
CDN\$200,000,000

SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

AMONG

**KRUGER PRODUCTS L.P.
AS BORROWER**

AND

**THE LENDERS
set forth in Schedule A hereto
AS LENDERS**

AND

**NATIONAL BANK OF CANADA
AS ADMINISTRATIVE AGENT AND COLLATERAL AGENT**

AND

**THE BANK OF NOVA SCOTIA
AS SYNDICATION AGENT**

AND

**NATIONAL BANK FINANCIAL
AS SOLE BOOKRUNNER**

AND

**NATIONAL BANK FINANCIAL, THE BANK OF NOVA SCOTIA AND TD SECURITIES
AS CO-LEAD ARRANGERS**

AND

**THE BANK OF NOVA SCOTIA AND THE TORONTO-DOMINION BANK
AS SYNDICATION AGENTS**

Dated as of May 21, 2021



Table of Contents

	Page
ARTICLE 1 INTERPRETATION.....	3
1.1 General Definitions	3
1.2 Additional References	3
1.3 References to Agreements.....	4
1.4 Reference to Statutes.....	4
1.5 Headings, etc.	4
1.6 Number and Gender	4
1.7 Accounting Principles	4
1.8 Termination of Benchmark Rates	4
ARTICLE 2 THE FACILITY	5
2.1 Grant of Facility	5
2.2 Each Swingline Facility	5
2.3 Purpose of Facility	5
2.4 Facility Limit	6
2.5 Revolving Nature and Availability	6
2.6 Draw Requests	6
2.7 Drawdown.....	6
2.8 Borrowing Procedures under each Swingline Facility	7
2.9 Voluntary Cancellation or Reduction of the Facility	7
2.10 Reduction Notices	7
2.11 Repayment of Entire Loans.....	8
2.12 Compulsory Repayment of Excess Loans.....	8
2.13 Compulsory Repayment of Loans as a Result of Exchange Rate Fluctuations.....	8
2.14 Voluntary Repayment of Loans	8
2.15 Repayment Notice.....	8
ARTICLE 3 PRIME AND US BASE RATE LOANS	9
3.1 Request for Prime Rate Loans or US Base Rate Loans.....	9
3.2 Apportionment among the Lenders.....	9
3.3 Interest on Prime Rate Basis	9
3.4 Interest on US Base Rate Basis	9
3.5 Computation of Interest	9
3.6 Payment of Interest	10
3.7 Interest on Loans Generally	10
3.8 Annual Equivalents	10
ARTICLE 4 BANKER'S ACCEPTANCES.....	10
4.1 Requests for the Issuance of BAs.....	10
4.2 Notice to Lenders of Particulars Relating to BAs	11
4.3 Lenders to Accept Drafts	11
4.4 Stamping Fee	11
4.5 Lenders to Discount BAs	11
4.6 Lenders to Make BA Proceeds Available to Administrative Agent.....	12
4.7 Payment of BAs	12
4.8 Waiver.....	12
4.9 Obligations Absolute.....	12
4.10 Power of Attorney to Sign Drafts.....	12
4.11 Special Provisions with respect to Non-BA Lenders	13
ARTICLE 5 LIBOR LOANS	14
5.1 Request for Libor Loans	14
5.2 Establishment of Libor and Selected Amounts	14

Table of Contents
(continued)

	Page
5.3 Interest on Libor Basis	14
5.4 Computation of Interest	14
5.5 Payment of Interest	15
5.6 Annual Equivalent.....	15
5.7 Payment on Selected Maturity Date.....	15
ARTICLE 6 LETTERS OF CREDIT.....	15
6.1 Requests for the Issuance of LCs	15
6.2 Issuance of LCs.....	16
6.3 LC Fee.....	16
6.4 LC Fronting Fee	16
6.5 Computation and Payment of LC Fee and LC Fronting Fee.....	16
6.6 Payment by the LC Issuing Lender under LCs	17
6.7 Lenders' Covenant to the LC Issuing Lender	17
6.8 Obligations Absolute.....	18
6.9 LCs in Authorized Currencies.....	18
ARTICLE 7 CONVERSIONS AND ROLLOVERS	18
7.1 Request for Conversions	18
7.2 Conversion or Rollover	19
7.3 Requirements for Conversions or Rollovers	19
7.4 No Revocation or Withdrawal of Conversion Requests.....	19
ARTICLE 8 FEES.....	19
8.1 Stand-By Fees	19
8.2 Agency Fees.....	20
ARTICLE 9 MANNER OF PAYMENTS	20
9.1 Currency of Payments	20
9.2 Imputation of Payments	20
9.3 Compulsory Repayment of BA Liabilities, Libor Loans and/or LC Liabilities	21
9.4 Proceeds Resulting from Repayment of BA Liabilities	21
9.5 Proceeds Resulting from Repayment of LC Liabilities.....	21
9.6 Proceeds Resulting from Repayment of Libor Loans	22
9.7 Payments of Loans to Administrative Agent Only	22
9.8 Payment on Any Business Day by 3:00 p.m., Montréal time	23
9.9 Netting	23
9.10 Payment at Respective Branches of Account of the Lenders.....	23
9.11 Administrative Agent May Presume that Payments will be Made by the Borrower.....	23
9.12 Interest Act (Canada)	24
ARTICLE 10 SECURITY	24
10.1 Security	24
10.2 Additional Guarantors.....	25
10.3 Accessory Documents with respect to Future Guarantors	26
10.4 Accession by an Acceding Lender or Increase by an Existing Lender	27
10.5 Control Agreements	27
10.6 Disclaim benefit of any Lien over Real Property.....	28
ARTICLE 11 CONDITIONS PRECEDENT.....	28
11.1 Conditions Precedent to the Amendment and Restatement	28
11.2 Subsequent Advances under the Facility	31
11.3 Subsequent Advances under each Swingline Facility	31
11.4 Amendment to Amended and Restated Intercreditor and Collateral Agency Agreement.....	31

Table of Contents
(continued)

	Page
ARTICLE 12 REPRESENTATIONS AND WARRANTIES	32
12.1 Existence and Good Standing	32
12.2 Authority	32
12.3 Due Authorization	32
12.4 Due Execution	32
12.5 Validity of Loan Documents – Non-Conflict	32
12.6 Enforceability	33
12.7 Absence of Litigation	33
12.8 Financial Statements	33
12.9 Accuracy of Information	33
12.10 Accuracy of Forecasts	33
12.11 No Material Adverse Change	33
12.12 Compliance with Laws	34
12.13 All Authorizations Obtained and Registrations Made	34
12.14 ERISA	34
12.15 Canadian Pension Plans	35
12.16 No Default	35
12.17 Immovable and Real Property	35
12.18 Movable and Personal Property	35
12.19 Intellectual Property	35
12.20 Subsidiaries	36
12.21 Taxes	36
12.22 Solvency	37
12.23 Environment	37
12.24 Employee Relations	37
12.25 Occupational Health and Safety	38
12.26 Investment Company; Public Utility Holding Company	38
12.27 Federal Reserve Regulations	38
12.28 Foreign Assets Control Regulations, Etc.	38
12.29 Anti–Money Laundering Legislation	38
12.30 Business	39
12.31 Bank and Securities Accounts	39
12.32 HQ Rebate Dedicated Account	39
12.33 Repetition of Representations and Warranties	39
12.34 Nature of Representations and Warranties	39
ARTICLE 13 GENERAL COVENANTS	39
13.1 Preservation of Existence, etc.	39
13.2 Preservation of Authorizations	39
13.3 Obtain Authorizations	40
13.4 Business, Compliance with Applicable Law	40
13.5 Keeping of Records	40
13.6 Insurance	40
13.7 Payment of Taxes and Claims	41
13.8 Visits and Inspections	42
13.9 Environment	42
13.10 Transactions with Affiliates	42
13.11 Renewal of Registration and Maintain Security	42
13.12 Know Your Customer Checks	42
13.13 Anti-Money Laundering Legislation	43
13.14 Gatineau Lease	44
13.15 US Real Property Flood Insurance	44

Table of Contents
(continued)

	Page
ARTICLE 14 FINANCIAL AND INFORMATION COVENANTS	45
14.1 Maintenance of Ratios	45
14.2 Quarterly Financial Statements and Information	46
14.3 Annual Financial Statements and Information.....	46
14.4 Budget Information	46
14.5 Financial Information prior to Completing any Permitted Acquisition	47
14.6 Change in GAAP	47
14.7 Other Information	47
14.8 Notice of Litigation and Other Matters	47
14.9 Notice with respect to Security	48
ARTICLE 15 NEGATIVE COVENANTS.....	48
15.1 Liens.....	48
15.2 Debt for Borrowed Money	48
15.3 Derivative Instruments.....	50
15.4 Corporate Changes, Amalgamations, Liquidations.....	50
15.5 Investments	50
15.6 Guarantees.....	51
15.7 Acquisitions	52
15.8 Distribution	52
15.9 Reductions of Capital.....	52
15.10 Prohibition on Limitation Concerning Distributions by Restricted Credit Parties.....	52
15.11 Sale of Assets.....	52
15.12 Capital Expenditures	53
15.13 Change of Year-End.....	53
15.14 Change in Business	53
15.15 Ownership of Shares and Subsidiaries	53
15.16 ERISA Compliance.....	53
15.17 Other Benefit Plans	54
15.18 Debt for Borrowed Money of the TAD #2 Project Entities	54
15.19 Debt for Borrowed Money of KPSB.....	54
15.20 Amendments to the TAD #2 Credit Agreement.....	54
15.21 Amendment to IQ Credit Agreement.....	54
15.22 Amendments to the Nordea Financing Documents.....	55
15.23 Amendments to the Paper Machine Financing Documents	55
15.24 Amendments to the IQ Financings.....	55
15.25 HQ Rebate Dedicated Account	55
ARTICLE 16 EVENTS OF DEFAULT.....	56
16.1 Non-Payment	56
16.2 Misrepresentation.....	56
16.3 Ratio.....	56
16.4 Negative Covenants	56
16.5 Breach of Other Covenants	56
16.6 Cross-Default relating to Debt for Borrowed Money.....	56
16.7 Cross-Acceleration.....	56
16.8 Unsatisfied Awards	57
16.9 Enforcement Proceeding	57
16.10 Insolvency	57
16.11 Control by Kruger Family.....	57
16.12 Cross-Default with the Nordea Financing Documents.....	57
16.13 Cross-Default with the 2018 High Yield Notes and the 2021 High Yield Notes.....	57

Table of Contents
(continued)

	Page
16.14 Permitted Receivables Securitization Event of Default	57
16.15 Cross-Default with the Paper Machine Financing Documents	57
16.16 Cross-Default with the IQ Financings.....	57
ARTICLE 17 REMEDIES.....	58
17.1 Termination and Acceleration.....	58
17.2 Distribution of Proceeds of Realization	58
17.3 Pro Rata Sharing of Realization Costs	59
17.4 Application of Payments.....	59
17.5 Indemnities and Payments	59
17.6 Compensation and Set-Off.....	59
17.7 Recovery for the Finance Parties	60
17.8 Notices	60
17.9 Dealings with the Borrower	60
17.10 No Deemed Payment	60
17.11 ISDA Contracts	61
17.12 Finance Parties to Exercise Rights through Administrative Agent or Collateral Agent	61
17.13 Equality of rank among the Liens created under the Operative Documents	61
17.14 Distribution of Payments among Creditors of a Same Class	61
ARTICLE 18 TAXES AND OTHER CHARGES	61
18.1 Payments without Deductions.....	61
18.2 Payments of Additional Amounts	62
18.3 Increase in Interest Rates	62
18.4 Remittances by Taxed Party.....	62
18.5 Survival of Agreements	63
ARTICLE 19 INDEMNITIES.....	63
19.1 Market Disruption.....	63
19.2 Suspension of Rights to Convert.....	63
19.3 Illegality	64
19.4 Notice of Change in Law	65
19.5 Reimbursement of Losses and Expenses	65
19.6 Amount of Losses with respect to Libor Loans	66
19.7 General Indemnity.....	66
19.8 Claims under the Indemnity	66
19.9 Option to Replace Lenders.....	66
ARTICLE 20 THE ADMINISTRATIVE AGENT.....	67
20.1 Appointment and Authorization.....	67
20.2 Declaration of Agency	67
20.3 Interest Holders	67
20.4 Consultation with Professionals	67
20.5 Operative Documents.....	68
20.6 Administrative Agent and its Subsidiaries and Affiliates	68
20.7 Responsibility of the Administrative Agent	68
20.8 Action by the Administrative Agent	68
20.9 Notice of Events of Default.....	69
20.10 Responsibility Disclaimed	69
20.11 Indemnification	69
20.12 Protection of Employees	70
20.13 Credit Decision	70
20.14 Replacement Administrative Agent	70

Table of Contents
(continued)

