (in the event that such a violation or failure were asserted by any Person through appropriate action) a Material Adverse Effect.
- (g) *Compliance with Agreements.* No Credit Party is in default, nor has any event or circumstance occurred which, but for the passage of time or the giving of notice, or both, would constitute a default (in any respect that would have a Material Adverse Effect), under (a) any loan or credit agreement, indenture, mortgage, deed of trust, security agreement or other instrument or agreement evidencing or pertaining to any Indebtedness of any Credit Party, or (b) under any other agreement or instrument to which a Credit Party is a party or by which any Credit Party is bound.
- (h) *No Default.* No Default has occurred and is continuing.
- (i) *Taxes.* Each Credit Party has filed or caused to be filed when due all Tax returns and reports required to have been filed and has paid or caused to be paid when due all Taxes required to have been paid by it (including all instalments with respect to the current period) and has made adequate provision for Taxes for the current period, except Taxes that are being contested in good faith by appropriate proceedings and for which such Credit Party, as applicable, has set aside on its books adequate reserves.
- (j) *Titles to Personal Property.* The Credit Parties have title to their respective Collateral, free and clear of all Liens except Permitted Liens.
- (k) *Pension Plans.*
 - (i) Each Pension Plan is duly registered under the Income Tax Act and applicable pension standards legislation and has been administered in all material respects in accordance with applicable Law and the terms of such plan. All material

obligations of each Credit Party (including fiduciary, funding, investment and administration obligations) required to be performed in connection with the Pension Plans and the funding agreements thereunder have been performed on a timely basis. There are no outstanding disputes concerning the assets of any Pension Plan and there have been no improper withdrawals of any assets of the Pension Plans. All assessments owed to the Pension Benefits Guarantee Fund established under the *Pension Benefits Act* (Ontario), or other assessments or payments required under similar legislation in any other jurisdiction have been paid when due in respect of each Pension Plan.

- (ii) In respect of each Pension Plan that is a Defined Benefit Plan, (i) the plan's name, registration number and jurisdiction of registration are disclosed on Schedule 3.1(k) (as updated from time to time by the Borrower), (ii) a copy of the most recently prepared actuarial valuation report as of the Original Closing Date for each such plan has been provided by the Borrower to the Administrative Agent and the Lenders, (iii) no changes have occurred since the date of the most recently prepared actuarial valuation report for the plan provided to the Agent or are reasonably expected to occur which would materially adversely affect the conclusion set out in the most recently prepared actuarial valuation report, and (iv) no events have occurred which could reasonably be expected to result in a wind-up or termination of the plan, in whole or in part.
 - (iii) All employee and employer contributions (including special payments and any other payments in respect of any funding deficiencies or shortfalls) or premiums required to have been remitted to the Pension Plans under the terms of the applicable plan and applicable Law have been properly withheld and remitted to the funding arrangement for the plan in a timely manner.
 - (iv) No Credit Party or any of their Affiliates or any of the Pension Plans are subject to the United States Employee Retirement Income Security Act of 1974, as amended.
- (l) *Casualties; Taking of Properties.* Since December 31, 2020, neither the business nor the properties of any Credit Party have been affected in a manner that has had, or could reasonably be expected to have, a Material Adverse Effect as a result of any fire, explosion, earthquake, flood, drought, windstorm, accident, strike or other labour disturbance, embargo, requisition or taking of property or cancellation of contracts, permits or concessions by any domestic or foreign Governmental Authority, riot, activities of armed forces, or acts of God or of any public enemy.
- (m) *Subsidiaries.* As of the TARCA Closing Date, Schedule 3.1(m) correctly sets forth:
 - (i) the legal name of each Credit Party and its form of legal entity and jurisdiction of organization;
 - (ii) the Equity Securities issued and outstanding by each Credit Party, and the registered and beneficial owners thereof;
 - (iii) the Equity Securities owned by each Credit Party (other than Equity Securities in the capital of Unrestricted Subsidiaries); and

- (iv) a corporate organizational chart of the Borrower and its Subsidiaries (excluding any Unrestricted Subsidiaries other than operating companies with employees).

Except as described in Schedule 3.1(m), as of the TARCA Closing Date, no Credit Party owns any Equity Securities (other than Equity Securities in the capital of Unrestricted Subsidiaries) or debt securities which are convertible into, or exchangeable for, Equity Securities of any other Person. All Equity Securities of each Credit Party are duly authorized, validly issued, fully paid and non-assessable, and were issued in compliance with all applicable federal, provincial or foreign securities and other Laws, and are free and clear of all Liens, except for Permitted Liens.

- (n) *Insurance.* The Credit Parties maintain insurance policies and coverage in compliance with Section 5.1(i). Such insurance coverage (a) is sufficient for compliance with all material requirements of applicable Law and of all material agreements to which any Credit Party is a party, (b) is provided under valid, outstanding and enforceable policies, (c) provides adequate insurance coverage in at least such amounts and against at least such risks (but including in any event public liability) as are usually insured against in the same general area by Persons engaged in the same or a similar business to the assets and operations of the Credit Parties, and (d) will not in any way be affected by, or terminate or lapse by reason of, the Transactions. All such material policies are in full force and effect, all premiums with respect thereto have been paid in accordance with their respective terms, and no notice of cancellation or termination has been received with respect to any such policy. No Credit Party maintains any formalized self-insurance program with respect to its assets or operations or material risks with respect thereto in excess of \$500,000 in the aggregate. The certificate of insurance delivered to the Administrative Agent pursuant to Section 4.1(g) contains an accurate and complete description of all material policies of insurance owned or held by each Credit Party on the Original Closing Date.
- (o) *Solvency.* No Credit Party is an "insolvent person" within the meaning of the BIA.
- (p) *Material Contracts.* Schedule 3.1(p) (as updated from time to time by the Borrower) sets out all Material Contracts. A true and complete copy (subject to reasonable and customary redactions) of each Material Contract has been delivered to the Administrative Agent. Each Material Contract is in full force and effect. No Credit Party is in default under or in breach of any term or condition of a Material Contract that would have, either individually or in the aggregate, a Material Adverse Effect, nor is any Credit Party aware of any default under or breach of any term or condition of the Material Contract by any other party thereto that would have a Material Adverse Effect.
- (q) *Environmental Matters.* Except as disclosed to the Lenders in Schedule 3.1(q) (as updated from time to time by the Borrower):
 - (i) *Environmental Laws, Etc.* Neither any property of the Credit Parties nor the operations conducted thereon violate any applicable order of any court or Governmental Authority or any Environmental Laws, which violation could reasonably be expected to result in remedial obligations having a Material Adverse Effect, assuming disclosure to the applicable Governmental Authority of all relevant facts, conditions and circumstances, if any, pertaining to the relevant property.

- (ii) *Notices, Permits, Etc.* All notices, permits, licenses or similar authorizations, if any, required to be obtained or filed by the Credit Parties in connection with the operation or use of any and all property of the Credit Parties, including but not limited to past or present treatment, transportation, storage, disposal or Release of Hazardous Materials into the environment, have been duly obtained or filed, except to the extent the failure to obtain or file such notices, permits, licenses or similar authorizations could not reasonably be expected to have a Material Adverse Effect, or which could not reasonably be expected to result in remedial obligations having a Material Adverse Effect, assuming disclosure to the applicable Governmental Authority of all relevant facts, conditions and circumstances, if any, pertaining to the relevant property.
- (iii) *Hazardous Substances Carriers.* All Hazardous Materials generated at any and all property of the Credit Parties have been treated, transported, stored and disposed of only in accordance with all Environmental Laws applicable to them, except to the extent the failure to have such Hazardous Materials transported, treated or disposed of by such carriers could not reasonably be expected to have a Material Adverse Effect, and only at treatment, storage and disposal facilities maintaining valid permits under applicable Environmental Laws, which carriers and facilities have been and are operating in compliance with such permits, except to the extent the failure to have such Hazardous Materials treated, transported, stored or disposed of at such facilities, or the failure of such carriers or facilities to so operate, could not reasonably be expected to have a Material Adverse Effect or which could not reasonably be expected to result in remedial obligations having a Material Adverse Effect, assuming disclosure to the applicable Governmental Authority of all relevant facts, conditions and circumstances, if any, pertaining to the relevant property.
- (iv) *Hazardous Materials Disposal.* The Credit Parties have taken all reasonable steps necessary to determine and have determined that no Hazardous Materials have been disposed of or otherwise released and there has been no threatened Release of any Hazardous Materials on or to any property of the Credit Parties other than in compliance with Environmental Laws, except to the extent the failure to do so could not reasonably be expected to have a Material Adverse Effect or which could not reasonably be expected to result in remedial obligations having a Material Adverse Effect, assuming disclosure to the applicable Governmental Authority of all relevant facts, conditions and circumstances, if any, pertaining to the relevant property.
- (v) *No Contingent Liability.* The Credit Parties have no material contingent liability in connection with any Release or threatened Release of any Hazardous Materials into the environment except (i) contingent liabilities which could not reasonably be expected to exceed \$1,000,000 in excess of applicable insurance coverage at any one time and from time to time, and for which adequate reserves for the payment thereof as required by GAAP have been provided, and (ii) contingent liabilities which could not reasonably be expected to result in remedial obligations having a Material Adverse Effect, assuming disclosure to the applicable Governmental Authority of all relevant facts, conditions and circumstances, if any, pertaining to such Release or threatened Release.

(r) *Employee Matters.*

- (i) Except as set out in Schedule 3.1(r) (as updated from time to time by the Borrower), none of the Credit Parties, nor any of their respective employees, is subject to any collective bargaining agreement. There are no strikes, slowdowns, work stoppages or controversies pending or, to the best knowledge of the Borrower, threatened against the Credit Parties, or their respective employees, which could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.
- (ii) Each of the Credit Parties has withheld from each payment to each of their respective officers, directors and employees the amount of all Taxes, including income tax, Canada or Québec Pension Plan contributions, as applicable, employment insurance premiums and other payments and deductions required to be withheld therefrom, and has paid the same to the proper taxation or other receiving authority in accordance with applicable Law. No Credit Party is subject to any claim by or liability to any of their respective officers, directors or employees for salary (including vacation pay) or benefits which would rank in whole or in part *pari passu* with or prior to the Liens created by the Security Documents.

(s) *Fiscal Year.* The Fiscal Year ends on December 31 of each calendar year, and the Fiscal Quarters end on the last day of each of March, June, September and December of each calendar year.

(t) *Intellectual Property Rights.* No claim has been asserted and is pending by any Person with respect to the use by any Credit Party of any intellectual property or challenging or questioning the validity, enforceability or effectiveness of any intellectual property necessary for the conduct of the business of any Credit Party, other than claims that if decided adversely to the Credit Parties could not reasonably be expected to have a Material Adverse Effect. Except as could not reasonably be expected to have a Material Adverse Effect, (a) each Credit Party has the right to use the intellectual property which such Credit Party owns or otherwise uses in the conduct of its business, (b) all applications and registrations for such intellectual property are current, and (c) to the knowledge of the Borrower, the conduct of each Credit Party's business does not infringe the intellectual property rights of any other Person.

(u) *Residency of Borrower for Tax Purposes.* The Borrower is a resident of Canada for the purposes of the Income Tax Act.

(v) *Bank Accounts.* Schedule 3.1(v) (as updated from time to time by the Borrower) lists all banks and other financial institutions at which any Credit Party maintains lock boxes, deposit or other accounts, and Schedule 3.1(v) correctly identifies the name, address and telephone number of each depository, the name in which the lock box or account is held, a description of the purpose of the lock box or account, and the complete lock box address or account number therefor.

(w) *"Know Your Customer" Information.* All materials and information provided to each of the Lenders in connection with applicable "know your customer" and AML Legislation are true and correct in all material respects as of the dates provided.

- (x) *Anti-Corruption Laws and Sanctions.* The Borrower has implemented and maintains in effect policies and procedures designed to ensure compliance by the Credit Parties and their respective directors, officers, employees and Relevant Agents with Anti-Corruption Laws and Sanctions. Each Credit Party and, to the knowledge of the Borrower, its directors, officers, employees and Relevant Agents is in compliance with Anti-Corruption Laws and Sanctions. No Credit Party or, to the knowledge of the Borrower, any of its directors, officers or employees or Relevant Agents is a Sanctioned Person or is engaged in any activity that would reasonably be expected to result in such Credit Party being designated as a Sanctioned Person. No Borrowing or Letter of Credit, use of proceeds or other transaction contemplated by this Agreement will violate Anti-Corruption Laws or Sanctions.
- (y) *Capacity Purchase Agreement.* The Borrower has delivered to the Administrative Agent a redacted copy of the Capacity Purchase Agreement (and the Administrative Agent confirms that, prior to the date hereof, it has received a redacted copy of the Capacity Purchase Agreement).
- (z) *Intercreditor Agreements.* The Borrower has delivered to the Administrative Agent fully-executed copies of the Jazz Intercreditor Agreement, the Convertible Indenture Intercreditor Agreement and the Indenture Intercreditor Agreement (and the Administrative Agent confirms that, prior to the date hereof, it has received fully-executed copies of the Jazz Intercreditor Agreement, the Convertible Indenture Intercreditor Agreement and the Indenture Intercreditor Agreement).

ARTICLE 4 **CONDITIONS**

4.1 Closing Conditions.

The obligations of the Lenders to make Loans and of the Issuing Banks to issue Letters of Credit under this Agreement shall not become effective unless each of the conditions listed below is satisfied (or waived pursuant to Section 9.2), and, in the event such conditions are not so satisfied or waived by such time, the Commitments shall terminate at such time.

- (a) *Credit Agreement.* The Administrative Agent, each Lender, and the Issuing Banks shall have received from each party hereto either (a) a counterpart of this Agreement signed on behalf of each party hereto, or (b) written evidence satisfactory to the Administrative Agent (which may include a facsimile or other electronic transmission of a signed signature page of this Agreement) that such party has signed a counterpart of this Agreement.
- (b) *Security Documents.* The Administrative Agent shall have received the Security Documents (and the Administrative Agent confirms that, prior to the date hereof, it has received all Security Documents).
- (c) *Perfection of Liens.* The Security Documents shall have been registered (or arrangements for registration satisfactory to the Administrative Agent shall have been made) in the Provinces of Alberta, British Columbia, New Brunswick, Nova Scotia, Ontario and Québec; provided, however, that legal opinions shall not be required in respect of such registrations except in respect of any such registrations made in jurisdictions in which material Collateral of the Credit Parties is located (and the Administrative Agent confirms that, prior to the date hereof, it has received all such registration opinions). The

Administrative Agent shall have received and be satisfied with the results of all personal property, pending litigation, judgment, bankruptcy, bulk sale, execution and other searches conducted by the Administrative Agent and its counsel with respect to the Credit Parties in all jurisdictions within Canada selected by the Administrative Agent and its counsel.