	Page
20.15 Delegation	71
20.16 Waivers and Amendments	71
20.17 Articles 2138 to 2148 C.C.Q. Not Applicable	73
20.18 Rights, Benefits and Recourses Created by the Operative Documents	73
ARTICLE 21 OPERATION OF ACCOUNTS	73
21.1 Notice of Advance to the Finance Parties	73
21.2 Interlender Procedure for Making Advances	73
21.3 Deposits By or on Behalf of Lenders to Constitute Advances	74
21.4 Swingline Redistribution.....	74
21.5 Use of Credit Balances.....	75
21.6 Bank Accounts	75
21.7 Maintenance of Loan Records by the Administrative Agent	75
21.8 Authority to Debit and Credit	76
21.9 Failure by Any Lender to Advance	76
21.10 Temporary Advances by the Administrative Agent	76
21.11 Erroneous Payments By the Administrative Agent.....	77
ARTICLE 22 INCREASES IN THE FACILITY	79
22.1 Request for Increase in the Facility	79
22.2 Increase of the Commitment of an Existing Lender and Accession of a New Lender.....	80
ARTICLE 23 MISCELLANEOUS	81
23.1 Notices	81
23.2 Calculations and Determinations Shall Constitute Prima Facie Proof.....	81
23.3 Rights and Recourses Cumulative	81
23.4 Assignments by the Borrower	81
23.5 Participations and Assignments by Lenders.....	81
23.6 Conversion Rules	83
23.7 Currency Indemnity	83
23.8 Counterparts, Effectiveness, Electronic Execution.	83
23.9 Severability	84
23.10 Replacement of Previous Agreements	84
23.11 No Novation.....	84
23.12 Obligation to Pay Absolute	84
23.13 Inconsistency with Security Documents	84
23.14 Contractual Recognition of Bail-In	84
23.15 Governing Law	85
23.16 Submission to Jurisdiction	85
23.17 Acknowledgement Regarding Any Supported QFCs.....	85
ARTICLE 24 FORMAL DATE	86
24.1 Formal Date	86
ARTICLE 25 LANGUAGE	86
25.1 English Language.....	86
25.2 Langue Anglaise	86

SCHEDULES

Schedule A	The Lenders and their Commitments
Schedule B	Definitions
Schedule C	Definition of Relevant Margin and Stand-By Fee
Schedule D	Libor Replacement Setting Language
Schedule E	Form of Draw Request
Schedule F	Form of Conversion Request
Schedule G	Form of Reduction Notice
Schedule H	Form of Repayment Notice
Schedule I	Form of Compliance Certificate
Schedule J	Form of Acquisition Certificate
Schedule K	Form of Loan Transfer Agreement
Schedule L	Form of Increased Commitment Certificate
Schedule M	Form of Accession Certificate
Schedule N	Form of Solvency Certificate
Schedule O	Form of Subordination and Postponement for Shareholder Loans
Schedule P	Form of Subordination and Postponement for Subordinated Debt
Schedule Q	Credit Parties
Schedule R	Environmental Disclosure
Schedule S	Employee Relations
Schedule T	Existing Investments
Schedule U	Assets securing the Province of Ontario Loan
Schedule V	Bank and Securities Accounts
Schedule W	List of Immovable Properties and Places of Business
Schedule X	Amendment to Amended and Restated Intercreditor and Collateral Agency Agreement

THIS SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT dated as of May 21, 2021.

AMONG: **KRUGER PRODUCTS L.P.**, as Borrower;

AND: **THE LENDERS SET FORTH IN Schedule A HERETO**, as Lenders;

AND: **NATIONAL BANK OF CANADA**, as Administrative Agent and Collateral Agent;

WITNESSETH:

WHEREAS the Lenders made available to Kruger Products certain credit facilities aggregating Cdn\$350,000,000 upon the terms and subject to the conditions contained in the credit agreement dated as of March 11, 2005 entered into among Kruger Products (then known as Scott Paper Limited) and K.T.G. (USA) LP, as borrowers, the several lenders set forth in Schedule A thereto from time to time, as lenders, and National Bank of Canada, as administrative agent, as amended pursuant to a first supplemental credit agreement dated as of December 21, 2007 (the **Original Credit Agreement**);

WHEREAS the Original Credit Agreement was amended and restated pursuant to the amended and restated credit agreement dated as of December 18, 2009 entered into among Kruger Products and K.T.G. (USA) LP, as borrowers, the several lenders set forth in Schedule A thereto from time to time, as lenders, and National Bank of Canada, as administrative agent, to which acceded Kruger Products 2010, L.P. (then known as Kruger Products L.P.), as borrower, as of January 19, 2010 (the **Principal Credit Agreement**);

WHEREAS the Principal Credit Agreement was amended pursuant to a first supplemental credit agreement dated as of July 28, 2010 (the **First Supplemental Credit Agreement**);

WHEREAS the Principal Credit Agreement, as amended by the First Supplemental Credit Agreement, was amended and restated pursuant to the second amended and restated credit agreement dated as of July 8, 2011 entered into among Kruger Products 2010, L.P. (then known as Kruger Products L.P.), as borrower, the several lenders set forth in Schedule A thereto from time to time, as lenders, and National Bank of Canada, as administrative agent (the **Second Amended and Restated Credit Agreement**);

WHEREAS on or about August 9, 2011, Kruger Products 2010, L.P. (then known as Kruger Products L.P.) issued senior unsecured debt in the aggregate amount of Cdn\$175,000,000 (the **Senior Unsecured Debt**) and, pursuant to Section 2.18 of the Second Amended and Restated Credit Agreement, the Facility was reduced to Cdn\$195,000,000, and on the 2015 Amendment and Restatement Effective Date (as defined in the Existing Credit Agreement) the Senior Unsecured Debt was repaid in full;

WHEREAS on May 8, 2012, KPGP (then known as Kruger Products G.P. II Inc.) was formed as a corporation under the laws of Canada;

WHEREAS on May 8, 2012, Kruger Products L.P. (then known as Kruger Products II, L.P.) (**New KP LP**) was formed as a limited partnership under the laws of the Province of Quebec, with its initial limited partner being Kruger Inc. and its general partner being KPGP (then known as Kruger Products G.P. II Inc.);

WHEREAS on September 6, 2012, Kruger Inc. transferred all of its units held in New KP LP to Kruger Products 2010, L.P. (then known as Kruger Products L.P.) (**Old KP LP**);

WHEREAS the Second Amended and Restated Credit Agreement was amended and restated pursuant to a third amended and restated credit agreement dated as of September 10, 2012 entered into among Old KP LP and New KP LP, as borrowers, the several lenders set forth in Schedule A thereto from time to time, as lenders, and National Bank of Canada, as administrative agent (the **Third Amended and Restated Credit Agreement**);

WHEREAS on September 21, 2012, Old KP LP transferred all of its Tissue Business to New KP LP and transferred all of the energy business to Kruger Energy Inc.;

WHEREAS on September 27, 2012, Old KP LP changed its name to Kruger Products 2010, L.P. and New KP LP changed its name to Kruger Products L.P.;

WHEREAS on October 18, 2012, Kruger Products G.P. Inc. changed its name to Kruger Products Real Estate Holdings Inc. (**KP Real Estate**), resigned as sole general partner of Old KP LP and transferred all of its units in Old KP LP to 8031754 Canada Inc. (**8031754**), which was appointed as the new sole general partner of Old KP LP;

WHEREAS on October 18, 2012, 8031754 became a guarantor party to the Third Amended and Restated Credit Agreement and Kruger Inc. assigned all of its shares held in the capital of KP Real Estate to New KP LP as a result of which KP Real Estate became a wholly-owned Subsidiary of New KP LP;

WHEREAS on December 13, 2012, KP Tissue Inc., a wholly-owned Subsidiary of Kruger Inc. issued common shares to the public by way of an initial public offering and used the proceeds thereof to acquire units in New KP LP;

WHEREAS on April 12, 2013, Old KP LP and 8031754 were released of their obligations in respect of the Third Amended and Restated Credit Agreement;

WHEREAS the Third Amended and Restated Credit Agreement was amended and restated pursuant to a fourth amended and restated credit agreement dated as of May 16, 2013 entered into among New KP LP, as borrower, the several lenders set forth in Schedule A thereto from time to time, as lenders, and National Bank of Canada, as administrative agent (the **Fourth Amended and Restated Credit Agreement**);

WHEREAS on May 28, 2014, each of Kruger Products AFH G.P. Inc. (**KP AFH GP**) and Kruger Products AFH L.P. (**KP AFH LP**) became a guarantor party to the Fourth Amended and Restated Credit Agreement;

WHEREAS the Fourth Amended and Restated Credit Agreement was amended and restated pursuant to a fifth amended and restated credit agreement dated as of September 25, 2015 entered into among the Borrower, as borrower, the several lenders set forth in Schedule A thereto from time to time, as lenders, and National Bank of Canada, as administrative agent (the **Fifth Amended and Restated Credit Agreement**);

WHEREAS the Fifth Amended and Restated Credit Agreement was amended and restated pursuant to a sixth amended and restated credit agreement dated as of April 24, 2018 entered into among the Borrower, as borrower, the several lenders set forth in Schedule A thereto from time to time, as lenders, and National Bank of Canada, as administrative agent (as amended, including pursuant to the first supplemental credit agreement dated as of November 19, 2018, the second supplemental credit agreement dated as of September 19, 2019 and the third supplemental credit agreement dated as of July 2, 2020, the **Existing Credit Agreement**);

WHEREAS the parties hereto wish to amend negative covenants and other provisions of the Existing Credit Agreement to permit implementation of the transactions related to the Sherbrooke Expansion (as defined below) and further amend certain provisions of the Existing Credit Agreement and restate the Existing Credit Agreement in its entirety, without novation, the whole as herein provided;

NOW THEREFORE in consideration of the premises, the mutual covenants contained herein and for other consideration, the receipt and sufficiency of which are acknowledged, the parties hereto agree that the Existing Credit Agreement is hereby amended and restated in its entirety, without novation, as follows:

ARTICLE 1

INTERPRETATION

1.1 General Definitions

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

1.2 Additional References

To the extent the context so admits, any reference in this Agreement, or in any agreement ancillary thereto, to:

- 1.2.1 **arm's length** shall be construed in the same manner it is used in the *Income Tax Act* (Canada);
- 1.2.2 **fair market value** shall be construed as the price, expressed in terms of money and moneys worth, available in an open and unrestricted market between informed and prudent parties, each acting at arm's length, where neither party is under any compulsion to act;
- 1.2.3 **include, includes** and **including** shall be construed to be followed by the statement without limitation and none of such terms shall be construed to limit any word or statement which it follows to the specific or similar items or matters immediately following it;
- 1.2.4 **losses and expenses** shall be construed as losses, costs, expenses, damages, penalties, causes of action, actions, judgments, suits, proceedings, claims, claims over, demands and liabilities, including any applicable court costs and reasonable legal fees and disbursements on a solicitor and client basis, and **loss and expense** shall be construed in like manner;
- 1.2.5 **rights** shall be construed as rights, powers, authorities, discretions, privileges, immunities and remedies (actual or contingent, direct or indirect, matured or not, now existing or arising hereafter), whether arising by contract or statute, at law, in equity or otherwise, and **right** shall be construed in like manner;
- 1.2.6 **obligations** shall be construed as indebtedness, obligations, responsibilities, duties and liabilities (actual or contingent, direct or indirect, matured or not, now existing or arising hereafter), whether arising by contract or statute, at law, in equity or otherwise, and **obliged, obligation** and **obligated** shall be construed in like manner;
- 1.2.7 **successor** of a Person shall be construed so as to include **(i)** any amalgamated or other corporation of which such Person or any of its successors is one of the amalgamating or merging corporations, **(ii)** any corporation resulting from any court approved arrangement of which such Person or any of its successors is party, **(iii)** any entity resulting from the continuance of such Person or any successor of it under the laws of another jurisdiction and **(iv)** any successor (determined as aforesaid or in any similar or comparable procedure under the laws of any other jurisdiction) of any Person referred to in clause (i), (ii) or (iii);
- 1.2.8 where under the terms hereof a definition relating to amounts outstanding under the Loans consists of a collective reference to amounts which are denominated in Canadian Dollars and US Dollars, unless otherwise indicated such definition shall be read as referring to that amount expressed in its Equivalent in Canadian Dollars for any portion thereof denominated in US Dollars; and

- 1.2.9 where under the terms hereof a reference is made to the knowledge of the Borrower, it shall be deemed to refer to the knowledge of the Borrower's Responsible Officers, after reasonable internal due inquiry (including due inquiry with the other Restricted Credit Parties).

1.3 **References to Agreements**

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

1.4 **Reference to Statutes**

Each reference in this Agreement to any code, statute, regulation, official interpretation, directive or other legislative enactment of any Canadian or foreign jurisdiction (including any political subdivision thereof) shall be construed so as to include such code, statute, regulation, official interpretation, directive or enactment and each amendment, reenactment, reissuance or replacement thereof made at or before the time in question.

1.5 **Headings, etc.**

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

1.6 **Number and Gender**

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

1.7 **Accounting Principles**

Where the character or amount of any asset or liability or item of revenue or expense is required to be determined, or any consolidation or other accounting computation is required to be made, for the purposes of this Agreement, including the contents of any certificate to be delivered hereunder, such determination, consolidation or computation shall, subject to Section 14.6 or the context otherwise requires, be made in accordance with GAAP.