- (d) *Legal Opinions.* The Administrative Agent shall have received a favourable written opinion of Bennett Jones LLP, Canadian counsel to the Credit Parties, covering such matters relating to the Credit Parties, this Agreement, the other Loan Documents, or the Transactions as the Lenders shall reasonably request (together with copies of all factual certificates and legal opinions delivered to such counsel in connection with such opinion upon which counsel has relied). All opinions and certificates referred to in this Section 4.1(d) shall be addressed to the Administrative Agent and the other Secured Parties and dated the TARCA Closing Date.
- (e) *Corporate Certificates.* The Administrative Agent shall have received:
 - (i) certified copies of the resolutions of the board of directors, general partner, or shareholders, as applicable, of each Credit Party approving, as appropriate, the Loans, this Agreement and the other Loan Documents, and all other documents, if any, to which such Credit Party is a party and evidencing authorization with respect to such documents; and
 - (ii) a certificate of an officer of each Credit Party, dated as of the TARCA Closing Date, and certifying (i) the name, title and true signature of each officer of such Person authorized to execute this Agreement and the other Loan Documents to which it is a party, (ii) the name, title and true signature of each officer of such Person authorized to provide the certifications required pursuant to this Agreement, including certifications required pursuant to Section 5.1(a) and Borrowing Requests, and (iii) that attached thereto is a true and complete copy of the articles of incorporation, bylaws and/or partnership documents of each Credit Party, as amended to date, and a recent certificate of status, certificate of compliance, good standing certificate or analogous certificate.
- (f) *Fees.* The Administrative Agent and the Lenders shall have received all amounts due and payable on or prior to the TARCA Closing Date, to the extent invoiced, for reimbursement or payment of all legal fees and other out-of-pocket expenses required to be reimbursed or paid by the Borrower hereunder or under any other Loan Document.
- (g) *Insurance.* The Administrative Agent shall have received a certificate of insurance coverage evidencing that the Credit Parties are carrying insurance in accordance with Section 5.1(i) hereof (and the Administrative Agent confirms that, prior to the date hereof, it has received such certificate of insurance).
- (h) *No Cessation of Financing Market.* There shall not have occurred and be continuing on the TARCA Closing Date any general banking moratorium or any practical cessation in the bank or private debt financing markets, and there shall not have been introduced any material governmental restrictions imposed on lending institutions, which materially affect the type of lending transactions contemplated by this Agreement.

- (i) *Regulatory Approval; Consents; Waivers.* The Administrative Agent and the Lenders shall be satisfied that:
 - (i) all material Authorizations (including all approvals listed in Schedule 3.1(c));
 - (ii) all corporate, partnership, shareholder and court approvals; and
 - (iii) all consents and waivers (the failure to obtain which would result in a breach or default under any Material Contract),required to consummate the Transactions have been obtained and are in full force and effect, in each case without the imposition of any burdensome provision, and that all applicable waiting periods shall have expired without any action being taken or threatened by any Governmental Authority that would materially restrain, prevent or otherwise impose material adverse conditions on the Transactions.
- (j) *Delivery of Financial Statements.* The Administrative Agent and the Lenders shall have received the audited consolidated balance sheets, statements of income and retained earnings and statements of changes in financial position of the Borrower, on a Consolidated basis, for the Fiscal Year ended December 31, 2023 (and the Administrative Agent confirms that, prior to the date hereof, it has received such information).
- (k) *Borrowing Base Report.* The Administrative Agent shall have received a draft Borrowing Base Report as of December 31, 2023 (and the Administrative Agent confirms that, prior to the date hereof, it has received such draft Borrowing Base Report).
- (l) *Compliance Certificate.* The Administrative Agent shall have received a Compliance Certificate for the Fiscal Quarter ended December 31, 2023 (and the Administrative Agent confirms that, prior to the date hereof, it has received such Compliance Certificate).
- (m) *No Material Adverse Change.* No Material Adverse Change shall have occurred since December 31, 2023.
- (n) *Indebtedness.* The Transactions contemplated in this Agreement and the other Loan Documents shall not have caused any event or condition to occur which has resulted, or which will result, in any Material Indebtedness (other than Indebtedness being repaid in connection with the Transactions) becoming due prior to its scheduled maturity or that permits (with or without the giving of notice, the lapse of time, or both) the holder or holders of any such Material Indebtedness or any trustee or agent on its or their behalf to cause any Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity, or which will result in the creation of any Liens under any Indebtedness.
- (o) *Capitalization Arrangement.* The Lenders shall be satisfied with the capital and corporate structure of the Borrower.
- (p) *"Know Your Customer" Information.* The Administrative Agent and the Lenders shall have received all documentation and other information required by bank regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including AML Legislation.

- (q) *Blocked Account Agreements.* The Administrative Agent shall have received fully-executed copies of all required Blocked Account Agreements (and the Administrative Agent confirms that, prior to the date hereof, it has received all such Blocked Account Agreements).
- (r) *Execution and Delivery of Documents.* Each Credit Party and the Subordinated Creditor shall have duly authorized, executed and delivered all documents required hereunder, all in form and substance satisfactory to the Administrative Agent. Such documents may be delivered to the Administrative Agent (or its counsel) by way of facsimile or other means of electronic transmission.
- (s) *Other Documentation.* The Administrative Agent and the Lenders shall have received such other documents and instruments as are customary for transactions of this type or as they may reasonably request.

4.2 Each Credit Event.

Prior to each Lender making a Loan on the occasion of any Borrowing, and of the Issuing Bank to issue, amend, renew or extend any Letter of Credit (including, in each case, on the occasion of the initial Borrowings hereunder), the following conditions must be satisfied:

- (a) the representations and warranties of the Borrower set out in Sections 3.1(a), 3.1(b) and 3.1(c) shall be true and correct on and as of the date of each such Borrowing as if made on such date (except where such representation or warranty is stated to be made as of a particular date);
- (b) at the time of and immediately after giving effect to such Borrowing, no Default shall have occurred and be continuing;
- (c) at the time of and immediately after giving effect to such Borrowing, no CPA Termination Event shall have occurred and be continuing; and
- (d) the Administrative Agent shall have received a Borrowing Request in the manner and within the time period required by Section 2.3.

ARTICLE 5 **AFFIRMATIVE COVENANTS**

5.1 Covenants

Until the Termination Date, the Borrower covenants and agrees with the Lenders as follows:

- (a) *Financial Statements and Other Information.* The Borrower shall furnish to the Administrative Agent, and, in the case of clauses (vi) and (x) below, also to the Administrative Agent, for distribution to each Lender:
 - (i) as soon as available and in any event within 90 days plus two (2) Business Days after the end of each Fiscal Year, the audited Consolidated balance sheet and related statements of income, retained earnings and changes in financial position of the Borrower as of the end of and for such Fiscal Year, setting forth in each case in comparative form the figures for the previous Fiscal Year, all reported on by an

independent auditor of recognized national standing (without a "going concern" or like qualification or exception and without any qualification or exception as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of the Borrower on a Consolidated basis;

- (ii) upon the written request of the Administrative Agent, within 120 days after the end of each Fiscal Year, the unaudited consolidated balance sheet and related statements of income, retained earnings and changes in financial position of each of the Guarantors as of the end of and for such Fiscal Year, setting forth in each case in comparative form the figures for the previous Fiscal Year, all certified by a Responsible Officer of the Borrower as presenting fairly in all material respects the financial condition and results of operations of the Borrower on a Consolidated basis, subject to normal year-end audit adjustments;
- (iii) as soon as available and in any event within 45 days plus two (2) Business Days after the end of each of the first three Fiscal Quarters of each Fiscal Year, the unaudited Consolidated balance sheet and related statements of income, retained earnings and changes in financial position of the Borrower as of the end of and for such Fiscal Quarter and the then elapsed portion of the Fiscal Year which includes such Fiscal Quarter, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous Fiscal Year, and shall contain the management discussion and analysis on a segmented basis including, for greater certainty, for the Unrestricted Subsidiaries (together with back up schedules, in form and substance satisfactory to the Administrative Agent, acting reasonably) all certified by a Responsible Officer of the Borrower as presenting fairly in all material respects the financial condition and results of operations of the Borrower on a Consolidated basis, subject to normal year-end audit adjustments;
- (iv) upon the written request of the Administrative Agent, within 60 days after the end of each of the first three Fiscal Quarters of each Fiscal Year, the unaudited unconsolidated balance sheet and related statements of income, retained earnings and changes in financial position of each of the Guarantors as of the end of and for such Fiscal Quarter and the then elapsed portion of the Fiscal Year which includes such Fiscal Quarter, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous Fiscal Year;
- (v) concurrently with the financial statements of the Borrower required pursuant to Sections 5.1(a)(i) and (iii), a Compliance Certificate;
- (vi) a Borrowing Base Report dated as of, and reflecting amounts as of the close of each Fiscal Quarter within 45 days plus two (2) Business Days after the last day of each Fiscal Quarter;
- (vii) promptly, but in any event within five (5) Business Days, after the Borrower learns of the receipt or occurrence of any of the following, notification by email to the Administrative Agent in accordance with Section 9.1, and upon request of the Administrative Agent, a certificate of the Borrower, signed by a Responsible Officer of the Borrower, specifying (i) any event which constitutes a Default or

Event of Default, together with a detailed statement specifying the nature thereof and the steps being taken to cure such Default or Event of Default, (ii) proceedings or actions which could reasonably be expected to adversely affect any of the Loan Documents, (iii) the commencement of any action, suit, arbitration or proceeding against, or any regulatory investigation of, any one or more of the Credit Parties in respect of which could reasonably be expected to result in a Material Adverse Effect; (iv) any amendment of, or notice issued pursuant to, the Capacity Purchase Agreement which could reasonably be expected to result in a Material Adverse Effect; (v) any event which constitutes a CPA Termination Event, and (vi) any other event, development or condition which could reasonably be expected to have a Material Adverse Effect;

- (viii) notification by email to the Administrative Agent in accordance with Section 9.1, and upon request of the Administrative Agent, a certificate of the Borrower, signed by a Responsible Officer of the Borrower, detailing the creation, dissolution, merger, amalgamation or acquisition of any Credit Party or any Subsidiary thereof, other than an Unrestricted Subsidiary, promptly, but in any event within ten (10) Business Days, if the result thereof is that a Subsidiary is required to accede to the Credit Party Guarantee pursuant to Section 5.1(j)(i) and thereby become a Credit Party and, otherwise, concurrently with the Compliance Certificate required pursuant to Section 5.1(a)(v);
 - (ix) on or before the 60th day after each Fiscal Year end, an annual budget of the Borrower, on a Consolidated basis, setting forth in reasonable detail and on a quarterly basis, the financial covenant and the calculation of the Borrowing Base on a Consolidated basis, for the following Fiscal Year, it being recognized by the Lenders that projections as to future results are not to be viewed as fact and that the actual results for the period or periods covered by such projections may differ from the projected results;
 - (x) upon request by any Lender, such other financial and other information, in a form kept by the Borrower in the ordinary course of its business, as may be reasonably required by such Lender and which information is customarily requested by such Lender in connection with credit facilities consistent with the Revolving Credit Facility; and
 - (xi) concurrently with the delivery of an Extension Request or Accordion Request, financial projections for the Borrower, on a Consolidated basis, setting forth in reasonable detail and on a quarterly basis, the financial covenant and the calculation of the Borrowing Base on a Consolidated basis for (a) in the case of an Extension Request, the period of time contemplated by such Extension Request and, (b) in the case of an Accordion Request, the remaining term of the Commitment to which such Accordion Request pertains, it being recognized in each case by the Lenders that projections as to future results are not to be viewed as fact and that the actual results for the period or periods covered by such projections may differ from the projected results.
- (b) *Existence; Conduct of Business.* The Borrower shall, and shall cause each other Credit Party to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence (subject only to Section 6.1(c)), and except to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse

Effect, obtain, preserve, renew and keep in full force and effect any and all rights, licenses, permits, privileges and franchises material to the conduct of its business.

- (c) *Payment of Obligations.* The Borrower shall, and shall cause each other Credit Party to, pay its obligations, including Tax liabilities, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, and (b) the Borrower or such Credit Party has set aside on its books adequate reserves with respect thereto in accordance with GAAP.
- (d) *Operation and Maintenance of Properties and Business.* The Borrower shall, and shall cause each other Credit Party to, (a) keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, and (b) manage and operate its business or cause its business to be managed and operated in accordance with prudent industry practice in all material respects and in compliance in all material respects with the terms and provisions of all applicable licenses, leases, contracts and agreements, except in each case to the extent that the failure to do so would not, and could not reasonably be expected to, have a Material Adverse Effect.
- (e) *Books and Records; Inspection Rights.* The Borrower shall, and shall cause each other Credit Party to, keep proper books of record and account in which full, true and correct entries are made of all dealings and transactions in relation to its business and activities. The Borrower shall, and shall cause each other Credit Party to, keep and maintain accurate and complete records of the Collateral of such Credit Party, including a record of all payments received and all credits granted with respect to the Accounts of such Credit Party. The Borrower shall, and shall cause each other Credit Party to, permit any representatives designated by the Administrative Agent or any Lender, upon reasonable prior notice, to visit and inspect its properties, to examine and make extracts from its books and records, and to discuss its affairs, finances and condition with its officers and independent accountants, all at such reasonable times during regular business hours. The Administrative Agent may also, without charge, upon reasonable prior notice, enter (subject to regulatory restrictions) the premises of any Credit Party where any of the Collateral of such Credit Party is located during regular business hours for the purpose of inspecting such Collateral, observing its use or otherwise protecting its interests in such Collateral.
- (f) *Compliance with Laws.* The Borrower shall, and shall cause each other Credit Party to, comply with all Laws and orders of any Governmental Authority applicable to it or its property and with all of its material contractual obligations, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. The Borrower shall, and shall cause each other Credit Party and use commercially reasonable efforts to cause its and their respective directors, officers, employees and Relevant Agents to, comply with all Anti-Corruption Laws and Sanctions.
- (g) *Use of Proceeds.* The proceeds of the Loans shall be used solely for the working capital requirements, general corporate purposes of the Credit Parties (including, without limitation, for investing in and making advances to their respective Subsidiaries).
- (h) *Further Assurances.* The Borrower shall, and shall cause each other Credit Party to, cure promptly any defects in the execution and delivery of the Loan Documents, including this Agreement. Upon request, the Borrower shall, at its expense, as promptly as practical, execute and deliver to the Administrative Agent, all such other and further documents, agreements and instruments (and cause each other Credit Party to take such action) in

compliance with or performance of the covenants and agreements of the Borrower or any other Credit Party in any of the Loan Documents, including this Agreement, or to further evidence and more fully describe the Collateral, or to correct any omissions in any of the Loan Documents, or more fully to state the security obligations set out herein or in any of the Loan Documents, or to perfect, protect or preserve any Liens created pursuant to any of the Loan Documents, or to make any recordings, to file any notices, or obtain any consents, all as may be necessary or appropriate in connection therewith, in the judgment of the Administrative Agent, acting reasonably.

(i) *Insurance.*

- (i) The Borrower shall, and shall cause each other Credit Party to, maintain or cause to be maintained, with financially sound and reputable insurers, insurance with respect to their respective properties and business against such liabilities, casualties, risks and contingencies and in such types (including business interruption insurance and flood insurance) and amounts and with deductibles as are customary in the case of Persons engaged in the same or similar businesses and similarly situated and in accordance with any requirement of any Governmental Authority.
- (ii) The Borrower shall obtain endorsements to the policies pertaining to all physical properties in which the Administrative Agent shall have a Lien under the Loan Documents, naming the Administrative Agent as an additional insured (with respect to liability insurance only) and a loss payee and containing (i) provisions that such policies will not be cancelled without 30 days prior written notice having been given by the insurance company to the Administrative Agent, and (ii) a standard non contributory "mortgagee", "lender" or "secured party" clause, as well as such other provisions as the Administrative Agent may require, acting reasonably, to fully protect the Administrative Agent's interest in the Collateral and to secure any payments to be made under such policies. True copies of such policies are to be delivered to the Administrative Agent, premium prepaid, upon the written request of the Administrative Agent.
- (iii) Upon the occurrence and continuance of an Event of Default (and without limiting any other rights of the Administrative Agent or the Lenders hereunder or under any other Loan Document), (i) the Administrative Agent shall, subject to the rights of any holders of Permitted Liens holding claims senior to the Administrative Agent, have the sole right, in the name of the Administrative Agent or any applicable Credit Party, to file claims under any insurance policies, to receive, receipt and give acquittance for any payments that may be payable thereunder, and to execute any and all endorsements, receipts, releases, assignments, reassignments or other documents that may be necessary to effect the collection, compromise or settlement of any claims under any such insurance policies, and (ii) all insurance proceeds in respect of any Collateral shall be paid to the Administrative Agent.

(j) *Security Package.*

- (i) *Credit Party Guarantee.* The Borrower shall enter into and shall cause each Guarantor existing as of the Original Closing Date to enter into the Credit Party Guarantee. If, at any time after the Original Closing Date, any Credit Party (other

than Chorus Aviation Capital Corp.) creates a Subsidiary other than an Unrestricted Subsidiary or acquires a Subsidiary other than an Unrestricted Subsidiary pursuant to a Permitted Acquisition, which Subsidiary has (A) assets equal to or greater than 10% of the Borrower's Consolidated assets or (B) revenues equal to or greater than 10% of the Borrower's Consolidated revenues, the Borrower shall cause such Subsidiary to accede to the Credit Party Guarantee. For greater certainty, no Subsidiary that is an Unrestricted Subsidiary (including Cygnet Aviation Academy LP, Chorus Aviation Holdings GP Inc., Triangle Aviation Holdings LP or Chorus Aviation Investment Holdings LP) shall be required to accede to the Credit Party Guarantee.

- (ii) *Liens.* The Borrower shall, and shall cause each present and future Credit Party to, provide at all times in favour of the Administrative Agent, for the benefit of the Secured Parties, a first-priority Lien (subject only to Permitted Liens) over all present and future Collateral of such Credit Party as security for its Secured Liabilities, together with such supporting materials as may be required to ensure the perfection or priority of such Lien. The obligation of a Credit Party to provide any such Lien shall arise as soon as is reasonably practicable following such Person (i) becoming a Credit Party, or (ii) acquiring personal property that makes up part of the Collateral that is not already subject to a Lien.
- (k) *Supporting Materials.* In connection with the execution and delivery of any Security Document pursuant to Section 5.1(j), the Borrower shall, or shall cause the relevant other Credit Party to, deliver to the Administrative Agent such corporate resolutions, certificates, legal opinions and such other related documents as shall be reasonably requested by the Administrative Agent and consistent with the relevant forms and types thereof delivered on the Original Closing Date or as shall be otherwise reasonably acceptable to the Administrative Agent.
- (l) *Financial Covenant.* The Borrower shall at all times, maintain a Consolidated Interest Coverage Ratio of not less than 2.00 to 1.00.
- (m) *Registrations.* The Borrower shall record, file or register, at its own expense, applications for registration or financing statements (and continuation or financing change statements when applicable), and make any other registrations or filings, including where required, the registration of each of the Security Documents (collectively, "**Registrations**") with respect to the Collateral now existing and hereafter created or arising and the creation of Liens therein under and as contemplated by the Security Documents, meeting the requirements of applicable Law, in such manner and in the Provinces of Alberta, British Columbia, New Brunswick, Nova Scotia, Ontario and Québec, and to deliver a file stamped copy of each such Registration or other evidence of such Registration to the Administrative Agent on or prior to the Original Closing Date, provided that no serial number registrations shall be required. If any Credit Party (a) makes any change in its name, jurisdiction or organization or corporate structure, (b) changes its place of domicile, registered head office or chief executive office, or (c) takes any other action, which in any such case would, under the applicable Law, require the amendment of any Registration recorded, registered and filed in accordance with the provisions hereof or the recording, filing or registering of the Security Documents in any other jurisdiction to protect, perfect and maintain the protection and perfection of the Liens, the Borrower shall within 10 days after a change referred to in Section 5.1(m) or prior to the taking of any action referred to in Sections 5.1(b) or (c), give the Administrative Agent notice of any such change or other action and shall promptly file

such Registrations as may be necessary or desirable to continue the perfection of the Liens in the Collateral intended under the Security Documents. The Administrative Agent shall be under no obligation whatsoever to record, file or register any Registration, or to make any other recording, filing or registration in connection herewith.

- (n) *Pension Plans.* The Borrower shall, and shall cause each other Credit Party to, ensure that each Pension Plan is administered in material compliance with the terms of the applicable plan, the applicable funding agreement and any other documents governing the plan, and applicable Law. The Borrower shall, and shall cause each other Credit Party to, promptly provide the Administrative Agent with any documentation relating to any of the Pension Plans as the Administrative Agent may reasonably request.
- (o) *Holding Limited Partnerships.*
 - (i) Chorus Aviation Holdings GP Inc. shall be the general partner of Chorus Aviation Investment Holdings LP and Triangle Aviation Holdings LP and shall hold a [Redacted]% interest in each of Chorus Aviation Investment Holdings LP and Triangle Aviation Holdings LP;
 - (ii) The only assets of Chorus Aviation Holdings GP Inc. shall be its interests in Chorus Aviation Investment Holdings LP and Triangle Aviation Holdings LP;
 - (iii) The only business of Chorus Aviation Holdings GP Inc. shall be to act as the general partner of Chorus Aviation Investment Holdings LP and Triangle Aviation Holdings LP;
 - (iv) The Borrower shall be the sole limited partner of Chorus Aviation Investment Holdings LP, holding [Redacted]% of the interests therein;
 - (v) The only assets of Chorus Aviation Investment Holdings LP shall be interests in aircraft investment funds, and the only business of Chorus Aviation Investment Holdings LP shall be the holding of interests in aircraft investment funds; and
 - (vi) Chorus Aviation Leasing Inc. shall be the sole limited partner of Triangle Aviation Holdings LP, holding [Redacted]% of the interests therein.

ARTICLE 6

NEGATIVE COVENANTS

6.1 Negative Covenants.

Until the Termination Date, the Borrower covenants and agrees with the Lenders as follows:

- (a) *Indebtedness.* The Borrower shall not, and shall not permit any other Credit Party to, create, incur, assume or permit to exist any Indebtedness which is secured or which is unsecured but ranks in priority (in right of payment) to the Indebtedness hereunder, except:
 - (i) any Indebtedness created hereunder or any Secured Hedge Arrangement;
 - (ii) any Indebtedness secured by Aircraft Collateral;

- (iii) any Indebtedness secured by real property;
 - (iv) any Indebtedness secured by Permitted Liens;
 - (v) any Guarantee by a Credit Party of Indebtedness of any other Credit Party if such Indebtedness is permitted under this Agreement;
 - (vi) Capital Lease Obligations and Indebtedness secured by Purchase Money Liens, provided that the aggregate principal amount of Indebtedness permitted by this Section 6.1(a)(vi) shall not exceed \$25,000,000 at any time;
 - (vii) Subordinated Indebtedness;
 - (viii) any Indebtedness relating to the Spectacle Lake Loan, and any extensions, renewals or replacements of such Indebtedness;
 - (ix) any Indebtedness in respect of performance bonds, surety bonds, appeal bonds, completion guarantees or like instruments incurred in the ordinary course of business; and
 - (x) Secured Cash Management Obligations (excluding any Credit Card Exposure) in an aggregate principal amount not exceeding Cdn.\$2,000,000 at any time outstanding.
- (b) *Liens.* The Borrower shall not, and shall not permit any other Credit Party to, create, incur, assume or permit to exist any Lien on any Collateral now owned or hereafter acquired by the Borrower or any other Credit Party except Permitted Liens.
- (c) *Corporate Changes.* The Borrower shall not, and shall not permit any other Credit Party to, merge into or amalgamate or consolidate with any other Person, or permit any other Person to merge into or amalgamate or consolidate with it, or liquidate or dissolve, except that, if at the time thereof and immediately after giving effect thereto no Default shall have occurred and be continuing:
- (i) any Credit Party may merge into, amalgamate or consolidate with any other Credit Party; and
 - (ii) any Guarantor may liquidate or dissolve if it is a Wholly-Owned Subsidiary of another Credit Party and all of its property passes to such Credit Party,
- provided that any transaction pursuant to Section 6.1(c)(i) shall not be permitted unless the merged, amalgamated or continuing corporation provides written confirmation satisfactory to the Administrative Agent, acting reasonably, that it is liable for the obligations of the relevant Credit Party under the Loan Documents.
- (d) *Permitted Business.* The Borrower shall not, and shall not permit any other Credit Party to, engage to any material extent in any business other than businesses of the type conducted by the Credit Parties on the date of execution of this Agreement and businesses reasonably related thereto.

- (e) *Asset Dispositions.* The Borrower shall not, and shall not permit any other Credit Party to, make any Asset Disposition, except where the aggregate book value of such property, when aggregated with the aggregate book value from any other Asset Disposition made in the same Fiscal Year, does not exceed Cdn.\$5,000,000.
- (f) *Acquisitions.* Except as previously permitted by the Administrative Agent and the Lenders pursuant to the Original Credit Agreement, the First Amended and Restated Credit Agreement or the Second Amended and Restated Credit Agreement, the Borrower shall not, and shall not permit any other Credit Party to, make or enter into any Acquisition other than Permitted Acquisitions.
- (g) *Hedge Arrangements.* The Borrower shall not, and shall not permit any other Credit Party to, enter into any Hedge Arrangement, except:
 - (i) Hedge Arrangements entered into in order to hedge or mitigate risks to which any Credit Party has actual exposure (including in respect of its Equity Securities in connection with any employee share ownership plan, long-term incentive plan or deferred share unit plan for directors, in each case, of the Borrower, but not in respect of any other Equity Securities); or
 - (ii) Hedge Arrangements entered into in order to effectively cap, collar or exchange interest rates (from fixed to floating rates, from one floating rate to another floating rate or otherwise) with respect to any interest-bearing liability or investment of any Credit Party.
- (h) *Restricted Payments.* The Borrower shall not, and shall not permit any other Credit Party to, declare, pay or make, or agree to pay or make, directly or indirectly, any Restricted Payment, so long as a Default or an Event of Default is continuing or would be caused thereby;
- (i) *Transactions with Affiliates.* The Borrower shall not, and shall not permit any other Credit Party to, sell, lease or otherwise transfer any property or assets to, or purchase, lease or otherwise acquire any property or assets from, or otherwise engage in any other transactions with, any of their Affiliates, except:
 - (i) in the ordinary course of business at prices and on terms and conditions not less favourable to the Borrower or such other Credit Party than could be obtained on an arm's-length basis from unrelated third parties;
 - (ii) transactions between or among Credit Parties not involving any of their other Affiliates; or
 - (iii) any Restricted Payment permitted by Section 6.1(h).
- (j) *Restrictive Agreements.* The Borrower shall not, and shall not permit any other Credit Party, to directly or indirectly enter into or incur or permit to exist any agreement or other arrangement that would have a Material Adverse Effect upon the Borrower's or such Credit Party's ability to perform its obligations under this Agreement or any other Loan Documents.