1.8 **Termination of Benchmark Rates**

- 1.8.1 Without in any way limiting the provisions of Sections 19.1 to 19.3, in the event that the Discount Rate ceases to be made available, then the Borrower and the Administrative Agent shall enter into discussions with a view to determining a comparable successor or alternative discount rate in Canadian Dollars that is, at such time, broadly accepted as the prevailing market practice for syndicated leveraged loans of this type; provided that, if such alternative rate of interest shall be less than zero, such rate shall be deemed to be zero for the purposes of this Agreement. Upon the Borrower and the Administrative Agent agreeing on such a rate, the Borrower and the Lenders party hereto shall enter into documentation to amend the provisions hereof to refer to such rate and make all other adjustments incidental thereto. The parties hereto agree that such amendment shall require the consent of the Majority Lenders, notwithstanding anything contrary set forth in Section 20.16.
- 1.8.2 Until an alternative rate of interest shall be determined in accordance with this subsection 1.8.1, (x) any Draw Request or Conversion Request requesting to convert or continue any Loan as a BA shall be ineffective, and (y) the Borrower may repay or convert

any BA Liability then outstanding in accordance with the provisions of paragraph 19.3.2.5, which shall apply *mutatis mutandis*.

- 1.8.3 In respect of each of the definitions of CDOR BA Rate, Federal Funds Effective Rate and Libor where the underlying benchmark or index rate determined in accordance with those definitions would be less than zero, such benchmark or index rate shall be deemed to be zero for the purposes of this Agreement.
- 1.8.4 Without in any way limiting the provisions of provisions of Sections 19.1 to 19.3, the provisions of Schedule D of this Agreement shall apply with respect to the replacement of Libor.

ARTICLE 2

THE FACILITY

2.1 Grant of Facility

- 2.1.1 Each Lender, severally and not solidarily, agrees, upon the terms and subject to the conditions of this Agreement, to lend to the Borrower an amount of up to but not exceeding, in the aggregate, the Commitment of such Lender. As of the 2021 Amendment and Restatement Effective Date, the amount of the Commitment of each Lender is as set forth beside its name in Schedule A hereto under the heading "Commitment".
- 2.1.2 The parties hereto acknowledge and agree that on the 2021 Amendment and Restatement Effective Date, the aggregate amount of the Facility is Cdn\$200,000,000. However, in accordance with the provisions of Article 22, such amount, or any other amount as may result from a reduction of the Facility pursuant to the terms of this Agreement, may be increased by an aggregate amount not to exceed Cdn\$75,000,000 as a result of either of, or a combination of, as the case may be, **(i)** one or several existing Lenders (each such Lender shall be referred to herein as an **Existing Lender**) increasing their respective Commitment by executing and delivering Increased Commitment Certificates and **(ii)** the accession hereto of one or several Persons as new Lenders hereunder (each such new Lender shall be referred to herein as an **Acceding Lender**) who shall have executed and delivered Accession Certificates. The increases contemplated in this subsection 2.1.2 may be effected at once or on separate occasions, each such increase being for a minimum amount of Cdn\$20,000,000, and in whole multiples of Cdn\$5,000,000, provided however that where the one or several preceding increases pursuant to this subsection 2.1.2 have resulted in the amount available for further increases pursuant to this subsection 2.1.2 being less than Cdn\$20,000,000, then the final increase pursuant to this subsection 2.1.2 shall be for such an amount.

2.2 Each Swingline Facility

- 2.2.1 Each Swingline Lender hereby establishes in favour of the Borrower its Swingline Facility which shall be available up to an amount equal to its Swingline Commitment Amount. Each Swingline Facility is being made available to the Borrower as part of the Facility and not in addition thereto.

2.3 Purpose of Facility

All Advances under the Facility shall be used by the Borrower exclusively for the purposes of financing the general corporate purposes of the Restricted Credit Parties, financing the ongoing working capital requirements of the Restricted Credit Parties, redeeming the Senior Unsecured Debt and financing the cash portion of any Permitted Acquisition or any Investment permitted hereunder, as the case may be, and the related fees and expenses.

2.4 **Facility Limit**

- 2.4.1 As of the 2021 Amendment and Restatement Effective Date, the amount of the Facility is Cdn\$200,000,000. Except for temporary excesses arising from the Administrative Agent's allocation of BA's in accordance with subsection 4.2.2 and except as hereinafter contemplated in subsection 2.13.1, the Loan of each Lender shall not exceed its Commitment. The Facility is denominated in Cdn Dollars even though it may be drawn in US Dollars.
- 2.4.2 Where under any of the terms hereof, the Facility is cancelled, reduced or terminated, same may not subsequently be increased, any such cancellation, reduction or termination thereof being permanent. Unless otherwise expressly provided under the terms hereof, any reduction of the Facility shall be apportioned as among the Commitment of the Lenders under the Facility on a Rateable Share basis.

2.5 **Revolving Nature and Availability**

- 2.5.1 The Facility is available on a revolving basis such that, during the Revolving Period, subject to all the terms and conditions of this Agreement, the Borrower may reborrow the whole or any part of any Advance previously repaid to the extent of the then Available Facility. The Facility is automatically terminated and cancelled in its entirety on the last day of the Revolving Period.
- 2.5.2 The Facility is available in Canadian Dollars and US Dollars, by way of Prime Rate Loans, US Base Rate Loans and Libor Loans and by way of the issuance of LCs and BAs.

2.6 **Draw Requests**

In order to obtain a Drawdown under the Facility (other than under each Swingline Facility), the Borrower must deliver to the Administrative Agent a Draw Request by the times and stipulating the information specified hereunder. Once delivered, no Draw Request may subsequently be revoked or withdrawn by the Borrower.

2.7 **Drawdown**

- 2.7.1 The proceeds of each Drawdown by way of Direct Advance requested by way of Draw Request, to the extent received by the Administrative Agent from the Lenders, shall be disbursed by the Administrative Agent on the Drawdown Date by bank transfer to the credit of the Cdn Dollar Account or the US Dollar Account, as the case may be.
- 2.7.2 With respect to each Drawdown by way of the issuance of an LC, the LC Issuing Lender shall disburse such Drawdown by delivering on the Drawdown Date the requested LC to the Borrower or to the Person designated by the Borrower.
- 2.7.3 With respect to each Drawdown by way of the issuance of BAs, the BA Proceeds relating to such BAs, to the extent received by the Administrative Agent from the Lenders, shall be disbursed by the Administrative Agent on the Drawdown Date by bank transfer to the credit of the Cdn Dollar Account of the Borrower.
- 2.7.4 Where prior to crediting such funds to the appropriate Account as provided above, the Administrative Agent receives from the Borrower, in form and substance satisfactory to the Administrative Agent, an unconditional and irrevocable direction of payment instructing the Administrative Agent as to how to dispose of such funds (including by way of wire transfer of funds), or alternatively, a particular Draw Request provides such a direction of payment, the Administrative Agent shall credit such funds to the appropriate Account as provided above and immediately thereafter shall comply with such direction of payment and for all purposes of this Agreement, such funds, irrevocably and conclusively, shall be deemed to have been

disbursed to the Borrower, if they are disposed of in the manner contemplated in any such direction of payment.

2.8 **Borrowing Procedures under each Swingline Facility**

- 2.8.1 Any cheque or payment instruction or debit authorization from the Borrower and resulting in an overdraft in the applicable Account will be deemed to be a request for a Swingline Prime Rate Loan or Swingline US Base Rate Loan, as the case may be, in an amount that is sufficient to cover such overdraft. Subject to the relevant provisions of this Agreement, including those of Section 11.3, the Swingline Lender shall deposit in the relevant Account, an amount sufficient to cover such overdraft. Any such Advance in Cdn Dollars shall bear interest on a Prime Rate Basis and any such Advance in US Dollars shall bear interest on a US Base Rate Basis.
- 2.8.2 At any time and from time to time, the Administrative Agent may request that a Swingline Redistribution be effected, whereupon the Lenders and the Swingline Lender shall proceed with such Swingline Redistribution;
- 2.8.3 If a Default or Event of Default shall have occurred and be continuing, the Swingline Lender may, by notice to the Administrative Agent and the Borrower, inform them that it no longer desires to provide its Swingline Facility, whereupon a Swingline Redistribution shall be effected and its Swingline Commitment Amount shall thereafter and irrevocably be deemed to be nil. The Majority Lenders may also, by notice to the Administrative Agent and the Borrower, require that any Swingline Facility be terminated whereupon a Swingline Redistribution shall be effected and the applicable Swingline Commitment Amount shall thereafter and irrevocably be deemed to be nil. In any event, upon any acceleration of the Loans pursuant to Section 17.1, each Swingline Facility shall be terminated and the Lenders shall proceed with a Swingline Redistribution for each Swingline Facility and the Swingline Commitment Amount for each shall thereafter and irrevocably be deemed to be nil.

2.9 **Voluntary Cancellation or Reduction of the Facility**

- 2.9.1 At any time during the Revolving Period, the Borrower may voluntarily cancel or reduce the Facility, in whole or in parts, in minimum amounts of Cdn\$5,000,000 and in whole multiples of Cdn\$1,000,000.
- 2.9.2 Prior to the effective date of any cancellation or reduction, the Borrower shall deliver to the Administrative Agent a Reduction Notice. Where any such voluntary reduction results in a repayment of the whole or any part of the Loans, then the Borrower shall attach to the aforesaid notice a Repayment Notice.
- 2.9.3 Where the Borrower requests a cancellation of the whole of the Facility, then, on the effective date of such cancellation, the Borrower shall repay the entire amount of the Loans outstanding on such date including any Stand-By Fee and interest accrued and unpaid as at such date as well as any losses and expenses incurred or suffered by any Lender or the Administrative Agent as a result of such cancellation in accordance with the relevant provisions of Article 19.

2.10 **Reduction Notices**

Any Reduction Notice shall be delivered to the Administrative Agent at least three (3) Business Days prior to the effective date of the relevant reduction. Once delivered, no Reduction Notice may be revoked or withdrawn by the Borrower.

2.11 **Repayment of Entire Loans**

The Borrower hereby binds and obliges itself to repay on the last day of the Revolving Period the entire amount of the Loans outstanding on such date in principal, interest, fees and accessories and interest on arrears of interest, fees and accessories.

2.12 **Compulsory Repayment of Excess Loans**

2.12.1 Where under any circumstances including any voluntary, scheduled or mandatory reduction of the Facility, but excluding as a result solely of Exchange Rate fluctuations, the Loans exceed the Facility, then the Borrower shall forthwith repay such portion of the Loans as will reduce such excess to nil.

2.12.2 Concurrently with any repayment under this Section, the Borrower shall pay any losses and expenses incurred or suffered by any Lender or the Administrative Agent as a result of such repayment, in accordance with the relevant provisions of Article 19.

2.12.3 Concurrently with any such repayment, the Borrower shall issue a Repayment Notice (except that no Repayment Notice is required for a repayment of any Swingline Loan).

2.13 **Compulsory Repayment of Loans as a Result of Exchange Rate Fluctuations**

2.13.1 Where the Administrative Agent determines that as a consequence of fluctuations in the Exchange Rate applicable between the Canadian Dollar and the US Dollar, the Loans represent 105% or more of the Facility, the Administrative Agent may, and at the request of the Majority Lenders, the Administrative Agent must, deliver to the Borrower a written notice requiring the Borrower to repay a portion of the Loans such that following such repayment the Loans shall not exceed the Facility.

2.13.2 The Borrower hereby binds and obliges itself to repay within three (3) Business Days of receipt of such request a portion of the Loans such that, following such repayment the Loans shall not exceed the Facility.

2.13.3 Prior to any such repayment, the Borrower shall issue a Repayment Notice (except that no Repayment Notice is required for a repayment of any Swingline Loan) to specify against which Loans such repayment should be imputed.

2.14 **Voluntary Repayment of Loans**

2.14.1 At any time during the Revolving Period, the Borrower may voluntarily repay the whole or any part of the Loans.

2.14.2 Where any such voluntary repayment relates to the whole or any part of the BA Liabilities, Libor Loans or LC Liabilities, then such repayment shall only be made on the Selected Maturity Date of the Selected Amounts proposed to be so repaid and the amount of such repayment shall be equal to the Selected Amounts proposed to be so repaid.

2.14.3 For greater certainty, no Repayment Notice shall be required for any repayment of any Swingline Loan.

2.15 **Repayment Notice**

2.15.1 Unless otherwise specified or required hereunder, any Repayment Notice shall be delivered to the Administrative Agent at the latest:

- 2.15.1.1 by 1:00 p.m. (Montréal time), one (1) Business Day prior to the date of the relevant repayment if such repayment relates exclusively to Prime Rate Loans or US Base Rate Loans;
- 2.15.1.2 by 10:00 a.m. (Montréal time), three (3) Business Days prior to the date of the relevant repayment if such repayment relates in whole or in part to Libor Loans; and
- 2.15.1.3 in all other cases, by 10:00 a.m. (Montréal time), two (2) Business Days prior to the date of the relevant repayment.

Once delivered, a Repayment Notice may not be revoked or withdrawn by the Borrower.