- (k) *Sales and Leasebacks.* The Borrower shall not enter into, or permit any other Credit Party to enter into, any arrangement, directly or indirectly, with any Person whereby the Borrower or any such other Credit Party shall sell or transfer any personal property (other than Aircraft Collateral), whether now owned or hereafter acquired, and whereby the Borrower or any such other Credit Party shall then or thereafter rent or lease as lessee such property or any part thereof or other property which the Borrower or any such other Credit Party intends to use for substantially the same purpose or purposes as the property sold or transferred.
- (l) *Sale or Discount of Receivables.* The Borrower shall not, and shall not permit any other Credit Party to, discount or sell (with or without recourse), any of its income or revenues, including any Receivables, or rights in respect thereof.
- (m) *Issuance of Shares.* The Borrower shall not, and shall not permit any other Credit Party to, authorize or issue any Equity Securities (other than Equity Securities of the Borrower) to any Person other than another Credit Party. Except as previously permitted by the Administrative Agent and the Lenders pursuant to the Original Credit Agreement, the First Amended and Restated Credit Agreement or the Second Amended and Restated Credit Agreement, the Borrower shall not, and shall not permit any other Credit Party (other than through an Unrestricted Subsidiary) to, own, hold or control Equity Securities of any Person unless such Person is a Wholly-Owned Subsidiary of one or more Credit Parties or such Person issues Equity Securities to the Credit Party in connection with the settlement of accounts in the ordinary course of business or in connection with a bankruptcy or reorganization of such Person (or a related party) or in settlement of delinquent obligations of, or other disputes with, such Person (or a related party) arising in the ordinary course of business of the Credit Party.
- (n) *No Amendments to Constatting Documents, etc.* The Borrower shall not, and shall not permit any other Credit Party to, amend, its constating documents, by-laws, partnership agreement or operating agreement, as applicable, in a manner that would adversely affect the Administrative Agent or the Lenders or such Credit Party's duty or ability to repay the Secured Liabilities.
- (o) *No Amendments to Material Contracts.* The Borrower shall not, and shall not permit any other Credit Party to amend, modify, allow to expire, fail to exercise any renewal right or terminate (or waive any provision of or provide any consent under) any Material Contract, including, for greater certainty, the Capacity Purchase Agreement, in a manner which may reasonably be expected to have a Material Adverse Effect.
- (p) *Use of Proceeds.*
 - (i) The Borrower will not request any Borrowing or Letter of Credit, and the Borrower shall not use, and shall procure that each other Credit Party and its and their respective directors, officers, employees and Relevant Agents shall not use, the proceeds of any Borrowing or Letter of Credit:
 - (A) in furtherance of an offer, payment, promise to pay, or authorization of the payment or giving of money, or anything else of value, to any Person in violation of any Anti-Corruption Laws;

- (B) for the purpose of funding, financing or facilitating any prohibited activities, business or transaction of or with any Sanctioned Person;
 - (C) in any other manner that would result in the violation of any Sanctions; or
 - (D) to make any prepayments of any term Indebtedness (including the Subordinated Indebtedness, the Convertible Indenture and related Convertible Debentures, and the Indenture and related Debentures).
- (ii) The Borrower shall not, nor shall it permit any Credit Party to, use the proceeds of any Revolving Loan to accumulate or maintain cash or Cash Equivalents in one or more accounts (including, for certainty, any depository, investment or securities account) maintained by the Borrower or any Credit Party in an amount, in the aggregate, greater than Cdn. \$30,000,000 (or the Equivalent Amount in any other currency) but excluding amounts accumulated or maintained therein in the ordinary course of business. For greater certainty, the Lenders may refuse to make any requested Borrowing which the Lenders, acting reasonably and in good faith, determine would result in a contravention of this Section 6.1(p).
- (q) *No Amendments to the Indenture.* The Borrower shall not change or amend the terms of the Indenture or any Debenture to advance the maturity date of any Debenture or increase the interest rate of any Debenture, or otherwise in a manner adverse to the rights of the Administrative Agent under the Indenture Intercreditor Agreement, without the consent of the Administrative Agent, such consent not to be unreasonably withheld. For greater certainty, entry into any supplemental indenture as contemplated under the Indenture shall not constitute a change or amendment to the terms of the Indenture or any Debenture.
- (r) *No Amendments to the Convertible Indenture.* The Borrower shall not change or amend the terms of the Convertible Indenture or any Convertible Debenture to advance the maturity date of any Convertible Debenture or increase the interest rate of any Convertible Debenture, or otherwise in a manner adverse to the interests of the Administrative Agent under the Convertible Indenture Intercreditor Agreement, without the consent of the Administrative Agent, such consent not to be unreasonably withheld. For greater certainty, entry into any supplemental indenture as contemplated under the Convertible Indenture shall not constitute a change or amendment to the terms of the Convertible Indenture or any Convertible Debenture.
- (s) *Limitation on Investments in Cygnet.* The Borrower shall not, and shall not permit any other Credit Party to, make cash investments in Cygnet Aviation Academy LP, whether by way of subscription for limited partnership interests or by way of loans, in excess of Cdn. \$[Redacted] in aggregate without the Required Lenders' prior written consent.

ARTICLE 7

EVENTS OF DEFAULT

7.1 Events of Default.

If any of the following events ("**Events of Default**") shall occur:

- (a) *Payment of Principal.* The Borrower, or any other Credit Party shall fail to pay any principal of any Loan or any Reimbursement Obligation in respect of any LC Disbursement

when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;

- (b) *Payment of Interest; Other Amounts.* The Borrower or any other Credit Party shall fail to pay any interest on any Loan or any fee or any other amount (other than an amount referred to in Section 7.1(a)) payable under any Loan Document, when and as the same shall become due and payable and such failure shall continue unremedied for a period of three (3) Business Days after the date that such amount became due and payable;
- (c) *Breach of Representations and Warranty.* Any representation or warranty made or deemed made by or on behalf of any Credit Party in or in connection with any Loan Document or any amendment or modification thereof or waiver thereunder, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with any Loan Document or any amendment or modification thereof or waiver thereunder, shall prove to have been incorrect in any material respect when made or deemed to be made and, if such incorrect representation or warranty is capable of being cured, such incorrect representation or warranty continues uncured for a period of 30 days after the discovery by such Credit Party of such incorrect representation or warranty;
- (d) *Specific Defaults.* The Borrower shall fail to observe or perform any covenant, condition or agreement contained in Section 5.1(a)(vii) (*Notice of Default or Event of Default*), Section 5.1(a)(viii) (*Notice of Change*), Section 5.1(b) (*Existence; Conduct of Business*), Section 5.1(g) (*Use of Proceeds*), Section 5.1(l) (*Financial Covenant*);
- (e) *Other Defaults.* Any Credit Party shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those specified in Section 7.1(a), (b) or (d)), any other Loan Document, or any letter agreement contemplated by Section 9.8, and such failure shall continue unremedied for a period of 30 days after the earlier of (i) knowledge thereof by any Credit Party, or (ii) notice thereof from the Administrative Agent to the Borrower (which notice shall be given at the request of any Lender);
- (f) *Material Indebtedness.* Any event or condition occurs that results in any Material Indebtedness or Subordinated Indebtedness becoming due prior to its scheduled maturity or that enables or permits (with or without the giving of notice, the lapse of time or both) the holder or holders of any Material Indebtedness or Subordinated Indebtedness, or any trustee or agent on its or their behalf, as applicable, to cause any Material Indebtedness or Subordinated Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity; provided that this Section 7.1(f) shall not apply to any portion of Material Indebtedness or Subordinated Indebtedness that is (i) required to be prepaid as a result of the receipt of proceeds from a voluntary sale or transfer of property or assets permitted thereunder or the receipt of insurance proceeds, (ii) under an aircraft loan arrangement that is accelerated due to the termination of the related lease of an aircraft financed thereunder, or (iii) required to be paid upon the termination of any Hedge Arrangement other than a termination due to an event of default of a Credit Party;
- (g) *Insolvency Initiated by Credit Party.* Any Credit Party:
 - (i) admits in writing that it is insolvent or it is unable to pay its debts generally as they become due;

- (ii) commits an act of bankruptcy under the BIA, files a voluntary assignment in bankruptcy under the BIA, makes a proposal (or files a notice of its intention to do so) under the BIA or seeks any other relieve in respect of itself under the BIA;
 - (iii) institutes any proceedings seeking relief in respect of itself under the CCAA;
 - (iv) institutes any proceeding seeking relief in respect of itself under the WURA;
 - (v) in addition to the forgoing, institutes any other proceeding seeking: (a) to adjudicate itself an insolvent person or a bankrupt; (b) to liquidate, dissolve or wind-up its business or assets; (c) to compromise, arrange, adjust or declare a moratorium in respect of the payment of, its debts; (d) to stay the rights of creditors generally (or any class of creditors); (e) any other relief in respect of itself under any federal, provincial or foreign applicable Law now or hereafter in effect relating to bankruptcy, winding-up, insolvency, receivership, restructuring of business, assets or debt, reorganization of business, assets or debt or protection of debtors from their creditors (such applicable Law includes any applicable corporations legislation to the extent the relief sought under such corporations legislation relates to or involves the compromise, settlement, adjustment or arrangement of debt); or (f) any other relief which provides for plans or schemes of reorganization, plans or schemes of arrangement or plans or schemes of compromise, in respect of itself, to be submitted or presented to creditors (or any class of creditors);
 - (vi) applies for the appointment of, or has a receiver (either court or privately appointed), interim receiver, receiver/manager (either court or privately appointed), sequestrator, conservator, custodian, administrator, trustee, liquidator or other similar official appointed in respect of it, or any substantial part of its property; or
 - (vii) threatens to do any of the foregoing, or takes any action, corporate or otherwise, to approve, effect, consent to or authorize any of the actions described in this Section 7.1(g);
- (h) *Other Insolvency.* Any petition is filed, application made or other proceeding instituted against or in respect of any Credit Party:
- (i) seeking to adjudicate it an insolvent person;
 - (ii) seeking a bankruptcy order against it under the BIA;
 - (iii) seeking to institute proceedings against it under the CCAA;
 - (iv) seeking to institute proceedings against it under the WURA;
 - (v) seeking, in addition to the forgoing: (a) to adjudicate it an insolvent person or a bankrupt; (b) to liquidate, dissolve or wind-up its business or assets; (c) to compromise, arrange, adjust or declare a moratorium in respect of the payment of, its debts; (d) to stay the rights of creditors generally (or any class of creditors); (e) any other relief in respect of it under any federal, provincial or foreign applicable Law now or hereafter in effect relating to bankruptcy, winding-up, insolvency,

receivership, restructuring of business, assets or debt, reorganization of business, assets or debt, or protection of debtors from their creditors (such applicable Law includes any applicable corporations legislation to the extent the relief sought under such corporations legislation relates to or involves the compromise, settlement, adjustment or arrangement of debt); or (f) any other relief which provides plans or schemes of reorganization, plans or schemes of arrangement or plans or schemes of compromise in respect of it, to be submitted or presented to creditors (or any class of creditors); or

- (vi) seeking the issuance of an order for the appointment of a receiver, interim receiver, receiver/manager, sequestrator, conservator, custodian, administrator, trustee, liquidator or other similar official in respect of it or any substantial part of its property,

and such petition, application or proceeding continues undismissed, or unstayed and in effect, for a period of 60 days after the institution thereof, provided that: (a) if the Credit Party fails to contest such petition, application or proceeding the 60 day grace period shall cease to apply; (b) if an order, decree or judgment is issued (whether or not entered or subject to appeal) against the Credit Party thereunder within the 60 day period, such grace period will cease to apply, and (c) if the Credit Party files an answer or other responding materials admitting the material allegations of a petition, application or other proceeding filed against it, such grace period will cease to apply;

- (i) *Analogous Insolvency Events.* Any other event occurs which, under the Laws of any applicable jurisdiction, has an effect equivalent to any of the events referred to in either of Sections 7.1(g) or (h);
- (j) *Judgments.* One or more judgments for the payment of money in a cumulative amount in excess of Cdn.\$5,000,000 (or its then equivalent in any other currency) in the aggregate is rendered against any one or more of the Credit Parties and they have not (i) provided for its discharge in accordance with its terms within 30 days from the date of entry thereof, or (ii) procured a stay of execution thereof within 60 days from the date of entry thereof and within such period, or such longer period during which execution of such judgment has not been stayed, appealed such judgment and caused the execution thereof to be stayed during such appeal, provided that if enforcement or realization proceedings are lawfully commenced in respect thereof in the interim, such grace period shall cease to apply;
- (k) *Seizure of Property.* Any property, or if such property is an Aircraft, then at least two Aircraft, of any Credit Party having a Fair Market Value in excess of Cdn.\$15,000,000 (or its then equivalent in any other currency) in the aggregate is seized (including by way of execution, attachment, garnishment, levy or distraint), or any Lien thereon securing Indebtedness in excess of Cdn.\$15,000,000 (or its then equivalent in any other currency) is enforced, or such property has become subject to any charging order or equitable execution of a Governmental Authority, or any writ of execution or distress warrant exists in respect of any Credit Party or the property of any of them, or any sheriff or other Person becomes lawfully entitled by operation of law or otherwise to seize or distrain upon such property and in any case such seizure, enforcement, execution, attachment, garnishment, distraint, charging order or equitable execution, or other seizure or right, continues in effect and is not released or discharged for more than 60 days or such longer period during which entitlement to the use of such property continues with such Credit Party, and such Credit Party is contesting the same in good faith and by appropriate proceedings, provided that if

the property is removed from the use of such Credit Party, or is sold, in the interim, such grace period shall cease to apply, provided that nothing in this Section 7.1(k) shall apply to any Aircraft operating outside of Canada that are owned or operated by Voyageur Aviation Corp.;