- 2.15.2 In the Repayment Notice, the Borrower may specify to which Types of Loans the repayment shall be imputed. In the event the Borrower does not deliver a Repayment Notice or if the Repayment Notice is incomplete, then such repayment shall be applied in accordance with the provisions of Section 9.2.

ARTICLE 3

PRIME AND US BASE RATE LOANS

3.1 Request for Prime Rate Loans or US Base Rate Loans

Any Draw Request or Conversion Request pursuant to which an Advance is requested by way of Prime Rate Loan or US Base Rate Loan shall be delivered at the latest by 1:00 p.m. (Montréal time) on the Business Day immediately preceding the proposed Borrowing Date and shall specify the following information:

- 3.1.1 the proposed Borrowing Date which must be a Business Day; and
- 3.1.2 the principal amount requested to be Advanced.

3.2 Apportionment among the Lenders

The aggregate principal amount of any Advance requested under Section 3.1 shall be apportioned among the Lenders on a Rateable Share basis.

3.3 Interest on Prime Rate Basis

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

3.4 Interest on US Base Rate Basis

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

3.5 Computation of Interest

- 3.5.1 Interest in respect of the Prime Rate Loans shall be computed on the basis of a 365 day year for the actual number of days elapsed.

3.5.2 Interest in respect of the US Base Rate Loans shall be computed on the basis of **(y)** a 365 day year for the actual days elapsed during any period when the US Base Rate is calculated using the Administrative Agent's US Base Rate and **(z)** a 360 day year for the actual number of days elapsed during any period when the US Base Rate is calculated using the Federal Funds Effective Rate.

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

3.6 Payment of Interest

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

3.7 Interest on Loans Generally

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

3.8 Annual Equivalents

The annual rates of interest to which are equivalent the rates determined in accordance with the provisions of clause (z) of subsection 3.5.2 are the following rate: $(\text{the quoted rate}) \times (\text{number of days in the year}) \div 360 = \% \text{ per annum}$. The annual rates to which are equivalent the rates determined in accordance with the provisions of subsection 3.5.1 and clause (y) of subsection 3.5.2 are the following rate: $(\text{the quoted rate}) \times (\text{number of days in the year}) \div 365 = \% \text{ per annum}$.

ARTICLE 4

BANKER'S ACCEPTANCES

4.1 Requests for the Issuance of BAs

Any Draw Request or Conversion Request pursuant to which the Borrower requests an issue of BAs shall be delivered to the Administrative Agent by 10:00 a.m. (Montréal time) at least two (2) Business Days prior to the proposed Issuance Date and shall specify the following information:

- 4.1.1 the Selected Period during which it desires such issue of BAs to be outstanding. Such Selected Period must be of one, two or three months, subject to availability;
- 4.1.2 the aggregate face amount of such issue of BAs. Such aggregate face amount must be at least Cdn\$5,000,000 and a whole multiple of Cdn\$100,000;
- 4.1.3 the proposed Issuance Date which must be a Business Day falling during the Revolving Period; and
- 4.1.4 the Selected Maturity Date which must be a Business Day falling during the Revolving Period.

4.2 **Notice to Lenders of Particulars Relating to BAs**

- 4.2.1 At the latest on the Business Day immediately preceding any Issuance Date, the Administrative Agent shall notify each Lender of the aggregate face amount of BAs to be accepted by it on the Issuance Date and of the Selected Period applicable to such BAs. The Administrative Agent shall promptly notify the Borrower and each Lender, prior to 11:00 a.m. (Montréal time) on any Issuance Date of the Discount Rate, Stamping Fee and BA Proceeds applicable to such BAs.
- 4.2.2 The aggregate face amount of an issue of BAs shall be apportioned as among the Lenders on a Rateable Share basis. Where such apportionment results in the aggregate face amount of BAs to be accepted by a Lender for the same Selected Period not to be a whole multiple of Cdn\$100,000, such aggregate face amount shall be increased or reduced by the Administrative Agent in its sole discretion to the nearest whole multiple of Cdn\$100,000, without affecting the aggregate face amount of BAs accepted by the Lenders for the same Selected Period.

4.3 **Lenders to Accept Drafts**

Each Lender hereby severally and not solidarily agrees to accept as BAs, on each Issuance Date, an aggregate face amount of Drafts equal to the amount specified to such Lender by the Administrative Agent pursuant to Section 4.2.

4.4 **Stamping Fee**

- 4.4.1 In connection with and in consideration for the acceptance by each Lender of Drafts as contemplated in Section 4.3, the Borrower shall pay to each Lender, a stamping fee equal to the product resulting from multiplying the face amount of each Draft so accepted by such Lender by a fraction, the numerator of which shall consist of the product resulting from multiplying the applicable Relevant Margin in effect on the relevant Issuance Date by the number of days in the Selected Period applicable to such BA and the denominator of which shall consist of 365.
- 4.4.2 Where during any Selected Period, the Relevant Margin changes, on the Reset Date upon which such change has taken effect (or when the Administrative Agent is unable to proceed on the Reset Date, within five (5) Business Days of any request from the Administrative Agent), the Borrower, on the one hand, and the Administrative Agent, for the account of the Lenders, on the other hand, shall settle as among themselves any amounts resulting from any adjustment of the Relevant Margin during such Selected Period, taking into consideration the Relevant Margin that would have been applicable on the date of any such change to any outstanding Advance made by way of BAs as of and from the date of any such change, the remaining term of the applicable Selected Period and the face amount of the relevant BAs. The Lenders and the Borrower, through the Administrative Agent, shall pay to each other, as required, the appropriate amounts resulting from any such adjustment.
- 4.4.3 In payment of the Stamping Fee payable in connection with any BA, each Lender shall retain from the Discounted Proceeds relating to such BA an amount equal to such Stamping Fee.

4.5 **Lenders to Discount BAs**

- 4.5.1 Each Lender hereby severally and not solidarily agrees to purchase the BAs accepted by it under the terms hereof on the Issuance Date of such BAs for an amount equal to the Discounted Proceeds of such BAs.
- 4.5.2 Any BA so purchased by any Lender may be held by it for its own account or sold or traded in (y) the money market, either directly or through securities brokers or dealers, in accordance

with such arrangements as such Lender may consider appropriate to make or **(z)** a clearing house within the meaning of the *Depository Bills and Notes Act* (Canada).

4.6 **Lenders to Make BA Proceeds Available to Administrative Agent**

On each Issuance Date, each Lender shall make available to the Administrative Agent, the BA Proceeds relating to the BAs accepted and purchased by it on such date.

4.7 **Payment of BAs**

On each Selected Maturity Date, the Borrower shall pay the face amount of all BAs maturing on such date. Where the Borrower fails to make such payment, the Borrower shall be deemed to have requested that portion of the BA Liabilities corresponding to the BAs then maturing to be converted on such Selected Maturity Date into a Prime Rate Loan and such portion of the BA Liabilities shall automatically be so converted on such day.

4.8 **Waiver**

The Borrower shall not claim from any Lender any days of grace for the payment at maturity of any BA issued and accepted by that Lender. Furthermore, the Borrower waives any defence to payment which might otherwise exist if for any reason a BA issued hereunder shall be held by or for the account of a Lender in its own right at the maturity thereof.

4.9 **Obligations Absolute**

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

- 4.9.1 any lack of validity or enforceability of any Draft accepted by any Lender as a BA, except where such lack of validity or enforceability shall have resulted from such Lender's intentional or gross fault or wilful misconduct or that of its directors, officers, employees, advisors, representatives and agents; or
- 4.9.2 the existence of any defence, right of action, right of compensation or set-off or claim of any nature whatsoever which the Borrower may at any time have or have had against the holder of a BA, the Administrative Agent, a Lender or any other Person, whether in connection with this Agreement or otherwise.

4.10 **Power of Attorney to Sign Drafts**

In order to facilitate the issuance of BAs hereunder, the Borrower hereby authorizes each of the Lenders to sign, endorse and complete Drafts on its behalf in handwritten or by facsimile or mechanical signature or otherwise and once so signed, endorsed and completed, to purchase, discount and negotiate same or, as the case may be, deposit same in a clearing house as contemplated in the *Depository Bills and Notes Act* (Canada), as and when deemed necessary by any such Lender for all purposes of this Article 4. In this regard, the parties hereto do hereby agree as follows:

- 4.10.1 all Drafts so signed, endorsed and completed on behalf of the Borrower by any Lender shall bind the Borrower as fully and effectually as if signed in the handwriting of and duly issued by the proper signing officers of the Borrower;
- 4.10.2 neither the Administrative Agent nor the Lenders nor any of their respective directors, officers, employees or representatives shall be liable for any action taken or omitted to be taken by it or them under this Article 4, except for its or their own intentional or gross fault or wilful misconduct;

- 4.10.3 the Borrower shall pay upon demand to each Lender, the face amount of any form of Draft which on its face appears or purports to have been issued by the Borrower and circulated fraudulently or without authority by any Person other than the Administrative Agent, the Lenders or any of their respective directors, officers, employees or representatives and which was subsequently presented to a Lender for payment and paid by such Lender and shall indemnify and hold harmless such Lender from and against any and all losses and expenses which may be imposed on or incurred by or asserted against such Lender in any way relating to, arising out of or resulting from such fraudulent, unauthorized or illegal issuance or use of such Drafts other than with respect to such Lender's intentional or gross fault or wilful misconduct, except where such fraudulent, unauthorized or illegal issuance or use of such Drafts shall have resulted from such Lender's intentional or gross fault or wilful misconduct or that of its directors, officers, employees, advisors, representatives and agents. To the extent the Borrower shall have paid such payment relating to, arising out of, or resulting from, such fraudulent unauthorized or illegal issuance or use of such Drafts and to the extent further that such fraudulent, unauthorized or illegal issuance or use of such Drafts shall have resulted from such Lender's intentional or gross fault or wilful misconduct, such Lender shall promptly reimburse to the Borrower the amounts so paid by the Borrower and shall furthermore indemnify and hold harmless the Borrower from and against any and all losses and expenses incurred by or asserted against the Borrower in any way relating to, arising out of, or resulting from, such fraudulent, unauthorized or illegal issuance or use of such Drafts. Subject to the immediately preceding sentence, following any such payment by the Borrower, any amount recovered by the Lender from a third party in connection with such Draft shall be remitted to the Borrower by such Lender forthwith after deducting therefrom any amounts (including the reasonable costs and expenses incurred by such Lender in connection with such recovery) not otherwise paid by the Borrower; and
- 4.10.4 upon the request of the Borrower, any Lender shall cancel all of the forms of Drafts which shall have been signed, endorsed and completed by such Lender on behalf of the Borrower as hereinabove contemplated in this Section and which shall not as yet have been issued in accordance with such instructions of the Borrower, provided that under such circumstances, such Lender shall have no liability for failing to make any further requested Advance by way of BAs.
- 4.11 **Special Provisions with respect to Non-BA Lenders**
- 4.11.1 The provisions of this Article 4 shall apply to any Non-BA Lender, save and except that such Non-BA Lender shall perform its obligations under this Article not by the acceptance of bills of exchange or, as the case may be, depository bills as such expression is defined in the *Depository Bills and Notes Act*, but rather, subject to all of the terms and conditions of this Agreement, shall make direct Advances to the Borrower equal to its Rateable Share of any Advance that, pursuant to a Draw Request or a Conversion Request, the Borrower may request be or become outstanding by way of BAs.
- 4.11.2 The principal amount of the Indebtedness of the Borrower towards such Non-BA Lender with respect to any Advance made by such Non-BA Lender under this Section 4.11, shall be equal to the face amount of any BA Equivalent Note issued by the Borrower in order to evidence such Advance.
- 4.11.3 In order to provide such Non-BA Lender with comparable benefits to those enjoyed by the other Lenders under this Article 4, in connection with each BA Equivalent Note issued by the Borrower to such Non-BA Lender, such Non-BA Lender shall make available to the Borrower an amount equal to the BA Proceeds relating to such BA Equivalent Note.
- 4.11.4 Save as otherwise expressly altered by this Section 4.11, the remaining provisions of this Agreement pertaining to BAs shall apply in all respects to such BA Equivalent Notes and such Non-BA Lender *mutatis mutandis*.

ARTICLE 5

LIBOR LOANS

5.1 Request for Libor Loans

Any Draw Request or Conversion Request pursuant to which the Borrower requests a Libor Loan shall be delivered to the Administrative Agent by 10:00 a.m. (Montréal time) three (3) Business Days prior to the proposed Borrowing Date and shall specify the following information:

- 5.1.1 the Selected Period applicable to such Libor Loans. Such Selected Period must be of one, two or three months, subject to availability;
- 5.1.2 for each Selected Period, the aggregate principal amount requested to be outstanding on a Libor Basis. Such aggregate principal amount must be at least US\$5,000,000 and a whole multiple of US\$100,000;
- 5.1.3 the proposed Borrowing Date which must be a Business Day falling during the Revolving Period; and
- 5.1.4 the Selected Maturity Date which must be a Business Day falling during the Revolving Period.

5.2 Establishment of Libor and Selected Amounts

- 5.2.1 Libor shall be established by the Administrative Agent on the applicable Quotation Date prior to the relevant Borrowing Date. By 2:00 p.m. (Montréal time) on the applicable Quotation Date prior to the relevant Borrowing Date, the Administrative Agent shall notify the Borrower and each Lender under the Facility of:
 - 5.2.1.1 the Selected Amount to be Advanced by each such Lender on the proposed Drawdown Date and the Selected Period applicable to each such Selected Amount; and
 - 5.2.1.2 the Libor applicable to each Selected Amount for each Selected Period.
- 5.2.2 For each Selected Period, the aggregate principal amount requested by the Borrower to be outstanding on a Libor Basis shall be apportioned as among the Lenders on a Rateable Share basis.

5.3 Interest on Libor Basis

The Borrower shall pay each Lender interest on each Selected Amount forming part of the Libor Loan of such Lender at an annual rate applicable for each day during the relevant Selected Period during which such Selected Amount is outstanding equal to the Libor applicable to such Selected Amount plus the Relevant Margin applicable on each such day.

5.4 Computation of Interest

- 5.4.1 Interest in respect of the Libor Loans shall be computed on the basis of a 360 day year for the actual number of days elapsed.
- 5.4.2 Interest payable on each Selected Amount is calculated upon the daily outstanding balance of such Selected Amount from and including the date it is advanced until, but excluding, the date it is repaid in full.

5.5 **Payment of Interest**

- 5.5.1 Interest in respect of the Libor Loans is payable in arrears on the applicable Interest Payment Date.
- 5.5.2 Overdue interest bears interest at an annual rate applicable for each day during which such interest is outstanding equal to the US Base Rate at the close of business on each such day plus the Relevant Margin applicable on each such day to the US Base Rate Loans, compounded monthly on the first (1st) day of each month and payable upon the demand of the Administrative Agent.
- 5.5.3 Interest payable on the Libor Loans shall be payable both before and after demand, default and judgment at the applicable rates set forth herein.

5.6 **Annual Equivalent**

The annual rates of interest to which are equivalent the rates determined in accordance with the provisions of subsection 5.4.1 are the following rates: $(\text{the quoted rate}) \times (\text{number of days in the year}) \div 360 = \% \text{ per annum}$.

5.7 **Payment on Selected Maturity Date**

On each Selected Maturity Date the Borrower shall pay in full the Selected Amounts maturing on such date and which form part of the Libor Loans. Where the Borrower fails to make such payment, the Borrower shall be deemed to have requested that portion of the Libor Loans corresponding to such Selected Amounts then maturing to be converted on such Selected Maturity Date into a US Base Rate Loan, and such portion of the Libor Loans shall automatically be so converted on such day.

ARTICLE 6

LETTERS OF CREDIT

6.1 **Requests for the Issuance of LCs**

Any Draw Request or Conversion Request pursuant to which the Borrower requests the issuance of one or more LCs shall be delivered to the Administrative Agent and the LC Issuing Lender by 10:00 a.m. (Montréal time) at least two (2) Business Days prior to the proposed Issuance Date and shall specify the following information:

- 6.1.1 the Selected Maturity Date of each LC so requested. Each such Selected Maturity Date must fall during the Revolving Period, unless otherwise agreed to by the LC Issuing Lender in its absolute discretion;
- 6.1.2 the Selected Period of each LC so requested;
- 6.1.3 the face amount of each LC so requested. Such face amount may be denominated in Canadian Dollars, US Dollars or any other Authorized Currency;
- 6.1.4 the beneficiary of each LC so requested, the conditions of payment under each such LC and all other information required to prepare each such LC; and
- 6.1.5 the Person (if not the Borrower) to whom each such LC should be delivered on the Issuance Date.

Where the Borrower requests the issuance of an LC, then the relevant Draw Request or Conversion Request must be delivered to both of the Administrative Agent and the LC Issuing Lender. The issuance of any LC by the LC Issuing Lender under the provisions hereof is purely discretionary and, accordingly, the LC Issuing Lender may refuse to

issue any LC requested of it hereunder that the LC Issuing Lender considers would not comply with its policies regarding the issuance of LCs.

No LC may be requested to be issued where as a result of the issuance of such LC, the aggregate LC Liabilities then outstanding would exceed Cdn\$60,000,000.

6.2 Issuance of LCs

- 6.2.1 The LC Issuing Lender is the only Lender entitled to issue LCs under the Facility and, in connection with each LC issued under the Facility, the LC Issuing Lender acts as the fronting bank for the Lenders.
- 6.2.2 Provided all conditions of this Agreement have been met, by no later than 11:00 a.m. (Montréal time) on the relevant Issuance Date, the LC Issuing Lender shall deliver to the Borrower, or to the Persons designated in the relevant Draw Request or Conversion Request the LCs requested to be issued on such date.

6.3 LC Fee

- 6.3.1 With respect to any LC that is not a documentary LC, the Borrower shall pay each Lender an LC fee in Canadian Dollars on such Lender's Cdn\$ LC Liability for each day during which it is outstanding at an annual rate equal to the Relevant Margin applicable on each such day;
- 6.3.2 With respect to any LC that is not a documentary LC, the Borrower shall pay each Lender an LC fee in US Dollars on such Lender's US\$ LC Liability for each day during which it is outstanding at an annual rate equal to the Relevant Margin applicable on each such day;
- 6.3.3 With respect to any LC that is a documentary LC, the Borrower shall pay to the Administrative Agent, for the benefit of each Lender, a fee in accordance with the fee schedule of the LC Issuing Lender in force from time to time with respect to the issuance, renewal, amendment or cancellation of such LC, such LC Fee to be apportioned among the Lenders (including the LC Issuing Lender) under the Facility on a Rateable Share basis.

6.4 LC Fronting Fee

In addition to the LC Fees, the Borrower shall pay to the LC Issuing Lender an LC Fronting Fee:

- 6.4.1 in Canadian Dollars on the Cdn\$ LC Liabilities for each day during which they are outstanding at an annual rate equal to ■%; and
- 6.4.2 in US Dollars on the US\$ LC Liabilities for each day during which they are outstanding at an annual rate equal to ■%.

[Redacted for confidentiality purposes.]

6.5 Computation and Payment of LC Fee and LC Fronting Fee

- 6.5.1 The LC Fees (other than with respect to any LC that is a documentary LC) and LC Fronting Fees shall be computed on the basis of a 365 day year for the actual number of days elapsed;
- 6.5.2 The LC Fees (other than with respect to any LC that is a documentary LC) and LC Fronting Fees are payable in arrears on the applicable Interest Payment Date, with interest on any overdue amount calculated on a Prime Rate Basis (as it pertains to the Cdn\$ LC Liabilities) or a US Base Rate Basis (as it pertains to the US\$ LC Liabilities). The LC Fees, LC Fronting

Fees and any interest on any of such overdue amounts shall be payable both before and after demand, default and judgment at the applicable rates set forth herein.

- 6.5.3 The LC Fees with respect to any LC that is a documentary LC are payable on the date of issuance of such LC or as otherwise contemplated in the fee schedule of the LC Issuing Lender.

6.6 **Payment by the LC Issuing Lender under LCs**

- 6.6.1 The aggregate principal amount or amounts of monies paid by the LC Issuing Lender at any time and from time to time under any LC which is in excess of the amount previously provided to the LC Issuing Lender by the Borrower in connection with such LC, shall constitute an Advance and shall form part of the Prime Rate Loans or the US Base Rate Loans, as the case may be.
- 6.6.2 Where the LC Issuing Lender shall have received a demand for payment under any LC it has issued hereunder and has determined to effect payment, unless it shall have been previously put into funds by the Borrower sufficient to effect such payment, it shall issue a written notice to the Administrative Agent and the Borrower advising them of the amount of and the currency in which such payment shall be made and requesting that the Lenders make an Advance by way of Prime Rate Loans or US Base Rate Loans, as the case may be, equal to such amount on or before the Business Day next following such notice.
- 6.6.3 Where the Administrative Agent has received such a notice prior to 11:00 a.m. (Montréal time), on any Business Day, it shall issue a notice to the Lenders and the Borrower under Section 21.1 and each Lender, by no later than 11:00 a.m., Montréal time, on the Business Day following the receipt of such notice from the Administrative Agent, shall make available to the Administrative Agent, in the Administrative Agent's Account, by wire-transfer of funds, in each currency which has been requested, in same-day funds, the amount or amounts specified for such Lender in the aforesaid notice. The Administrative Agent shall on such Business Day disburse the amounts requested by the LC Issuing Lender, on behalf of the Lenders, by crediting the funds it shall have received to the account of the LC Issuing Lender at its LC Issuing Office.
- 6.6.4 In the event that the LC Issuing Lender shall have effected payment under a LC prior to receipt of the amounts requested from the Administrative Agent, the LC Issuing Lender shall have the exclusive benefit of the interest accruing on such amounts under the terms of this Agreement.
- 6.6.5 Where the Administrative Agent receives a notice from the LC Issuing Lender at any time after 11:00 a.m., Montréal time on any Business Day, it shall be deemed to have received such notice prior to 11:00 a.m., Montréal time, on the following Business Day.
- 6.6.6 Subject to Section 6.8, the Borrower covenants and agrees to indemnify the LC Issuing Lender for any amount which it may be required to pay under any LC issued by it under the terms hereof.

6.7 **Lenders' Covenant to the LC Issuing Lender**

Each Lender does hereby unconditionally and irrevocably covenant and agree to and in favour of the LC Issuing Lender, to purchase, at the request of the LC Issuing Lender, up to its Rateable Share of any amount the LC Issuing Lender is required to pay under any LC issued under the Facility which may be outstanding, its claim against the Borrower for any amount the LC Issuing Lender may be required to pay under any LC issued under the Facility which may be outstanding. Each Lender hereby covenants to pay to the LC Issuing Lender as the purchase price of such claim an amount equal to such Rateable Share, in the same currency as that in which any LC issued under the

Facility is denominated, in the manner and within the delays contemplated in Section 6.6. Any arrears on the payment of any such Rateable Share shall bear interest on a Prime Rate Basis if the amount of such arrears is denominated in Canadian Dollars or a US Base Rate Basis if the amount of such arrears is denominated in US Dollars.

6.8 Obligations Absolute

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

- 6.8.1 any lack of validity or enforceability of any draft or other document presented in connection with any payment requested under any LC except in the event of the LC Issuing Lender's intentional or gross fault or wilful misconduct or that of its directors, employees, advisors, representatives and agents; or
- 6.8.2 the existence of any defence, right of action, right of compensation or set-off or claim of any nature whatsoever which the Borrower may at any time have or have had against the beneficiary of a LC, the LC Issuing Lender, the other Finance Parties or any other Person, whether in connection with this Agreement or otherwise.

Neither the LC Issuing Lender nor any of its correspondents, participants or assignees shall be liable or responsible for any of the matters described in subsection 6.8.1 or 6.8.2; provided, however, that anything in such clauses to the contrary notwithstanding, the Borrower may have a claim against the LC Issuing Lender to the extent, but only to the extent, of any direct, as opposed to consequential, punitive or exemplary damages suffered by the Borrower that are found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from the LC Issuing Lender's intentional or gross fault or wilful misconduct or that of its directors, employees, advisors, representatives and agents.

6.9 LCs in Authorized Currencies

- 6.9.1 Where the LC Issuing Lender has agreed to issue an LC in an Authorized Currency, the LC Fee and LC Fronting Fee in respect thereof shall be calculated as provided above and such LC Fee and LC Fronting Fee shall be converted and paid in Cdn\$ by using the LC Issuing Lender's own rate of exchange in effect on the Business Day preceding the one on which the Borrower is required to pay such LC Fee or LC Fronting Fee.
- 6.9.2 Where the LC Issuing Lender is required to make payment under an LC issued in an Authorized Currency, on the Business Day of such payment, the LC Issuing Lender shall convert the amount so paid in Cdn\$ by using the LC Issuing Lender's own rate of exchange on such Business Day and the amount so converted shall form part of the Prime Rate Loans of the Borrower.
- 6.9.3 The obligation of the Lenders to the LC Issuing Lender under the provisions of Sections 6.6 and 6.7 shall be with respect to the converted amount in Cdn\$ contemplated in subsection 6.9.2.

ARTICLE 7

CONVERSIONS AND ROLLOVERS

7.1 Request for Conversions

The Borrower may request the Lenders to convert all or any portion of any Type of the Loans into another Type of Loans or to rollover any Type of the Loans into the same Type, by delivering to the Administrative Agent a

Conversion Request within the delays herein contemplated. Any Conversion Request delivered on any Business Day after the time by which it is required hereunder to be delivered, shall be deemed to have been received the next following Business Day.

7.2 Conversion or Rollover

On the relevant Conversion Date, the Borrower shall repay such portion of the Type of Loans that is requested be converted or rolled-over and shall be deemed to have requested a Drawdown under the Facility in the amount, the currency and the Type of Loan into which such conversion or rollover is requested.

The provisions of this Agreement relating to Drawdowns shall apply *mutatis mutandis* to any such Advance requested by way of conversion or rollover.