- (l) *Grant of Equitable Remedies against the Credit Parties.* One or more final judgments, not involving the payment of money and not otherwise specified in this Section 7.1(l), has been rendered against any Credit Party, the result of which could reasonably be expected to result in a Material Adverse Effect, so long as such Credit Party has not (i) provided for its discharge in accordance with its terms within 60 days from the date of entry thereof, or (ii) procured a stay of execution thereof within 60 days from the date of entry thereof and within such period, or such longer period during which execution of such judgment has been stayed, appealed such judgment and caused the execution thereof to be stayed during such appeal, provided that if enforcement or realization proceedings are lawfully commenced in respect thereof in the interim, such grace period shall cease to apply;
- (m) *Loan Documents Cease To Be In Force.* This Agreement, any other Loan Document or any material obligation or other provision hereof or thereof at any time for any reason terminates or ceases to be in full force and effect and a legally valid, binding and enforceable obligation of any Credit Party, is declared to be void or voidable or is repudiated, or the validity, binding effect, legality or enforceability hereof or thereof is at any time contested by any Credit Party, or any Credit Party denies that it has any or any further liability or obligation hereunder or thereunder or any action or proceeding is commenced to enjoin or restrain the performance or observance by any Credit Party of any material terms hereof or thereof or to question the validity or enforceability hereof or thereof, or at any time it is unlawful or impossible for any Credit Party to perform any of its material obligations hereunder or thereunder;
- (n) *Lien In Material Collateral Ceases To Be In Force.* Any Lien purported to be created by any Security Document shall cease to be, or shall be asserted by any Credit Party not to be, a valid, perfected, first priority (except as otherwise expressly provided in this Agreement or such Security Document) Lien in Collateral with a Fair Market Value or book value (whichever is greater) in excess, individually or in the aggregate, of \$5,000,000;
- (o) *Material Adverse Change.* A Material Adverse Change shall occur;
- (p) *Change in Control.* A Change in Control shall occur;
- (q) *Guarantor Not Wholly-Owned.* Any of the Credit Parties, other than the Borrower, ceases to be a Wholly-Owned Subsidiary, either directly or indirectly, of the Borrower;
- (r) *Default of Secured Hedge Arrangement.* The occurrence of an "Event of Default", "Termination Event" or any other event specified in a Secured Hedge Arrangement that entitles the Secured Hedge Counterparty thereto to cause its early termination in accordance with the terms thereof, except for any such "Event of Default", "Termination Event" or other event that (i) is not triggered, caused or contributed to by any act or omission of a Credit Party, or (ii) is triggered by a repayment of the Borrowings hereunder;
- (s) *Capacity Purchase Agreement.* The Capacity Purchase Agreement or any material obligation or other provision thereof at any time for any reason terminates or ceases to be

in full force and effect or it is amended in any manner, in each case the result of which could reasonably be expected to result in a Material Adverse Effect;

then, (A) and in every such event other than those described in (B), and at any time thereafter during the continuance of such event or any other such event, the Administrative Agent may, and at the request of the Required Lenders shall, by notice to the Borrower, take either or both of the following actions, at the same or different times: (x) terminate the Commitments, and thereupon the Commitments shall terminate immediately, and (y) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind except as set out earlier in this paragraph, all of which are hereby waived by the Borrower, and (B) in the case of any event with respect to the Borrower described in Section 7.1(g) (*Insolvency Initiated by Credit Party*), (h) (*Other Insolvency*) or (i) (*Analogous Insolvency Events*), the Commitments shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the Borrower accrued hereunder, and Cover for any outstanding Letters of Credit, shall automatically become due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrower.

ARTICLE 8

THE ADMINISTRATIVE AGENT

8.1 Appointment of Administrative Agent.

Each Lender hereby designates The Bank of Nova Scotia as Administrative Agent to act as herein specified and as specified in the other Loan Documents. Each Lender hereby irrevocably authorizes the Administrative Agent to take such action on its behalf under the provisions of the Loan Documents and to exercise such powers and to perform such duties thereunder as are specifically delegated to or required of the Administrative Agent by the terms thereof and such other powers as are reasonably incidental thereto. The Administrative Agent may perform any of its duties hereunder by or through its agents or employees. Each Secured Party hereby (a) irrevocably authorizes and directs the Administrative Agent to execute and deliver the Indenture Intercreditor Agreement, the Convertible Indenture Intercreditor Agreement and the Jazz Intercreditor Agreement on behalf of such Secured Party, and (b) agrees that Indenture Intercreditor Agreement, the Convertible Indenture Intercreditor Agreement and the Jazz Intercreditor Agreement shall be a binding obligation of such Secured Party, enforceable against it in accordance with its terms.

8.2 Secured Parties.

- (a) The Security Documents shall be in favour of the Administrative Agent for the benefit of the Secured Parties.
- (b) The Secured Hedge Obligations shall be secured by the Liens granted under the Security Documents and, subject to Section 2.18(c), rank *pari passu* with the obligations of the Borrower under this Agreement.
- (c) Notwithstanding any non-compliance with the limit set out in Section 6.1(a)(x), the Secured Cash Management Obligations shall be secured by the Liens granted under the Security Documents and rank *pari passu* with the obligations of the Borrower under this Agreement, provided that any Secured Cash Management Obligations in excess of

Cdn.\$2,000,000 shall be postponed and subordinated to the other Secured Liabilities. For the purposes of determining to which Secured Cash Management Obligations such postponement and subordination applies, any Secured Cash Management Obligations in excess of Cdn.\$2,000,000 shall be allocated as among the Lenders pro rata based upon the amount of their Secured Cash Management Obligations.

- (d) Notwithstanding such common security and prior to the Lender Termination Date, all decisions regarding the administration and enforcement of the Security Documents shall be made by the Lenders alone, and no Secured Hedge Counterparty or Secured Cash Management Provider shall have any voting rights under this Agreement or any other right whatsoever to participate in the administration or enforcement of the Security Documents. For the avoidance of doubt but without limitation, prior to the Lender Termination Date any or all of the Security Documents or any rights contained therein may be amended or released by the Administrative Agent without the consent of any Secured Hedge Counterparty or Secured Cash Management Provider.
- (e) Each Lender that is or becomes a Secured Hedge Counterparty or Secured Cash Management Provider shall be bound as such by virtue of its execution and delivery of this Agreement or an Assignment and Assumption, as applicable, notwithstanding that such capacity as Secured Hedge Counterparty or Secured Cash Management Provider may not be identified on its signature line. Each Lender shall cause its Related Non-Party Beneficiaries to comply with the terms and conditions of the Loan Documents applicable to them and pay and perform their debts, liabilities and obligations thereunder.

8.3 Limitation of Duties of Administrative Agent.

The Administrative Agent shall have no duties or responsibilities except those expressly set out with respect to the Administrative Agent in this Agreement and as specified in the other Loan Documents. None of the Administrative Agent, nor any of its Related Parties shall be liable for any action taken or omitted by it as such hereunder or in connection herewith, unless caused by its or their gross negligence or willful misconduct. The duties of the Administrative Agent shall be mechanical and administrative in nature; the Administrative Agent shall not have, by reason of this Agreement or the other Loan Documents, a fiduciary relationship in respect of any Secured Party. Nothing in this Agreement or the other Loan Documents, expressed or implied, is intended to or shall be so construed as to impose upon the Administrative Agent any obligations in respect of this Agreement except as expressly set out herein. The Administrative Agent shall be under no duty to take any discretionary action permitted to be taken by it pursuant to this Agreement or the other Loan Documents unless it is requested in writing to do so by the Required Lenders.

8.4 Lack of Reliance on the Administrative Agent.

- (a) *Independent Investigation.* Independently, and without reliance upon the Administrative Agent, each Lender, to the extent it deems appropriate, has made and shall continue to make (a) its own independent investigation of the financial condition and affairs of the Credit Parties in connection with the taking or not taking of any action in connection herewith, and (b) its own appraisal of the creditworthiness of the Credit Parties, and, except as expressly provided in this Agreement and the other Loan Documents, the Administrative Agent shall have no duty or responsibility, either initially or on a continuing basis, to provide any Lender with any credit or other information with respect thereto, whether coming into its possession before the consummation of the Transactions or at any time or times thereafter.

- (b) *Agent Not Responsible.* The Administrative Agent shall not be responsible to any Lender for any recitals, statements, information, representations or warranties herein or in any document, certificate or other writing delivered in connection herewith or for the execution, effectiveness, genuineness, validity, enforceability, collectability, priority or sufficiency of this Agreement or the other Loan Documents or the financial condition of the Credit Parties or be required to make any inquiry concerning either the performance or observance of any of the terms, provisions or conditions of this Agreement or the other Loan Documents, or the financial condition of the Credit Parties, or the existence or possible existence of any Default or Event of Default.

8.5 Certain Rights of the Administrative Agent.

If the Administrative Agent shall request instructions from the Lenders or the Required Lenders (as the case may be) with respect to any act or action (including the failure to act) in connection with this Agreement or the other Loan Documents, the Administrative Agent shall be entitled to refrain from such act or taking such action unless and until the Administrative Agent shall have received written instructions from the Lenders or the Required Lenders, as applicable, and the Administrative Agent shall not incur liability to any Person by reason of so refraining. Without limiting the foregoing, no Lender shall have any right of action whatsoever against the Administrative Agent as a result of the Administrative Agent acting or refraining from acting under this Agreement and the other Loan Documents in accordance with the instructions of the Required Lenders, or, to the extent required by Section 9.2, all of the Lenders.

8.6 Reliance by Administrative Agent.

The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any note, writing, resolution, notice, statement, certificate, telex, teletype or facsimile message, electronic mail, cablegram, radiogram, order or other documentary tele-transmission or telephone message believed by it to be genuine and correct and to have been signed, sent or made by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan or Borrowing that by its terms must be fulfilled to the satisfaction of a Lender, the Administrative Agent may presume that such condition is satisfactory to such Lender unless the Administrative Agent shall have received notice to the contrary from such Lender prior to the making of such Loan. The Administrative Agent may consult with legal counsel (including counsel for the Borrower), independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken by it in good faith in accordance with the advice of such counsel, accountants or experts.

8.7 Indemnification of Administrative Agent.

To the extent the Administrative Agent is not reimbursed and indemnified by the Borrower, each Lender shall reimburse and indemnify the Administrative Agent, in proportion to its aggregate Applicable Percentage, for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including reasonable counsel fees and disbursements) or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Administrative Agent in performing its duties hereunder, in any way relating to or arising out of this Agreement or any other Loan Document; provided that no Lender shall be liable to the Administrative Agent for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the Administrative Agent's gross negligence (it being acknowledged that ordinary negligence does not necessarily constitute gross negligence) or willful misconduct.

8.8 The Administrative Agent in its Individual Capacity.

With respect to its obligations under this Agreement and the Loans made by it, The Bank of Nova Scotia, in its capacity as a Lender hereunder, shall have the same rights and powers hereunder as any other Lender and may exercise the same as though it were not performing the duties, if any, specified herein; and the terms "**Lenders**", "**Required Lenders**" and "**Revolving Credit Lenders**", and any similar terms shall, unless the context clearly otherwise indicates, include The Bank of Nova Scotia in its capacity as a Lender hereunder. The Administrative Agent may accept deposits from, lend money to, and generally engage in any kind of banking, trust, financial advisory or other business with the Borrower or any Affiliate of the Borrower as if it were not performing the duties, if any, specified herein, and may accept fees and other consideration from the Borrower for services in connection with this Agreement and otherwise without having to account for the same to the Lenders.

8.9 May Treat Lender as Owner.

The Borrower, the Administrative Agent and the Issuing Banks may deem and treat each Lender as the owner of the Loans recorded on the Register maintained pursuant to Section 9.4(c) for all purposes hereof until a written notice of the assignment or transfer thereof shall have been filed with the Administrative Agent. Any request, authority or consent of any Person who at the time of making such request or giving such authority or consent is the owner of a Loan shall be conclusive and binding on any subsequent owner, transferee or assignee of such Loan.

8.10 Successor Administrative Agent.

- (a) *Replacement of Administrative Agent.* The Administrative Agent may resign at any time by giving written notice thereof to the Lenders, the Issuing Banks and the Borrower. Upon any such resignation, the Required Lenders shall have the right, upon five (5) Business Days' notice to the Borrower, to appoint a successor Administrative Agent (who shall not be a non-resident of Canada within the meaning of the Income Tax Act), subject to the approval of the Borrower, such approval not to be unreasonably withheld. If no successor Administrative Agent shall have been so appointed by the Required Lenders, and shall have accepted such appointment, within 30 days after the retiring Administrative Agent's giving of notice of resignation of the retiring Administrative Agent, then, upon five (5) Business Days' notice to the Borrower, the retiring Administrative Agent may, on behalf of the Lenders, appoint any Lender to be the successor Administrative Agent (subject to approval of the Borrower, such approval not to be unreasonably withheld).
- (b) *Rights, Powers, etc.* Upon the acceptance of any appointment as Administrative Agent hereunder by a successor Administrative Agent, such successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations under this Agreement. After any retiring Administrative Agent's resignation hereunder as Administrative Agent, the provisions of this Article 8 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Agreement.

8.11 No Independent Legal Action.

Notwithstanding that any debt arising hereunder to a Lender shall be separate and independent debt, no Lender may take any independent legal action to enforce any obligation of the Borrower hereunder. Each Lender hereby acknowledges that, to the extent permitted by applicable Law, the Security Documents and

the remedies provided thereunder to the Secured Parties are for the benefit of the Secured Parties collectively and acting together and not severally, and further acknowledges that each Secured Party's rights hereunder and under the Security Documents are to be exercised collectively, not severally, by the Administrative Agent upon the decision of the Required Lenders. Accordingly, notwithstanding any of the provisions contained herein or in the Security Documents, each of the Lenders hereby covenants and agrees that it and its Related Non-Party Beneficiaries shall not be entitled to take any action hereunder or thereunder, including any declaration of default hereunder or thereunder, but that any such action shall be taken only by the Administrative Agent with the prior written agreement of the Required Lenders, provided that, notwithstanding the foregoing, in the absence of instructions from the Lenders (or the Required Lenders) and where in the sole opinion of the Administrative Agent the exigencies of the situation so warrant such action, the Administrative Agent may without notice to or consent of the Lenders (or the Required Lenders) take such action on behalf of the Secured Parties as it deems appropriate or desirable in the interests of the Secured Parties. Each Lender hereby further covenants and agrees that upon any such written consent being given by the Required Lenders (or, to the extent required by Section 9.2, the Lenders), it and its Related Non-Party Beneficiaries shall co-operate fully with the Administrative Agent to the extent requested by the Administrative Agent, and each Lender further covenants and agrees that all proceeds from the realization of the Security Documents, to the extent permitted by applicable Law, are held for the benefit of all of the Secured Parties and shall be shared among them in accordance with this Agreement, and each Lender acknowledges that all costs of any such realization (including all amounts for which the Administrative Agent is required to be indemnified under the provisions hereof) shall be shared among the Lenders in accordance with this Agreement. Each Lender covenants and agrees to do, and to cause its Related Non-Party Beneficiaries to do, all acts and things and to make, execute and deliver all agreements and other instruments, so as to fully carry out the intent and purpose of this Section 8.11, and each Lender hereby covenants and agrees that it and its Related Non-Party Beneficiaries shall not (i) seek, take, accept or receive any Lien (other than a right of set-off) or Guarantee for any of the Secured Liabilities other than is provided to the Administrative Agent, or (ii) enter into any other agreement with any of the Parties relating in any manner whatsoever to the Credits unless all of the Lenders shall at the same time obtain the benefit of any such agreement. For the avoidance of doubt but subject always to Section 2.18, nothing in this Section 8.11 shall limit or otherwise affect the ability of any Secured Party to separately enforce its rights under any document, instrument or agreement with respect to any Secured Hedge Arrangement or Cash Management Services.

8.12 Québec Security.

For the purposes of the grant of security under the laws of the Province of Québec which may now or in the future be required to be provided by any Credit Party, the Administrative Agent is hereby irrevocably authorized and appointed by each of the Lenders hereto to act as hypothecary representative (within the meaning of Article 2692 of the *Civil Code of Québec*) for all present and future Lenders (in such capacity, the "**Hypothecary Representative**") in order to hold any hypothec granted under the Laws of the Province of Québec and to exercise such rights and duties as are conferred upon the Hypothecary Representative under the relevant deed of hypothec and applicable Laws (with the power to delegate any such rights or duties). The execution prior to the date hereof by the Administrative Agent in its capacity as the Hypothecary Representative of any deed of hypothec or other security documents made pursuant to the Laws of the Province of Québec, is hereby ratified and confirmed. Any Person who becomes a Lender or successor Administrative Agent shall be deemed to have consented to and ratified the foregoing appointment of the Administrative Agent as the Hypothecary Representative on behalf of all Lenders, including such Person and any Affiliate of such Person designated above as a Lender. For greater certainty, the Administrative Agent, acting as the Hypothecary Representative, shall have the same rights, powers, immunities, indemnities and exclusions from liability as are prescribed in favor of the Administrative Agent in this Agreement, which shall apply mutatis mutandis. In the event of the resignation of the Administrative Agent (which shall include its resignation as the Hypothecary Representative) and appointment of a

successor Administrative Agent, such successor Administrative Agent shall also act as the Hypothecary Representative, as contemplated above.

ARTICLE 9
MISCELLANEOUS

9.1 Notices.

- (a) *Method and Contact Information.* Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to Section 9.1(b)), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile or e-mail in each case to the addressee, as follows:

- (i) if to the Borrower or any other Credit Party:

Chorus Aviation Inc.
Suite 380, 3 Spectacle Lake Drive
Dartmouth, Nova Scotia B3B 1W8
Canada

Attention: [Redacted]
Email: [Redacted]
Facsimile: [Redacted]

with a copy to:

Suite 380, 3 Spectacle Lake Drive
Dartmouth, Nova Scotia B3B 1W8
Canada

Attention: [Redacted]
Email: [Redacted]
Facsimile: [Redacted]

with a copy to:

Bennett Jones LLP
4500 Bankers Hall East
855 2nd Street SW
Calgary, Alberta T2P 4K7

Attention: [Redacted]
Email: [Redacted]
Facsimile: [Redacted]

- (ii) if to the Administrative Agent:

The Bank of Nova Scotia, as Agent
1709 Hollis Street, 4th Floor
Halifax, NS B3J 1W1

Attention: [Redacted]
Email: [Redacted]
Facsimile: [Redacted]

with a copy to:

Stewart McKelvey
600 – 1741 Lower Water Street
Halifax, NS B3J 2X2

Attention: [Redacted]
Email: [Redacted]
Facsimile: [Redacted]

- (iii) if to any Lender or any Issuing Bank, to it at its address, facsimile number or e-mail address set out opposite its name on Schedule 9.1 or in the Assignment Agreement by which it becomes a Lender.
- (b) *Electronic Communications.* Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications (including e-mail and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Article 2 unless otherwise agreed by the Administrative Agent and the Applicable Lender. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communication to it hereunder by electronic communications pursuant to procedures approved by it; provided that approval of such procedures may be limited to particular notices or communications.
- (c) *Change of Address; When Notice Deemed Given.* Any party hereto may change its address, facsimile number or e-mail address for notices and other communications hereunder by notice to the other parties hereto in the manner provided in Section 9.1. Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by facsimile or e-mail shall be deemed to have been given when sent (except that, if not given on a Business Day between 9:00 a.m. and 5:00 p.m. local time where the recipient is located, shall be deemed to have been given at 9:00 a.m. on the next Business Day for the recipient, provided that a reply to a notice delivered by email shall constitute evidence of its delivery to the party issuing the reply).

9.2 Waivers; Amendments.

- (a) *Waiver.* No failure or delay by the Administrative Agent or any Lender in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent and the Lenders hereunder are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by the Borrower therefrom shall in any event be effective unless the same shall be permitted by Section 9.2(b), and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent or any Lender may have had notice or knowledge of such Default at the time.
- (b) *Amendments.* Neither this Agreement nor any other Security Document (or any provision hereof or thereof) may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Borrower and the Required Lenders or by the Borrower and the Administrative Agent with the consent of the Required Lenders (and for greater certainty, any such waiver, amendment or modification shall not require any consent or other agreement of any Credit Party other than the Borrower, notwithstanding that any such Credit Party may be a party to this Agreement or any other Loan Document); provided that no such agreement shall:
 - (i) increase the amount of any Commitment of any Lender;
 - (ii) extend the expiry date of any Commitment of any Lender;
 - (iii) reduce the principal amount of any Loan or reduce the rate of interest or any fee applicable to any Loan;
 - (iv) postpone the scheduled date of payment of the principal amount of any Loan, or any interest thereon, or any fees payable in respect thereof, or reduce the amount of, waive or excuse any such payment, or postpone the scheduled date of expiration of any Commitment;
 - (v) change Section 2.18 in a manner that would alter the sharing of payments required thereby;
 - (vi) change any of the provisions of Section 9.2 or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to waive, amend or modify any rights hereunder or make any determination or grant any consent hereunder;
 - (vii) waive any Event of Default under Section 7.1(g), (h), or (i) (it being understood that any other Event of Default may be waived by the Required Lenders, notwithstanding that the Loans would otherwise bear a default rate of interest and be capable of falling due and payable);

- (viii) amend, supplement, restate or replace the Jazz Intercreditor Agreement, the Indenture Intercreditor Agreement or the Convertible Indenture Intercreditor Agreement other than as contemplated under such intercreditor agreements; or
- (ix) release any Credit Party from any material obligations under the Security Documents and other instruments contemplated by this Agreement, release or discharge any of the Liens arising under the Security Documents, permit the creation of any Liens (other than Permitted Liens) on any of the assets subject to the Liens arising under the Security Documents, waive or forgo the delivery any Security Document required hereunder, lower the priority of any Lien arising under any of the Security Documents, or lower the priority of any payment obligation of any Credit Party under any of the Loan Documents,

in each case without the prior written consent of each Lender, or in the case of the matters referred to in Section 9.2(b)(i), (ii), (iii), (iv) and (v), without the prior written consent of each Lender directly affected thereby, and provided further that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent, the Issuing Banks or the Swingline Lender hereunder, as the case may be, without the prior written consent of the Administrative Agent, Issuing Banks or Swingline Lender (as applicable). For greater certainty, the Administrative Agent may release and discharge the Liens constituted by the Security Documents or a Guarantor from the Credit Party Guarantee to the extent necessary to enable a Credit Party to complete any Asset Disposition which is not prohibited by this Agreement or the other Loan Documents. The Administrative Agent may also subordinate the Liens constituted by the Security Documents to any Lien permitted by Section 6.1(b).

9.3 Expenses; Indemnity; Damage Waiver.

- (a) *Expenses.* The Borrower shall pay (a) all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent and all applicable Taxes, in connection with the syndication of the credit facilities provided for herein and the preparation and administration of this Agreement and the other Loan Documents, (b) all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent and applicable Taxes, in connection with any amendments, modifications or waivers of the provisions hereof or of any of the other Loan Documents, (whether or not the transactions contemplated hereby or thereby shall be consummated), and (c) all out-of-pocket expenses incurred by the Administrative Agent or any Lender, including the fees, charges and disbursements of any counsel for the Administrative Agent or any Lender and all applicable Taxes, in connection with the assessment, enforcement or protection of their rights in connection with this Agreement, including its rights under Section 9.3, or in connection with the Loans made hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans.
- (b) *Indemnity.* The Borrower shall indemnify each Secured Party, as well as each Related Party and each assignee of any of the foregoing Persons (each such Person and each such assignee being called an "**Indemnatee**") against, and hold each Indemnatee harmless from, any and all losses, claims, cost recovery actions, damages, expenses and liabilities of whatsoever nature or kind and all reasonable out-of-pocket expenses (including due diligence expenses, syndication expenses, travel expenses and reasonable fees, charges and disbursements of counsel) and all applicable Taxes (other than Excluded Taxes) to which any Indemnatee may become subject arising out of or in connection with (a) the execution

or delivery of the Loan Documents or any agreement or instrument contemplated thereby, the performance by the parties thereto of their respective obligations thereunder, and the consummation of the Transactions or any other transactions thereunder (excluding, in all instances above, any loss incurred by a Secured Party under a Hedge Arrangement in the ordinary course of the Hedge Arrangement in accordance with its terms and provided that the Borrower is not in breach of the terms thereof), (b) any Loan or Letter of Credit or any actual or proposed use of the proceeds therefrom, including any refusal by the Issuing Bank to honour a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit, (c) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by a Credit Party, or any Environmental Liability related in any way to a Credit Party, (d) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory and regardless of whether any Indemnitee is a party thereto, (e) any other aspect of this Agreement and the other Loan Documents (excluding, in all instances above, any loss incurred by a Secured Party under a Hedge Arrangement in the ordinary course of the Hedge Arrangement in accordance with its terms and provided that the Borrower is not in breach of the terms thereof), or (f) the enforcement of any Indemnitee's rights hereunder and any related assessment, investigation, defence, preparation of defence, litigation and enquiries; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence (it being acknowledged that ordinary negligence does not necessarily constitute gross negligence) or wilful misconduct of such Indemnitee.

- (c) *Lender Responsibility for Unpaid Expenses and Indemnity.* To the extent that the Borrower fails to pay any amount required to be paid under Sections 9.3(a) or (b), each Lender severally agrees to pay to the Administrative Agent, the Issuing Banks or the Swingline Lender (as applicable) such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount; provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent, the Issuing Banks or the Swingline Lender, in its capacity as such.
- (d) *Inspections for Administration.* Any inspection of any property of any Credit Party made by or through the Administrative Agent or any Lender shall be for purposes of administration of the Credits only, and no Credit Party shall be entitled to rely upon the same (whether or not such inspections are at the expense of the Borrower).
- (e) *No Representation.* By accepting or approving anything required to be observed, performed, fulfilled or given to the Administrative Agent or the Lenders pursuant to the Loan Documents, neither the Administrative Agent nor the Lenders shall be deemed to have warranted or represented the sufficiency, legality, effectiveness or legal effect of the same, or of any term, provision or condition thereof, and such acceptance or approval thereof shall not constitute a warranty or representation to anyone with respect thereto by the Administrative Agent or the Lenders.
- (f) *Relationship Between Parties.* The relationship between the Borrower and the Administrative Agent and the Lenders is, and shall at all times remain, solely that of borrower and lenders. Neither the Administrative Agent nor the Lenders shall under any circumstances be construed to be partners or joint venturers of the Borrower or its

Affiliates. Neither the Administrative Agent nor the Lenders shall under any circumstances be deemed to be in a relationship of confidence or trust or a fiduciary relationship with the Borrower or its Affiliates, or to owe any fiduciary duty to the Borrower or its Affiliates. Neither the Administrative Agent nor the Lenders undertake or assume any responsibility or duty to the Borrower or its Affiliates to select, review, inspect, supervise, pass judgment upon or inform the Borrower or its Affiliates of any matter in connection with their property or the operations of the Borrower or its Affiliates. The Borrower and its Affiliates shall rely entirely upon their own judgment with respect to such matters, and any review, inspection, supervision, exercise of judgment or supply of information undertaken or assumed by the Administrative Agent or the Lenders in connection with such matters shall be solely for the protection of the Administrative Agent and the Lenders, and neither the Borrower nor any other Person shall be entitled to rely thereon.

- (g) *Limitation of Liability.* The Administrative Agent and the Lenders shall not be responsible or liable to any Person for any loss, damage, liability or claim of any kind relating to injury or death to Persons or damage to property caused by the actions, inaction or negligence of any Credit Party or its Affiliates, and the Borrower hereby indemnifies and holds the Administrative Agent and the Lenders harmless on the terms set out in Section 9.3(b) from any such loss, damage, liability or claim.
- (h) *Payment of Expenses and Indemnity.* All amounts due under Section 9.3 shall be payable not later than three (3) Business Days after written demand therefor.

9.4 Successors and Assigns.

- (a) *Successors and Assigns.* The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Bank that issues any Letter of Credit), except that (a) the Borrower shall not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrower without such consent shall be null and void), and (b) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with Section 9.4. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including any Affiliate of any Issuing Bank that issues any Letter of Credit) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.
- (b) *Assignment by Lenders.* Any Lender may assign to one or more assignees (treating any fund that invests in bank loans and any other fund that invests in bank loans and is managed by the same investment advisor of such fund or by an Affiliate of such investment advisor as a single assignee) all or a portion of its rights and obligations under this Agreement and the other Loan Documents (including all or a portion of its Commitments and the Loans at the time owing to it); provided that (a) except in the case of an assignment to a Lender or a Lender Affiliate or an Approved Fund of any Lender, the Borrower must give its prior written consent to such assignment (which consent shall not be unreasonably withheld or delayed), (b) except in the case of an assignment of any Revolving Credit Commitment to an assignee that is a Lender with a Revolving Credit Commitment immediately prior to giving effect to such assignment, each of the Administrative Agent, the Swing Line Lender and the Issuing Banks must give its prior written consent to such assignment (which

consent shall not be unreasonably withheld or delayed), (c) the Borrower's consent shall not be required with respect to any assignment made at any time after the occurrence and during the continuance of an Event of Default, (d) except in the case of an assignment to a Lender or a Lender Affiliate or an Approved Fund of any Lender or an assignment of the entire remaining amount of the assigning Lender's Commitment, the amount of the Commitment of the assigning Lender subject to each such assignment (determined as of the date on which the Assignment and Assumption relating to such assignment is delivered to the Administrative Agent) shall not be less than Cdn.\$5,000,000 (or, in the case of a U.S. Dollar-denominated Commitment, the U.S.\$ Equivalent Amount of Cdn.\$5,000,000), unless each of the Borrower and the Administrative Agent otherwise consent in writing and the amount held by each Lender after each such assignment shall not be less than Cdn.\$5,000,000 (or, in the case of a U.S. Dollar-denominated Commitment, the U.S.\$ Equivalent Amount of Cdn.\$5,000,000), unless each of the Borrower and the Administrative Agent otherwise consent in writing, (e) each partial assignment in respect of a Commitment and the related Loans shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement in respect of such Commitment and the related Loans, (f) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with (except in the case of an assignment to a Lender or a Lender Affiliate or an Approved Fund of any Lender) a processing and recordation fee of Cdn.\$ [Redacted], payable by the assigning Lender, (g) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire, and (h) no assignment may be made to any Credit Party, any Affiliate of a Credit Party or a Defaulting Lender. The Administrative Agent shall provide the Borrower and each Lender with written notice of any change in (or new) address of a Lender disclosed in an Administrative Questionnaire. Subject to acceptance and recording thereof pursuant to Section 9.4(d), from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, shall have all of the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.15, 2.16, and 2.17 and 9.3). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with Section 9.4 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 9.4(e).