7.3 Requirements for Conversions or Rollovers

Any conversion or rollover requested pursuant to Section 7.1:

- 7.3.1 of BA Liabilities, may only be made on a Selected Maturity Date and only with respect to such part of the BA Liabilities represented by the BAs maturing on such date;
- 7.3.2 of Libor Loans, may only be made on a Selected Maturity Date and only with respect to such part of the Libor Loans maturing on such date;
- 7.3.3 of LC Liabilities, may only be made on a Selected Maturity Date and only with respect to the LCs for which it is the Selected Maturity Date; and
- 7.3.4 of Prime Rate Loans or US Base Rate Loans may only be made on a Business Day.

Save as otherwise provided in Sections 4.7, 5.7 and 6.6, a conversion or rollover requested pursuant to Section 7.1 may only be effected if, on the relevant Conversion Date, no Default or Event of Default has occurred and is continuing.

7.4 No Revocation or Withdrawal of Conversion Requests

Once delivered, no Conversion Request may subsequently be revoked or withdrawn by the Borrower.

ARTICLE 8

FEES

8.1 Stand-By Fees

- 8.1.1 The Borrower hereby covenants and agrees to pay to the Administrative Agent for the account of each Lender, with respect to such Lender's Commitment, a stand-by fee equal for each day to the percentage per annum set out in Schedule C applicable on each such day to the Facility. Such fee is computed daily by the Administrative Agent on the daily balance of the Available Commitment of such Lender, or, in the case of the Swingline Lender, its Available Swingline Facility, in each case, as of and from the 2021 Amendment and Restatement Effective Date until the last day of the Revolving Period and is payable in Cdn Dollars.
- 8.1.2 The Stand-By Fees are payable quarterly in arrears on the first Business Day of each fiscal quarter of the Borrower. The last payment thereof shall become due and payable on the last day of the Revolving Period whether or not such day coincides with the first Business Day of a fiscal quarter of the Borrower. Any Stand-By Fees accrued and unpaid on the

2021 Amendment and Restatement Effective Date in respect of the Existing Credit Agreement shall be payable on the 2021 Amendment and Restatement Effective Date.

- 8.1.3 Any arrears on the payment of the Stand-By Fees shall bear interest, computed daily, on the daily balance thereof, on a Prime Rate Basis, from and including the date it becomes due up to but excluding the day of full payment thereof. The percentage per annum referred to in subsection 8.1.1 is based on a 365 day year.

8.2 **Agency Fees**

The Borrower covenants and agrees to pay to the Administrative Agent, for its exclusive benefit, the agency fees contemplated in a separate letter agreement dated as of the 2021 Amendment and Restatement Effective Date entered into between, *inter alia*, the Administrative Agent and the Borrower, the whole in accordance with the terms and conditions of said letter agreement. The obligations of the Borrower with respect to the payment of such fees shall form part of the Secured Obligations.

ARTICLE 9

MANNER OF PAYMENTS

9.1 **Currency of Payments**

All payments or repayments, as the case may be:

- 9.1.1 of principal under any of the Loans or any part thereof shall be made in the same currency in which such Loans are outstanding;
- 9.1.2 of interest, shall be made in the same currency as the outstanding principal amount to which it relates;
- 9.1.3 of the Stamping Fee, the Stand-By Fees and the fees referred to in Section 8.2 shall be made in Canadian Dollars only;
- 9.1.4 of the LC Fees and LC Fronting Fees, shall be made in Canadian Dollars, as they pertain to the Cdn\$ LC Liabilities and the Authorized Currency LC Liabilities, and in US Dollars, as they pertain to the US\$ LC Liabilities; and
- 9.1.5 of amounts referred to in Article 19, shall be made in the same currency as the losses and expenses to which they relate.

9.2 **Imputation of Payments**

- 9.2.1 Where the Borrower makes a payment or repayment of the Loans, unless the Borrower issues to the Administrative Agent a Repayment Notice, the Administrative Agent shall apply such payment or repayment:
- 9.2.1.1 first, in reduction of the Prime Rate Loans and/or the US Base Rate Loans; and then
- 9.2.1.2 in reduction of such of the Libor Loans, BA Liabilities, Cdn\$ LC Liabilities, US\$ LC Liabilities and/or Authorized Currency LC Liabilities as the Administrative Agent considers appropriate.

- 9.2.2 Where the Borrower issues to the Administrative Agent a Repayment Notice, then such payment or repayment shall be applied in accordance with the provisions of such Repayment Notice.

9.3 **Compulsory Repayment of BA Liabilities, Libor Loans and/or LC Liabilities**

Where the Borrower is required to make a repayment, then, if the amount of the repayment required to be made is greater than the sum of the Prime Rate Loans and the US Base Rate Loans, then, subject to the provisions of Article 19 with respect to losses and expenses, the Borrower shall repay such portion of the relevant Libor Loans, BA Liabilities and/or LC Liabilities prior to a Selected Maturity Date as will permit the Borrower to make such repayment.

9.4 **Proceeds Resulting from Repayment of BA Liabilities**

Where the Borrower repays any part of the BA Liabilities on any day other than the Selected Maturity Date of the BAs to which such BA Liabilities relate, with respect to the amount so repaid, the parties hereto do hereby acknowledge and agree that same:

- 9.4.1 no longer forms part of the patrimony or estate of the Borrower;
- 9.4.2 shall be held by the Administrative Agent, with interest thereon at a fluctuating rate per annum equal to the interbank rate for overnight funds which is applicable to Canadian Dollar deposits with the Administrative Agent in accordance with market practice, for the account and benefit of the Lender or Lenders that accepted such BAs; and
- 9.4.3 upon the maturity of the BAs constituting such BA Liabilities, shall be made available by the Administrative Agent to such Lender or Lenders, from the amounts so held by the Administrative Agent under the provisions of this Section 9.4;

and the Borrower shall have no further liability in respect of each such BA and the Lender that accepted such BAs shall be entitled to all of the benefits of the amounts so repaid by the Borrower in the same manner as any other payment of the principal amount of its Loan and shall be responsible for all payments to third parties under such BAs.

9.5 **Proceeds Resulting from Repayment of LC Liabilities**

Where the Borrower repays any part of the Cdn\$ LC Liabilities, US\$ LC Liabilities or Authorized Currency LC Liabilities, as the case may be, on any day other than the Selected Maturity Date of the LC to which such LC Liabilities relate, with respect to the amount so repaid, the parties hereto do hereby acknowledge and agree that same:

- 9.5.1 no longer forms part of the patrimony or estate of the Borrower;
- 9.5.2 shall be held by the Administrative Agent, with interest thereon at a fluctuating rate per annum equal to the interbank rate for overnight funds which is applicable to deposits with the Administrative Agent in the same currency as that in which such repayment is made in accordance with market practice, for the account and benefit of the Lenders;
- 9.5.3 upon the receipt by the Administrative Agent of a notice from the LC Issuing Lender under the provisions of Section 6.6 relating to a demand for payment made upon the LC Issuing Lender under the terms of any LC forming part of the LC Liabilities so repaid, the Administrative Agent shall make available to the LC Issuing Lender, from the amounts, including any interest they so generated, so held by the Administrative Agent under the provisions of this Section 9.5, an amount sufficient to meet the obligations of the LC Issuing Lender under such LC; and

- 9.5.4 where no such demand for payment is made upon the LC Issuing Lender under such LC at the relevant Selected Maturity Date, the Administrative Agent shall apply a portion of the amounts so held by it under the provisions of this Section 9.5 equal to the face amount of such LC in reduction of the Loans in the same manner as if the Borrower had made a voluntary repayment under the provisions of Section 9.2 or, when the Majority Lenders have exercised their rights under Section 17.1, the Administrative Agent shall use the amounts so held by the Administrative Agent under this Section 9.5 in conformity with the provisions of Section 17.2.

9.6 **Proceeds Resulting from Repayment of Libor Loans**

Where the Borrower repays any part of the Libor Loans on any day other than the Selected Maturity Date of the Selected Amount to which such Libor Loans relate, provided no Default or Event of Default shall then have occurred and be continuing, the Borrower may elect to have the amount of such repayment governed by the provisions of this Section rather than to incur the fees, expenses and costs contemplated in Article 19 with respect to a repayment of a Selected Amount of Libor Loans prior to a Selected Maturity Date. In the event the Borrower elects to have the amount of such repayment governed by this Section, then, with respect to the amount so repaid, the parties hereto do hereby acknowledge and agree that same:

- 9.6.1 no longer forms part of the patrimony or estate of the Borrower;
- 9.6.2 shall be held by the Administrative Agent, with interest thereon at a fluctuating rate per annum equal to the interbank rate for overnight funds which is applicable to US Dollar deposits with the Administrative Agent in accordance with market practice, for the account and benefit of the Lender or Lenders to whom such Libor Loans are owed; and
- 9.6.3 on the Selected Maturity Date of such Selected Amount, together with any interest accrued thereon shall be made available by the Administrative Agent to such Lender or Lenders, from the amounts so held by the Administrative Agent under the provisions of this Section 9.6 to be applied in payment of the amounts the Borrower is required to pay hereunder on such date with respect to such Selected Amount; and
- 9.6.4 interest shall continue to accrue on such Selected Amount at the rates specified hereunder as if such payment had not been made and such interest shall be payable as and when herein provided.

9.7 **Payments of Loans to Administrative Agent Only**

- 9.7.1 All payments or repayments of principal and interest on the Loans and of fees and other amounts due and to become due hereunder with respect to the Loans (other than any Swingline Loan) and the Facility by the Borrower must be effected by direct payments to the Administrative Agent at the Administrative Agent's Office only and payments of principal or interest on the Swingline Loan shall be effected directly to the Swingline Lender. The Borrower hereby authorizes the Administrative Agent and the Swingline Lender to effect all necessary debits in the Accounts, to effect such payments. The receipt by the Administrative Agent of such amounts shall be deemed to constitute the receipt of such amounts by the Lenders.
- 9.7.2 Except as otherwise expressly provided herein upon receipt of any such payments or repayments, the Administrative Agent shall forthwith distribute to each of the Lenders, their respective Rateable Share of such payments and repayments as relate to the Loans so repaid. Where any such payment or repayment pertains to any of the BA Liabilities, the Rateable Share of any Lender with respect thereto shall, for all purposes hereof, be deemed to be the aggregate of the face amounts of the BAs of such Lender forming part of such BA Liabilities.

- 9.7.3 If for whatever reason any such payment or repayment is made directly to any Lender, such Lender shall promptly remit any amounts so received to the Administrative Agent at the Administrative Agent's Office for distribution.

9.8 **Payment on Any Business Day by 3:00 p.m., Montréal time**

Whenever any payment or repayment falls due on a day which is not a Business Day, such payment or repayment shall be made on the next following Business Day. Furthermore, any amount received after 3:00 p.m., Montréal time, on any Business Day shall be applied to the appropriate payment or repayment which was required to be made on such Business Day, on the next following Business Day. Until so applied, interest shall continue to accrue as provided in this Agreement on the amount of such payment or repayment.

9.9 **Netting**

Where on the date that any Advance is required to be made to the Borrower, the Borrower is required to make or voluntarily makes any payment or repayment of any of the Loans and such payment or repayment is denominated in the same currency as that of the requested Advance, the Administrative Agent shall be entitled to net amounts payable by the Borrower to the Administrative Agent for the account of any Lender against amounts that such Lender is requested to pay to the Administrative Agent in such currency for the purpose of effecting its Rateable Share of such Advance. This Section 9.9 does not apply when the Advance is to be made by the issuance of an LC.

9.10 **Payment at Respective Branches of Account of the Lenders**

All payments required to be made by the Administrative Agent to any of the Lenders or the LC Issuing Lender, as the case may be, shall be made at such office or branch of such Lender or LC Issuing Lender as such Lender or LC Issuing Lender may specify from time to time, in same day funds.

9.11 **Administrative Agent May Presume that Payments will be Made by the Borrower**

- 9.11.1 The Administrative Agent may assume that the Borrower will make each payment or repayment on the due date thereof in accordance with the applicable provisions of this Agreement, and the Administrative Agent may, in reliance upon such assumption, make available to each Lender on such date, the Rateable Share of such Lender of such payment or repayment.
- 9.11.2 If the Borrower does not make such payment or repayment and the Administrative Agent does make available to such Lender its Rateable Share of such payment or repayment, the Indebtedness under this Agreement of the Borrower, with respect to any amount so made available by the Administrative Agent, shall not be novated and the Borrower shall thereupon be and become liable to the Administrative Agent for the immediate payment of the amount so made available by the Administrative Agent to such Lender, together with interest thereon for each day from and including the date the Administrative Agent shall have so made available such amount to such Lender at the rate that such amount would have borne under the terms of this Agreement had the Administrative Agent not so made it available, computed and payable in the manner herein contemplated, the whole without any notice or demand on the part of the Administrative Agent. A certificate of the Administrative Agent submitted to the Borrower with respect to any amount owing under this Section shall be *prima facie* evidence thereof, absent manifest error.
- 9.11.3 If such amount is so made available to such Lender, such payment to the Administrative Agent by the Borrower shall constitute the Borrower's payment or repayment of the share of such Lender of the relevant payment or repayment on the date the Borrower pays same to the Administrative Agent, for all purposes of this Agreement. If such amount is not so paid to the Administrative Agent by the Borrower, then the Administrative Agent shall notify such Lender of such failure and, without in any way affecting or otherwise diminishing the

obligation of the Borrower to pay such amount to the Administrative Agent immediately, as herein contemplated, on the first (1st) Business Day following such notice, such Lender shall reimburse without novation to the Administrative Agent the amount made available to it by the Administrative Agent together with interest thereon for each day that such Lender had the use of such amount at a rate per annum equal to the rate payable by the Borrower on such amount under the terms hereof computed daily, compounded monthly on the first day of each calendar month and payable upon the demand of the Administrative Agent. Upon any such payment, the Borrower shall be liable to such Lender for such amount in the same manner and to the same extent as if the Administrative Agent had not made any amount available to such Lender under this Section 9.11.

9.12 **Interest Act (Canada)**

- 9.12.1 The Borrower confirms that it fully understands and is able to calculate the rate of interest applicable to the Loans based on the methodology for calculating annual rates provided for in this Agreement. The Borrower hereby irrevocably agrees not to plead or assert, whether by way of defence or otherwise, in any proceeding relating to this Agreement or any other Operative Documents, that the interest payable under this Agreement and the calculation thereof has not been adequately disclosed to The Borrower as required pursuant to Section 4 of the *Interest Act* (Canada).
- 9.12.2 The Administrative Agent agrees that if requested in writing by the Borrower it shall calculate the nominal and effective per annum rate of interest on any Advance outstanding at any time and provide such information to the Borrower promptly following such request; provided that any error in any such calculation, or any failure to provide such information on request, shall not relieve the Borrower of any of its obligations under this Agreement or any other Operative Document, nor result in any liability to the Administrative Agent.

ARTICLE 10

SECURITY

10.1 **Security**

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

- 10.1.1 solidarily and jointly and severally guarantee (subject to limitations imposed by Applicable Law) the Secured Obligations of the other Restricted Credit Parties pursuant to the Amended and Restated Canadian Guarantee and Subordination Agreement;
- 10.1.2 subordinate and postpone any Indebtedness of the other Restricted Credit Parties to it to the prior payment in full of the Secured Obligations pursuant to the Amended and Restated Canadian Guarantee and Subordination Agreement;
- 10.1.3 grant first ranking Liens, subject only to Permitted Liens, on all of its assets, present and future, movable and immovable, corporeal and incorporeal, including, without limitation, on its trademarks and licences to use trademarks, pursuant to documents and agreements in forms and substance satisfactory to the Administrative Agent;
- 10.1.4 cause KPGP and each of the Borrower's Subsidiaries as of the 2021 Amendment and Restatement Effective Date, other than any Unrestricted Credit Party or Non-Material Credit Party, to solidarily and jointly and severally guarantee (subject to limitations imposed by Applicable Law) the Secured Obligations pursuant to the Amended and Restated Canadian Guarantee and Subordination Agreement, the Amended and Restated American Guarantee

and Subordination Agreement or an Other Guarantee and Subordination Agreement, as the case may be;

- 10.1.5 cause KPGP and each of the Borrower's Subsidiaries as of the 2021 Amendment and Restatement Effective Date, other than any Unrestricted Credit Party or Non-Material Credit Party, to subordinate and postpone any Indebtedness of the other Restricted Credit Parties to such Restricted Credit Party to the prior payment in full of the Secured Obligations pursuant to the Amended and Restated Canadian Guarantee and Subordination Agreement, the Amended and Restated American Guarantee and Subordination Agreement or an Other Guarantee and Subordination Agreement, as the case may be; and
- 10.1.6 cause KPGP and each of the Borrower's Subsidiaries as of the 2021 Amendment and Restatement Effective Date, other than any Unrestricted Credit Party or Non-Material Credit Party, to grant first ranking Liens, subject only to Permitted Liens, on all of its assets (other than the Excluded Assets in the case of KPGP), present and future, movable and immovable, corporeal and incorporeal, including, without limitation, on its trademarks and licences to use trademarks, pursuant to documents and agreements in form and substance satisfactory to the Administrative Agent,

provided that notwithstanding anything to the contrary in this Agreement, no Lien on the following Business Assets shall be required as security for the Secured Obligations: **(i)** the rights and interests of the Borrower in the HQ Rebate Dedicated Account, and **(ii)** the Capital Stock of KPSB (collectively, the **Excluded Borrower Collateral**).

In addition, the Borrower on or prior to the 2021 Amendment and Restatement Effective Date, shall, and shall cause KPGP and each of the Borrower's Subsidiaries as of the 2021 Amendment and Restatement Effective Date, other than any Unrestricted Credit Party or Non-Material Credit Party, to also enter into the Amended and Restated Contribution Agreement.

10.2 **Additional Guarantors**

Within the ten (10) Business Days of any Person becoming a Subsidiary of the Borrower (other than an Unrestricted Credit Party or Non-Material Credit Party) or ceasing to be an Unrestricted Credit Party or Non-Material Credit Party, the Borrower covenants to:

- 10.2.1 cause such Person to solidarily and jointly and severally guarantee (subject to limitations imposed by Applicable Law) the Secured Obligations pursuant to the Amended and Restated Canadian Guarantee and Subordination Agreement, the Amended and Restated American Guarantee and Subordination Agreement or an Other Guarantee and Subordination Agreement, as the case may be;
- 10.2.2 cause such Person to subordinate and postpone any Indebtedness of the other Restricted Credit Parties to such Person to the prior payment in full of the Secured Obligations pursuant to the Amended and Restated Canadian Guarantee and Subordination Agreement, the Amended and Restated American Guarantee and Subordination Agreement or an Other Guarantee and Subordination Agreement, as the case may be; and
- 10.2.3 cause such Person to grant first ranking Liens, subject only to Permitted Liens, on all of its assets, present and future, movable and immovable, corporeal and incorporeal, pursuant to documents and agreements in form and substance satisfactory to the Administrative Agent.

In addition, within the aforesaid ten (10) Business Day period, the Borrower covenants to cause such Person to become party to the Amended and Restated Contribution Agreement.

10.3 **Accessory Documents with respect to Future Guarantors**

In connection and concurrently with any Person becoming party to the Amended and Restated Canadian Guarantee and Subordination Agreement, Amended and Restated American Guarantee and Subordination Agreement or Other Guarantee and Subordination Agreement, as the case may be, and the Amended and Restated Contribution Agreement pursuant to Section 10.2 and granting first ranking Liens, as referred to therein, the Borrower covenants to deliver or cause to be delivered to the Collateral Agent, in form and substance reasonably satisfactory to the Administrative Agent:

- 10.3.1 with respect to each such Person, the documentation referred to in subsection 11.1.1;
- 10.3.2 a solvency certificate substantially in the form of the one attached hereto as Schedule N, duly executed by one (1) Responsible Officer of such Person;
- 10.3.3 results of current searches of public records by such Person's counsel under the Applicable Laws of such jurisdictions which the Collateral Agent determines appropriate, acting reasonably, relating to Lien filings and registrations which may have been made with respect to such Person or its assets (other than real and immovable property) and the results of such searches shall reveal no Liens other than Permitted Liens and Liens for which releases, discharges and mainlevées are referred to in subsection 10.3.4;
- 10.3.4 releases, discharges and mainlevées with respect to all Liens, other than Permitted Liens, affecting such Person or its assets, duly executed by all of the Persons who benefit from such Liens or in whose favour such Liens have been granted;
- 10.3.5 in respect of the real and immovable property of such Person:
 - 10.3.5.1 the satisfactory title opinions of title counsel to such Person addressed to, *inter alia*, the Collateral Agent and the Lenders' Counsel to the effect that such Person is the duly registered and lawful owner by good and marketable title of such real and immovable property and rights and that the said property is free and clear of all Liens, except Permitted Liens; or
 - 10.3.5.2 fully-paid American Land Title Association Lenders' Title Insurance Policies in form and substance, with endorsements and in an amount acceptable to the Administrative Agent, acting reasonably, issued by title insurers acceptable to the Administrative Agent, acting reasonably, assuring the Liens granted on such real and immovable property to be valid, first and subsisting Liens on the property described respectively therein, free and clear of all Liens and defects, except for Permitted Liens; or
 - 10.3.5.3 in the event such real and immovable property is situated in the Province of British Columbia, the satisfactory opinions of Lenders' Counsel addressed to, *inter alia*, the Collateral Agent to the effect that such Restricted Credit Party has a good safeholding and marketable title and is the registered owner in fee simple, subject to s. 23 of the *Land Title Act* (British Columbia) of such real and immovable property, that the Liens granted pursuant to the Security Documents on such real and immovable property are first ranking financial encumbrances and that the said property is free and clear of all Liens, except Permitted Liens;
 - 10.3.5.4 in respect of any immovable (real) property situated in the United States of America, a satisfactory flood certificate together with an insurance certificate confirming that the relevant Restricted Credit Party has contracted satisfactory flood insurance;

- 10.3.6 surveys and/or certificates of location of the real and immovable properties and rights of such Person prepared and certified by qualified land surveyors, addressed to the Lenders, the Collateral Agent and Lenders' Counsel in form and substance satisfactory to the Collateral Agent, acting reasonably, together with descriptions and plans deemed necessary and appropriate in accordance with current land surveying standards;
- 10.3.7 a certificate as to matters of fact duly executed by one (1) Responsible Officer of the Borrower and of such Person, in form and substance satisfactory to the Collateral Agent, acting reasonably; and
- 10.3.8 the legal opinions of such Person's counsel addressed to the Finance Parties and Lenders' Counsel, dated the date that such Person becomes party to the Amended and Restated Canadian Guarantee and Subordination agreement, the Amended and Restated American Guarantee and Subordination Agreement or an Other Guarantee and Subordination Agreement, as the case may. Such opinions shall cover such matters incident to such Person becoming party to the Amended and Restated Canadian Guarantee and Subordination Agreement, the Amended and Restated American Guarantee and Subordination Agreement or an Other Guarantee and Subordination Agreement, as the case may be, and granting first ranking Liens, as the Collateral Agent may reasonably request.

In connection with the delivery of the foregoing documents, Lender's Counsel shall address a satisfactory legal opinion to the Finance Parties.

10.4 **Accession by an Acceding Lender or Increase by an Existing Lender**

Concurrently with any accession by an Acceding Lender and/or an increase in the Commitment of an Existing Lender pursuant to subsection 2.1.2 and Article 22, the Borrower shall, and shall cause the other Restricted Credit Parties to execute and deliver to the Administrative Agent and Collateral Agent or to such Acceding Lender or Existing Lenders, as the case may be, any and all further instruments or documents (including, without limitation, in the event that such Acceding Lender or Existing Lender, as the case may be, is a bank or an authorized foreign bank under the *Bank Act* (Canada), documents required in connection with the granting and/or preserving by the Borrower to such Acceding Lender or Existing Lender, as the case may be, of security under Section 427 of the *Bank Act* (Canada)) and use its best efforts to obtain any and all further authorizations or approvals, and make any and all further registrations, filings or notifications, as the Administrative Agent or Collateral Agent or such Acceding Lender or Existing Lender, as the case may be, may consider necessary or desirable, acting reasonably, in connection with such accession or increase, and to execute and deliver all such documents, instruments, deeds, contracts or other agreements as the Administrative Agent or Collateral Agent shall consider necessary, acting reasonably, and carry out such other acts (including, without limitation, providing such corporate, solvency and other certificates) as the Administrative Agent or Collateral Agent, acting reasonably, shall consider necessary, the whole so as to (i) ensure that any such Acceding Lender shall benefit from the Security Documents granted by the Borrower and the other Restricted Credit Parties to the same extent as the other Lenders (ii) preserve all the rights of the Lenders under such Security Documents subsequent to such accession and (iii) ensure that the Security Documents adequately secure all Secured Obligations as could be outstanding at any time and from time to time subsequent to such accession or increase in the Commitments, including, without limitation, by increasing the amount of any hypothec or any other Lien under any of the Security Documents, if considered necessary by the Administrative Agent or Collateral Agent, acting reasonably. Without limiting the foregoing, the consent and acknowledgement of the National Capital Commission, of Weston Inc. and George Weston Limited may be required in connection with the Weston Non-Disturbance Agreement and any increase of the Liens granted on the Gatineau Leased Premises.

10.5 **Control Agreements**

The Borrower covenants and agrees to cause each bank or financial institution where any of the Borrower, KPGP and each Restricted Credit Party has a bank account or securities account to enter into a satisfactory control agreement with the Collateral Agent. As of the 2021 Amendment and Restatement Effective Date, the only bank accounts or securities accounts of the Borrower, KPGP and the Restricted Credit Parties are as described in

Schedule V hereto and a satisfactory control agreement shall be required within sixty (60) days of the 2021 Amendment and Restatement Effective Date in respect of each such account. Each such control agreement shall provide that the relevant Credit Party will maintain the control and management of its accounts until the occurrence of an Event of Default and the issuance by the Collateral Agent to the bank or financial institution where the account is held of a written notice. Notwithstanding the foregoing, no account control agreement in favour of the Collateral Agent shall be required with respect to any Securitization Collection Account, any Excluded Account or the HQ Rebate Dedicated Account.