- (c) *Register.* The Administrative Agent, acting for this purpose as an agent of the Borrower, shall maintain at one of its offices in Toronto, Ontario a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount of the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the "**Register**"). The entries in the Register shall be conclusive, and the Borrower, the Administrative Agent, the Issuing Banks, and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement. The Register shall be available for inspection by the Borrower, any Issuing Bank and any Lender at any reasonable time and from time to time upon reasonable prior notice.

- (d) *Acceptance and Recording of Assignments.* Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee's completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in Section 9.4(b) and any written consent to such assignment required by Section 9.4(b), the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this Section 9.4(d).
- (e) *Participations.* Any Lender may, without notice to the Borrower or the consent of the Borrower, the Administrative Agent, the Issuing Banks or the Swingline Lender, sell participations to one or more Persons (a "**Participant**") in all or a portion of such Lender's rights and obligations under this Agreement and the other Loan Documents (including all or a portion of its Commitment and the Loans owing to it); provided that (a) such Lender's obligations under this Agreement shall remain unchanged, (b) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations, and (c) the Borrower, the Administrative Agent, the Issuing Banks and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that (d) such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender shall not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 9.2(b) that affects such Participant, and (e) the Participant shall agree to maintain the confidentiality of Information (as defined in Section 9.15) on terms and conditions substantively similar to those contained in Section 9.15. Subject to Section 9.4(f), the Borrower agrees that each Participant shall be entitled to the benefits of Sections 2.15, 2.16, 2.17 and 9.3 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 9.4(b). To the extent permitted by Law, each Participant also shall be entitled to the benefits of Section 9.10 as though it were a Lender, provided that such Participant agrees to be subject to Section 2.18(d) as though it were a Lender.
- (f) *Rights of Participant.* A Participant shall not be entitled to receive any greater payment under Sections 2.15, 2.16, 2.17 and 9.3 than the Applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower's prior written consent.
- (g) *Lender Pledge of Security.* Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank, and Section 9.4 shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.
- (h) *Borrower's Obligations.* Any assignment or grant of a participation pursuant to Section 9.4 shall constitute neither a repayment by the Borrower to the assigning or granting Lender of any Loan included therein, nor a new advance of any such Loan to the Borrower by such Lender or by the assignee or Participant, as the case may be. The parties acknowledge that

the Borrower's obligations hereunder with respect to any such Loans shall continue and shall not constitute new obligations as a result of such assignment or participation.

9.5 Anti-Money Laundering Legislation.

- (a) *Information.* The Borrower acknowledges that, pursuant to AML Legislation, the Lenders and the Administrative Agent may be required to obtain, verify and record information regarding the Borrower, its directors, authorized signing officers, direct or indirect shareholders or other Persons in control of the Borrower, and the transactions contemplated hereby. The Borrower shall promptly provide all such information, including supporting documentation and other evidence, as may be reasonably requested by any Lender or the Administrative Agent, or any prospective assignee or Participant of a Lender or the Administrative Agent, in order to comply with any applicable AML Legislation, whether now or hereafter in existence.
- (b) *Role of Agent.* If the Administrative Agent has ascertained the identity of the Borrower or any authorized signatories of the Borrower for the purposes of applicable AML Legislation, then the Administrative Agent:
 - (i) shall be deemed to have done so as an agent for each Lender, and this Agreement shall constitute a "written agreement" in such regard between each Lender and the Administrative Agent within the meaning of applicable AML Legislation; and
 - (ii) shall provide to each Lender copies of all information obtained in such regard without any representation or warranty as to its accuracy or completeness.

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

9.6 Survival.

All covenants, agreements, representations and warranties made by the Borrower herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, any Issuing Bank or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid or any Letter of Credit is outstanding and so long as the Commitments have not expired or terminated. Sections 2.15, 2.16, 2.17, 9.3 and Article 8 shall survive and remain in full force and effect, regardless of the consummation of the Transactions, the repayment of the Loans, the expiration or termination of the Letters of Credit and the Commitments or the termination of this Agreement or any provision hereof.

9.7 Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument. Counterparts may be executed either in original or faxed or other electronic form and the parties adopt any signatures received by a receiving fax machine or via e-mail as original signatures of the parties.

9.8 Entire Agreement.

This Agreement (together with (a) the other Loan Documents, (b) any separate letter agreements with respect to fees payable to the Administrative Agent, and (c) any separate letter agreements with respect to other matters as agreed by the Borrower and the Lenders), constitutes the entire agreement between the parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no conditions, warranties, representations or other agreements between the parties in connection with the subject matter of this Agreement (whether oral or written, express or implied, statutory or otherwise) except as specifically set out in this Agreement or in such other applicable agreements.

9.9 Severability.

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

9.10 Right of Set Off.

If an Event of Default shall have occurred and be continuing, each Secured Party is hereby authorized at any time and from time to time, to the fullest extent permitted by Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other obligations at any time owing by such Secured Party to or for the credit or the account of any Credit Party against any of and all of the obligations of the Credit Parties now or hereafter existing under the Loan Documents held by such Secured Party, irrespective of whether or not such Secured Party shall have made any demand under any Loan Document and although such obligations may be unmatured and regardless of the currency of the deposit. The rights of each Secured Party under this Section 9.10 are in addition to other rights and remedies (including other rights of set off) which such Secured Party may have.

9.11 Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable in that Province and shall be treated, in all respects, as an Ontario contract.

9.12 Attornment.

Each party hereto agrees (a) that any action or proceeding relating to this Agreement may (but need not) be brought in any court of competent jurisdiction in the Province of Ontario, and for that purpose now irrevocably and unconditionally attorns and submits to the jurisdiction of such Ontario court, (b) that it irrevocably waives any right to, and shall not, oppose any such Ontario action or proceeding on any jurisdictional basis, including forum non conveniens, and (c) not to oppose the enforcement against it in

any other jurisdiction of any judgment or order duly obtained from an Ontario court as contemplated by this Section 9.12.

9.13 Service of Process.

Each party hereto irrevocably consents to service of process in the manner provided for notices in Section 9.1. Nothing in this Agreement shall affect the right of any Party to serve process in any other manner permitted by Law.

9.14 Waiver of Jury Trial.

EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT, ANY OTHER LOAN DOCUMENT, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (a) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (b) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 9.14.

9.15 Confidentiality.

Each of the Administrative Agent, each Issuing Bank and each Lender shall maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to each of their Affiliates, Lender Affiliates (in the case of a Lender) directors, officers, employees, agents and advisors, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any rating agency, credit bureau, regulatory authority or other Governmental Authority, (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party to this Agreement, (e) in connection with the exercise of any remedies under any Loan Document or any suit, action or proceeding relating to any Loan Document or the enforcement of rights thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section 9.15, to (i) any actual or prospective assignee of or Participant in any of its rights or obligations under this Agreement, or (ii) any actual or prospective counterparty (or its advisors) to any Hedge Arrangement relating to the Borrower and its obligations, (g) to their auditors in connection with any audit, (h) with the consent of the Borrower, or (i) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section 9.15, or (ii) becomes available to the Administrative Agent, any Issuing Bank, or any Lender on a non-confidential basis from a source other than the Borrower. For the purposes of this Section 9.15, "**Information**" means all information received from any Credit Party relating to any Credit Party, any of their subsidiaries or Affiliates, or their respective business, other than any such information that is available to the Administrative Agent, any Issuing Bank or any Lender on a non-confidential basis prior to disclosure by such Credit Party; provided that, in the case of information received from a Credit Party after the date hereof, such information is clearly identified as confidential in writing at the time of delivery. Any Person required to maintain the confidentiality of Information as provided in this Section 9.15 shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

9.16 Application under the CCAA.

The Borrower acknowledges that its business and financial relationships with the Administrative Agent and Lenders are unique from its relationship with any other of its creditors. The Borrower shall not file any plan of arrangement under the *Companies' Creditors Arrangement Act* (the "**CCAA Plan**") which provides for, or would permit, directly or indirectly, the Administrative Agent or the Lenders to be classified in the same class with any other creditor of the Credit Parties for purposes of such CCAA Plan.

9.17 No Strict Construction.

The parties hereto have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the Parties and no presumption or burden of proof shall arise favouring or disfavouring any Party by virtue of the authorship of any provisions of this Agreement.

9.18 Paramountcy.

In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of any other Loan Document then, notwithstanding anything contained in such other Loan Document, the provisions contained in this Agreement shall prevail to the extent of such conflict or inconsistency and the provisions of such other Loan Document shall be deemed to be amended to the extent necessary to eliminate such conflict or inconsistency, it being understood that the purpose of the other Loan Documents is to add to, and not detract from, the rights granted to the Agent (for its own benefit and the benefit of the other Secured Parties) under this Agreement. If any act or omission of any or all Credit Parties is expressly permitted under this Agreement but is expressly prohibited under any other Loan Document, such act or omission shall be permitted. If any act or omission is expressly prohibited under any other Loan Document, but this Agreement does not expressly permit such act or omission, or if any act is expressly required to be performed under any other Loan Document but this Agreement does not expressly relieve any or all Credit Parties from such performance, such circumstance shall not constitute a conflict or inconsistency between the applicable provisions of such other Loan Document and the provisions of the Agreement.

9.19 Limitation of Liability.

NO CLAIM MAY BE MADE BY ANY CREDIT PARTY, ANY SECURED PARTY OR ANY OTHER PERSON AGAINST ANY INDEMNITEE ON ANY THEORY OF LIABILITY, FOR SPECIAL, INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES (AS OPPOSED TO DIRECT OR ACTUAL DAMAGES) ARISING OUT OF, IN CONNECTION WITH, OR AS RESULT OF, ANY LOAN DOCUMENT, THE TRANSACTIONS, OR ANY ACT, OMISSION OR EVENT OCCURRING IN CONNECTION THEREWITH, AND EACH CREDIT PARTY AND SECURED PARTY HEREBY WAIVE TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ALL SUCH CLAIMS, WHETHER OR NOT ACCRUED AND WHETHER OR NOT KNOWN OR SUSPECTED TO EXIST IN ITS FAVOUR.

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

[Signatures on the next following pages]

- S1 -

CHORUS AVIATION INC., as Borrower

By: "Gary Osborne" (signed)

Name: Gary Osborne

Title: Chief Financial Officer

THE BANK OF NOVA SCOTIA, as Sole Lead Arranger,
Bookrunner, Administrative Agent and Issuing Bank

By: "Heather Meldrum" (signed)

Name: Heather Meldrum

Title: Director

By: "Annette d'Eon" (signed)

Name: Annette d'Eon

Title: Associate Director

CANADIAN IMPERIAL BANK OF COMMERCE, as
Lender

By: "Anissa Rabia-Zeribi" (signed)

Name: Anissa Rabia-Zeribi

Title: Managing Director

By: "Charles St-Germain" (signed)

Name: Charles St-Germain

Title: Managing Director

BANK OF MONTREAL, as Lender

By: "Matthew Pulsifer" (signed)

Name: Matthew Pulsifer

Title: Managing Director

By: "Suying Wang" (signed)

Name: Suying Wang

Title: Director

EXHIBIT A

FORM OF BORROWING BASE REPORT

TO: The Bank of Nova Scotia, as administrative agent
AND TO: the Lenders
FROM: Chorus Aviation Inc. (the "**Borrower**")

This Certificate is delivered pursuant to the Third Amended and Restated Credit Agreement dated as of March 4, 2024 (the "**Credit Agreement**") among, *inter alios*, the Borrower, the financial institutions parties thereto as Lenders, and The Bank of Nova Scotia, as administrative agent for the Lenders. All capitalized terms used herein but not defined have the meanings specified in the Credit Agreement.

The undersigned officer of the Borrower, in [his/her] capacity as such and not in [his/her] personal capacity, hereby certifies that the following amounts existed as at _____:

Revolving Credit Exposure:	Cdn. \$_____ (X)
Credit Card Exposure:	Cdn. \$_____ (Y)
Excess Secured Hedge Obligations:	Cdn. \$_____ (Z)
Aggregate of (X) + (Y) + (Z)	Cdn. \$_____

The undersigned officer of the Borrower, in [his/her] capacity as such and not in [his/her] personal capacity, hereby further certifies that the following amounts existed as at _____:

Eligible Accounts:	Cdn. \$_____
[Redacted]% of Eligible Accounts:	Cdn. \$_____ (A)
Eligible Inventory:	Cdn. \$_____
[Redacted]% of Eligible Inventory:	Cdn. \$_____ (B)
Eligible Equipment:	Cdn. \$_____
[Redacted]% of Eligible Equipment:	Cdn. \$_____ (C)
Borrowing Base (A) + (B) + (C)	Cdn. \$_____

Attached hereto is a copy of the calculations used to determine the above amounts.

Dated: _____

Name:
Title:

EXHIBIT B

FORM OF BORROWING REQUEST¹

TO: The Bank of Nova Scotia, as administrative agent

RE: Third Amended and Restated Credit Agreement dated as of March 4, 2024 among, *inter alios*, the undersigned, as borrower (the "**Borrower**"), the financial institutions parties thereto as Lenders, and The Bank of Nova Scotia, as administrative agent for the Lenders (as amended, supplemented or otherwise modified from time to time, the "**Credit Agreement**")

We refer to the Credit constituted by the Credit Agreement and we hereby give you notice that on [DATE] we wish to obtain a Borrowing in the aggregate amount of [Canadian / U.S.][\$[AMOUNT]]. All capitalized terms used and not otherwise defined herein have the meanings given to them in the Credit Agreement.

The Borrowing requested hereby is to take the form of:

- ☐ a Term CORRA Borrowing
- ☐ a Canadian Prime Borrowing
- ☐ a Base Rate Borrowing
- ☐ a SOFR Borrowing

Such Borrowing is a [rollover/conversion] of outstanding [/SOFR Loans having an Interest Period ending [DATE]/ Term CORRA Loans having an Interest Period ending [DATE]/ Canadian Prime Loans/ Base Rate Loans] in an aggregate principal amount of [Canadian / U.S.][\$[AMOUNT]].

[The Interest Period in respect of the Term CORRA Borrowing requested hereby is [NUMBER] month(s)².]

[The Interest Period in respect of the SOFR Borrowing requested hereby is [NUMBER] month(s)³.]

Such Borrowing is to be disbursed to the Borrower's account below:

[ACCOUNT DETAILS]

¹ A separate Borrowing Request must be submitted for each Type of Borrowing.

² This sentence is only required in the context of a Borrowing Request for a Term CORRA Borrowing.

³ This sentence is only required in the context of a Borrowing Request for a SOFR Borrowing.

We hereby certify, after due and careful investigation, that each of the conditions set out in Section 4.2 of the Credit Agreement is satisfied on and as of the date hereof.⁴

DATED: [MONTH] [DAY], [YEAR]

CHORUS AVIATION INC.

By: _____
Name:
Title:

⁴ This certification need not be made on conversions or rollovers.

EXHIBIT C

COMPLIANCE CERTIFICATE

TO: The Bank of Nova Scotia, as administrative agent under the Credit Agreement (the "**Administrative Agent**")

AND TO: The Lenders

Reference is made to the third amended and restated credit agreement dated as of March 4, 2024 (as amended, supplemented or otherwise modified from time to time, the "**Credit Agreement**"), among Chorus Aviation Inc., as Borrower, The Bank of Nova Scotia, as Administrative Agent, and the Lenders now or hereafter parties thereto. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

The undersigned, the [**Chief Financial Officer**] of the Borrower, in that capacity and not personally, hereby certifies that, as of the date hereof:

(a) a review of the consolidated financial statements of the Borrower and the Subsidiaries for the Fiscal Quarter ended [**LAST DAY OF FISCAL QUARTER**], and of the activities of the Borrower and the Subsidiaries during such Fiscal Quarter has been made under the supervision of the undersigned with a view to determining whether the Borrower and the other Credit Parties have fulfilled all of their obligations under the Credit Agreement and the other Loan Documents,

(b) the Borrower and the other Credit Parties have fulfilled their obligations under the Credit Agreement and the other Loan Documents and all of the representations and warranties of the Borrower made in the Credit Agreement, and with reference to any Schedule referred to therein as updated as of the date hereof and to any notices delivered pursuant to Section 5.1(a)(vii), as applicable, continue to be true and correct as if made on the date hereof, except where such representation or warranty refers to a different date.⁵,

(c) as at the end of the Fiscal Quarter ended [**LAST DAY OF FISCAL QUARTER**], the Borrower was in compliance with the financial test set forth in Section 5.1(l) of the Credit Agreement⁶. The Borrower's compliance with such financial covenant as at the end of such Fiscal Quarter is demonstrated by the figures set out on the financial covenant compliance worksheet attached hereto as Schedule A;

(d) Schedule B sets forth the amount of obligations (determined on a mark-to-market basis) of the Credit Parties under Hedge Arrangements as at the date hereof; and

(e) the total amount of all Hybrid Unsecured Indebtedness is \$[•].

⁵ Or, if there is an outstanding Default or Event of Default, specify the nature and status thereof and the Borrower's proposed response thereto.

⁶ Or, if there is non-compliance, specify same.

DATED: [MONTH] [DAY], [YEAR]

Name:

Title: **[Chief Financial Officer], [BORROWER]**

SCHEDULE A TO COMPLIANCE CERTIFICATE
FINANCIAL COVENANT COMPLIANCE WORKSHEET

RE: Rolling Period ended [MONTH] [DAY], [YEAR].

A. CONSOLIDATED INTEREST COVERAGE RATIO

Requirement: Maintain Consolidated Interest Coverage Ratio of not less than 2.00:1.0.

[•]

B. CONSOLIDATED NET LEVERAGE RATIO

[•]

Note: The Consolidated Net Leverage Ratio above is provided solely for the purposes of determining the Applicable Margin.

EXHIBIT D
FORM OF
ASSIGNMENT AND ASSUMPTION AGREEMENT

This assignment and assumption agreement (the "**Assignment and Assumption**") is dated as of the Effective Date set out below and is entered into by and between [*Insert name of Assignor*] (the "**Assignor**") and [*Insert name of Assignee*] (the "**Assignee**"). Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (as amended, supplemented, restated or replaced from time to time, the "**Credit Agreement**"), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set out in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set out herein in full.

For good and valuable consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (a) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of the Assignor under the respective facilities identified below (including any Letters of Credit and Swingline Loans included in such facilities) and (b) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (a) above (the rights and obligations sold and assigned pursuant to clauses (a) and (b) above being referred to herein collectively as the "**Assigned Interest**"). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by the Assignor.

1. Assignor: _____

2. Assignee: _____

[and is an Affiliate/Approved Fund of [*identify Lender*]⁷]

3. Borrower(s): _____

4. Administrative Agent: as the administrative agent under the Credit Agreement

5. Credit Agreement: **[The [AMOUNT] Third Amended and Restated Credit Agreement dated as of March 4, 2024, among Chorus Aviation Inc., as Borrower, the Lenders parties thereto, The Bank of Nova Scotia, as Administrative Agent, and the other agents parties thereto].**

⁷ Select as applicable.

6. Assigned Interest:

Facility Assigned ⁸	Aggregate Amount of Commitment/Loans for all Lenders	Amount of Commitment/Loans Assigned	Percentage Assigned of Commitment/Loans ⁹
	\$	\$	%
	\$	\$	%
	\$	\$	%

Effective Date: _____, 20__ *[To be inserted by Administrative Agent and which shall be the effective date of recordation of transfer in the register therefor.]*

The terms set out in this Assignment and Assumption are hereby agreed to:

[NAME OF ASSIGNOR]

By: _____
Name:
Title:

[NAME OF ASSIGNEE]

By: _____
Name:
Title:

Consented to and Accepted:

The Bank of Nova Scotia, as Administrative Agent

By: _____
Name:
Title:

⁸ Fill in the appropriate terminology for the types of facilities under the Credit Agreement that are being assigned under this Assignment (e.g. "Revolving Credit Commitment," "Tranche A Commitment," "Tranche B Commitment," etc.)

⁹ Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

CREDIT AGREEMENT
STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION

1. **Assignor.** The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby, and (iv) **[it has closed out and settled all Secured Hedge Arrangements with the Credit Parties such that it shall no longer be a Secured Party]**¹⁰, and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document¹¹, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document. Upon request, the Assignor shall, at the expense of the Administrative Agent (for reimbursement by the Borrower), as promptly as practical, execute and deliver to the Administrative Agent, all such other and further documents, agreements and instruments as the Administrative Agent may reasonably request in order to effect the transfer of the Assigned Interest, including any materials required to discharge the Assignee's interest in and to the Collateral.

2. **Assignee.** The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it satisfies the requirements, if any, specified in the Credit Agreement that are required to be satisfied by it in order to acquire the Assigned Interest and become a Lender, (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, and (iv) it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered pursuant to Section 5.1(a) thereof, as applicable, and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase the Assigned Interest on the basis of which it has made such analysis and decision independently and without reliance on the Administrative Agent or any other Lender; (b) acknowledges the terms and conditions of the Jazz Intercreditor Agreement, the Indenture Intercreditor Agreement and the Convertible Debenture Intercreditor Agreement and agrees to be bound thereby as if a party thereto, and (c) agrees that (i) it shall, independently and without reliance on the Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, and (ii) it shall perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender.

3. **Payments.** From and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignee whether such amounts have accrued prior to the Effective Date or accrued subsequent to the

¹⁰ This clause should be included unless the Assignor is effecting only a partial assignment, such that it remains a Lender.

¹¹ The term "Loan Document" should be conformed to that used in the Credit Agreement.

Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Administrative Agent for the periods prior to the Effective Date or with respect to the making of this assignment directly between themselves.

4. **General Provisions.** This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

EXHIBIT E
FORM OF
ACCORDION JOINDER AGREEMENT

Reference is made to the third amended and restated credit agreement dated as of March 4, 2024 (as such agreement may be amended, supplemented, amended and restated, novated or otherwise modified and in effect from time to time, the "**Credit Agreement**") among Chorus Aviation Inc. ("**Chorus**"), as borrower, the Lenders named therein and The Bank of Nova Scotia, as Administrative Agent. Capitalized terms used but not otherwise defined herein shall have the respective meanings assigned in the Credit Agreement.

WHEREAS pursuant to Section 2.6 of the Credit Agreement, Chorus wishes to designate the New Accordion Lender defined below as a Lender under the Credit Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, Chorus, the Lenders, the Administrative Agent, Lender and [●] (the "**New Accordion Lender**"), hereby agree as follows:

1. The Credit Agreement shall, henceforth from the date of the execution and delivery of this Accordion Joinder Agreement, subject to Section 2.6(e) of the Credit Agreement, be read and construed as if the New Accordion Lender were party to the Credit Agreement having all the rights and obligations of a Lender under the Credit Agreement and having the Commitment set out in paragraph 2 below. Accordingly, all references in any Credit Documents to (a) any "Lender" shall be treated as including a reference to the New Accordion Lender and (b) the Credit Agreement shall be treated as a reference to the Credit Agreement as supplemented by this Accordion Joinder Agreement to the intent that this Accordion Joinder Agreement and the Credit Agreement shall be read and construed together as one single agreement.
2. The Commitment of the New Accordion Lender, and the address and the telefacsimile number for the purposes of notices as provided in Section 9.1 of the Credit Agreement, are set out in the attached revised Schedule A.
3. The New Accordion Lender represents and warrants to each of the other parties to the Credit Agreement that it has been provided with a copy of the Credit Agreement.
4. The New Accordion Lender irrevocably authorizes and directs the Administrative Agent, as its attorney and agent, with full power of substitution and delegation, to complete, execute and deliver on behalf of the New Accordion Lender each Credit Document to be executed by it or on its behalf and each agreement, document and instrument to be executed by it or on its behalf pursuant to each Credit Document, and to take such action on its behalf as may be authorized or directed pursuant to any such Credit Document.
5. This Accordion Joinder Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Transmission of an executed signature page of this Accordion Joinder Agreement by facsimile transmission or by e-mail in pdf format shall be effected as delivery if a manually executed counterpart hereof.
6. This Accordion Joinder Agreement shall be governed by, and interpreted in accordance with, the laws of the Province of Nova Scotia and the federal laws of Canada applicable therein.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the undersigned has caused its duly authorized officer to execute and deliver this Agreement as of the ____ day of _____, 20__.

[NAME OF NEW ACCORDION LENDER]

By: _____
Name:
Title:

By: _____
Name:
Title:

THE BANK OF NOVA SCOTIA, as Administrative Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

CHORUS AVIATION INC., as Borrower

By: _____
Name:
Title:

SCHEDULE 1.1(A)

SECURITY DOCUMENTS

1. The Credit Party Guarantee from each Credit Party.
2. The GSA from each Credit Party.
3. A deed of hypothec among each Credit Party and the Administrative Agent, as hypothecary representative.
4. All stock certificates, instruments and other documents required to be delivered to the Administrative Agent in connection with the Liens granted under item 2.

SCHEDULE 1.1(B)

EXISTING PERMITTED LIENS

[Redacted information regarding existing permitted liens]

SCHEDULE 1.1(C)

SECURED HEDGE ARRANGEMENT

[Redacted information regarding secured hedge arrangements]

SCHEDULE 2.1

LENDERS AND COMMITMENTS AND AMOUNTS

Revolving Credit Commitments

<u>Lender</u>	<u>Commitment</u>
The Bank of Nova Scotia	Cdn. \$[Redacted]
Canadian Imperial Bank of Commerce	Cdn. \$[Redacted]
Bank of Montreal	Cdn. \$[Redacted]

SCHEDULE 3.1(c)

GOVERNMENTAL APPROVALS; NO CONFLICTS

[Redacted information regarding governmental approvals, authorizations, conflicts]

SCHEDULE 3.1(e)

LITIGATION

[Redacted information regarding existing litigations]

SCHEDULE 3.1(k)

PENSION PLANS

[Redacted information regarding pension plans]

SCHEDULE 3.1(m)

SUBSIDIARIES

[Redacted information regarding subsidiaries, including their legal form, jurisdiction of organization, issued and outstanding securities, owned securities, and corporate organizational chart]

SCHEDULE 3.1(p)

MATERIAL CONTRACTS

[Redacted information regarding material contracts]

SCHEDULE 3.1(q)

ENVIRONMENTAL MATTERS

[Redacted information regarding environmental matters]

SCHEDULE 3.1(r)

EMPLOYEE MATTERS

[Redacted information regarding collective agreements]

SCHEDULE 3.1(v)

BANK ACCOUNTS

[Redacted information regarding bank accounts]

SCHEDULE 9.1

LENDER AND ISSUING BANK CONTACT INFORMATION

Name of Lender or Issuing Bank	Address	Facsimile No.	E-mail Address
The Bank of Nova Scotia	720 King Street West, 4 th Floor Toronto, ON M5V 2T3	[Redacted]	[Redacted]
Canadian Imperial Bank of Commerce	600 de Maisonneuve Blvd. West, Suite 3050 Montreal, QC H3A 3J2	[Redacted]	[Redacted]
Bank of Montreal	Nova Centre North Tower 1675 Grafton St., Suite 1400 Halifax, NS B3J 0E9	[Redacted]	[Redacted]