10.6 Disclaim benefit of any Lien over Real Property

If any Finance Party determines, acting reasonably, that any Applicable Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender to hold or benefit from a Lien over any immovable or real property, such Lender may notify the Administrative Agent and the Collateral Agent and disclaim any benefit of such Lien to the extent of such illegality; provided, that such determination or disclaimer shall not invalidate or render unenforceable such Lien for the benefit of any other Finance Party.

ARTICLE 11

CONDITIONS PRECEDENT

11.1 Conditions Precedent to the Amendment and Restatement

Notwithstanding the execution of this Seventh Amended and Restated Credit Agreement by the parties hereto, the provisions hereof shall not come into force and the provisions of the Existing Credit Agreement shall continue to bind the parties hereto until such time as the Administrative Agent shall have issued a notice in writing to the Borrower declaring that each of the following conditions precedent (the **Conditions Precedent to the 2021 Amendment and Restatement**) shall have been met to the satisfaction of the Lenders or, as the case may be, waived by the Lenders (the date indicated in such notice shall be referred to herein as the **2021 Amendment and Restatement Effective Date**):

CORPORATE MATTERS

11.1.1 the Administrative Agent shall have received:

- 11.1.1.1 true and complete copies of the constitutive documents, charter and by-laws of each Restricted Credit Party;
- 11.1.1.2 true and complete copies of the resolutions of the board of directors, the executive committee, the shareholders or the shareholders committee, the partners or partners committee, as appropriate, authorizing or ratifying the execution and delivery of, and the performance by each Restricted Credit Party of its obligations under this Seventh Amended and Restated Credit Agreement, any other Operative Documents entered into as of the 2021 Amendment and Restatement Effective Date to which it is a party and stating the offices of the Responsible Officers or other Persons who are, as appropriate, authorized to sign such documents;
- 11.1.1.3 a certificate stating the name, office and the true signature of each Responsible Officer or other individual as appropriate, executing this Seventh Amended and Restated Credit Agreement as well as the Operative Documents entered into as of the 2021 Amendment and Restatement Effective Date;
- 11.1.1.4 in respect of each Restricted Credit Party, a certificate of good standing (including where appropriate, a *certificat de régularité* and a *certificat d'attestation*) or the equivalent thereof from the jurisdiction of its incorporation

or organization in respect of such Restricted Credit Party issued by the appropriate authorities in its jurisdiction of incorporation and, if applicable, in the jurisdiction of its chief executive office;

DUE DILIGENCE RE: FINANCIAL MATTERS

- 11.1.2 since December 31, 2020, no event has occurred which has or could have a Material Adverse Effect;
- 11.1.3 the Administrative Agent shall have received satisfactory updated financial information and projections, including a summary financial model of the Restricted Credit Parties;
- 11.1.4 each Lender shall have received all certificates and documents it has requested in order to allow it to monitor the compliance of the Restricted Credit Parties with AML Legislation and to allow the Lender to comply with its legislative requirements, such certificates or documents to be in form and substance satisfactory to each such Lender;

DUE DILIGENCE: PAPER MACHINE CREDIT AGREEMENT AND IQ FINANCINGS

- 11.1.5 the Administrative Agent shall have received an executed copy of the Paper Machine Credit Agreement and other Paper Machine Financing Documents, in form and substance satisfactory to all of the Lenders;
- 11.1.6 the Administrative Agent shall have received an executed copy of the IQ Bathroom Tissue Credit Agreement and other IQ Bathroom Tissue Financing Documents, in form and substance satisfactory to all of the Lenders;
- 11.1.7 the Administrative Agent shall have received an executed copy of the IQ Facial Tissue Credit Agreement and other IQ Facial Tissue Financing Documents, in form and substance satisfactory to all of the Lenders;
- 11.1.8 the Administrative Agent shall have received an executed copy of the IQ Paper Machine Debenture and other IQ Paper Machine Debenture Documents, in form and substance satisfactory to all of the Lenders;

DUE DILIGENCE NORDEA CREDIT AGREEMENT

- 11.1.9 the Administrative Agent is satisfied that the Nordea Credit Agreement and other Nordea Financing Documents have been amended to reflect the amendments to the Existing Credit Agreement contemplated in this Seventh Amended and Restated Credit Agreement;
- 11.1.10 the Administrative Agent shall have received an amendment to the Amended and Restated Intercreditor and Collateral Agency Agreement in connection with this Agreement, including for the Administrative Agent to be satisfied that Nordea, as administrative agent under the Nordea Credit Agreement, has authorized and directed in writing the Collateral Agent and the Administrative Agent to **(i)** confirm to any Person that the Liens granted pursuant to the Security Documents do not affect the Excluded Borrower Collateral, and **(ii)** discharge the Liens granted pursuant to the Security Documents on the Excluded Borrower Collateral;

MATTERS RELATING TO SECURITY

- 11.1.11 the Administrative Agent shall have received the Confirmation of Security Agreements pursuant to which the Borrower and the other Restricted Credit Parties confirm, *inter alia*, that the existing guarantees and Liens granted pursuant to the Security Documents continue to be valid, binding and in full force and effect notwithstanding the amendment and restatement

of the Existing Credit Agreement contemplated by this Agreement and the amendment of the Nordea Credit Agreement (but excluding however in respect of the Liens on the Excluded Borrower Collateral);

- 11.1.12 the Administrative Agent shall have received results of current searches of public records by the Restricted Credit Parties' Counsel under the Applicable Laws of such jurisdictions which the Administrative Agent determines appropriate, acting reasonably, relating to Lien filings and registrations which may have been made with respect to the Restricted Credit Parties, or their assets (other than real and immovable property) and the results of such searches shall reveal no Liens other than Permitted Liens;

INSURANCE

- 11.1.13 the Administrative Agent shall have received copies of certificates of insurance evidencing the effectiveness of all insurance covering the Restricted Credit Parties and required to be maintained by the Restricted Credit Parties pursuant to Section 13.6, together with an endorsement to such policies naming the Administrative Agent, the Collateral Agent and the Lenders as additional insured and, if appropriate, as loss payees, accompanied with a satisfactory mortgagee clause;

FEES, EXPENSES AND COSTS

- 11.1.14 the Administrative Agent, the Collateral Agent and the Lenders shall have received all fees which any of them is entitled to receive on or prior to the 2021 Amendment and Restatement Effective Date under any agreement with the Borrower, including **(i)** amendment fees payable to each Lender equal to 5 basis points of the Commitment of such Lender on the 2021 Amendment and Restatement Effective Date and **(ii)** the extension fee equal to 7.5 basis points per annum of the Commitment of each Lender on the 2021 Amendment and Restatement Effective Date for the period from September 19, 2023 to the end of the Revolving Period;

LEGAL OPINIONS

- 11.1.15 the Administrative Agent shall have received the legal opinions of the Restricted Credit Parties' Counsel, each dated the 2021 Amendment and Restatement Effective Date, addressed to the Finance Parties and Lenders' Counsel, and in form and substance satisfactory to the Administrative Agent;

Such legal opinions shall cover such matters incident to the transactions contemplated by the Operative Documents as the Administrative Agent may reasonably request, including the legality, validity, binding nature and enforceability of this Agreement and of the other Operative Documents which have been executed and delivered as of the 2021 Amendment and Restatement Effective Date;

COMPLIANCE

- 11.1.16 the Administrative Agent shall have received a Compliance Certificate dated the 2021 Amendment and Restatement Effective Date, which Compliance Certificate shall, *inter alia*, set forth calculations showing compliance with the Ratios as of March 31, 2021;
- 11.1.17 the representations and warranties made by the Restricted Credit Parties under any of the Operative Documents are true and correct as at the 2021 Amendment and Restatement Effective Date and will remain true and correct immediately thereafter;

11.1.18 the Administrative Agent shall have received a Certificate of Officer dated the 2021 Amendment and Restatement Effective Date, it being understood that such certificate may address certain additional matters of fact;

11.1.19 no Default or Event of Default shall have occurred and be continuing;

11.2 Subsequent Advances under the Facility

Subject to and upon compliance with all of the relevant terms and conditions of this Agreement, at any time and from time to time during the Revolving Period, the Borrower can request an Advance under the Facility only if on the requested Borrowing Date:

11.2.1 the Administrative Agent and, in the case where an LC is requested to be issued, the LC Issuing Lender, shall have received such Draw Request, in each case, within the delays herein provided;

11.2.2 the Administrative Agent shall have determined that the amount of the requested Advance is not greater than the Available Facility;

11.2.3 the representations and warranties made by the Restricted Credit Parties under the Operative Documents shall be true and correct as of the date of such requested Advance and shall be true and correct immediately following the making of such Advance;

11.2.4 in the case an LC is requested to be issued, the LC Issuing Lender shall have received (y) concurrently with such Draw Request all documents and information as it may consider necessary as to the beneficiary of such LC and to the conditions under which it shall become obliged to make payments thereunder so that it can prepare the appropriate form thereof and (z) by 11:00 a.m., Montréal time, of the date that such LC is to be issued, a confirmation from the Administrative Agent that the Advance requested to be made by the issuance of such LC may be made at such time under the terms of this Section 11.2; and

11.2.5 no Default or Event of Default shall have occurred and be continuing.

11.3 Subsequent Advances under each Swingline Facility

Subject to and upon compliance with all of the relevant terms and conditions of this Agreement, at any time and from time to time during the Revolving Period prior to the relevant Swingline Facility being terminated, the Borrower can request an Advance under such Swingline Facility, only if on the requested Borrowing Date:

11.3.1 the Swingline Lender under such Swingline Facility shall have determined that the amount of the requested Advance is not greater than its Available Swingline Facility;

11.3.2 the representations and warranties made by the Restricted Credit Parties under the Operative Documents shall be true and correct as of the date of such requested Advance and shall be true and correct immediately following the making of such Advance; and

11.3.3 no Default or Event of Default shall have occurred and be continuing.

11.4 Amendment to Amended and Restated Intercreditor and Collateral Agency Agreement

The parties to this Agreement hereby authorize NBC, in its capacity as Collateral Agent, to enter into an amendment, substantially in the form of the one attached hereto as Schedule X , to the Amended and Restated Intercreditor and Collateral Agency Agreement. The Collateral Agent is also authorized to do all such acts and things and enter into, be party to, execute and deliver all such agreements, documents and instruments as it may

consider useful or desirable to give effect to the provisions of such Amended and Restated Intercreditor and Collateral Agency Agreement as amended.

ARTICLE 12

REPRESENTATIONS AND WARRANTIES

To induce the Lenders to make the Facility available to the Borrower, the Borrower represents and warrants to and in favour of the Lenders as follows:

12.1 Existence and Good Standing

Each Restricted Credit Party is a corporation, general or limited partnership or other legal person duly and validly incorporated or formed, organized and existing under the Laws of its jurisdiction of incorporation or formation disclosed in Schedule Q and, except where such failure could not reasonably be expected to have a Material Adverse Effect, has the legal capacity and right to own its Business Assets and to carry on its business in each jurisdiction in which its Business Assets are located or it carries on business. Without in any way limiting the generality of the foregoing, Schedule Q hereto shall identify the Restricted Credit Parties, the Non-Material Credit Parties and the Unrestricted Credit Parties as of the 2021 Amendment and Restatement Effective Date and also contain a corporate chart of the group as of the 2021 Amendment and Restatement Effective Date.

12.2 Authority

Each Restricted Credit Party has the legal capacity and right to enter into each of the Operative Documents and TAD Operating Agreements to which it is a party and do all acts and things and execute and deliver all agreements, documents and instruments as are required thereunder to be done, observed or performed by it in accordance with the terms and conditions thereof.

12.3 Due Authorization

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

12.4 Due Execution

Each Restricted Credit Party has duly executed and delivered each Operative Document and TAD Operating Agreement to which it is a party.

12.5 Validity of Loan Documents – Non-Conflict

None of the authorization, execution, delivery or performance of the Operative Documents and the TAD Operating Agreements by any Restricted Credit Party, nor the consummation of any of the transactions contemplated in each of the Operative Documents and TAD Operating Agreements to which such Restricted Credit Party is a party:

- 12.5.1 requires any Authorization to be obtained or Registration to be made (except such as have already been obtained or made and are now in full force and effect and those not yet required to be obtained or made and to be in full force and effect and except where the failure to obtain or make the same could not reasonably be expected to have a Material Adverse Effect);
- 12.5.2 conflicts with, contravenes or gives rise to any default under **(i)** any of the articles (or equivalent or analogous formation documents) or by-laws or resolutions of the directors, shareholders or partners of such Restricted Credit Party, **(ii)** the provisions of any indenture, instrument, agreement or undertaking to which such Restricted Credit Party is a party or by

which such Restricted Credit Party or any of its Business Assets are or may become bound or **(iii)** any Applicable Law except, with respect to clauses (ii) and (iii) only, for such conflicts, contraventions and defaults, which, singly or in the aggregate, could not reasonably be expected to have a Material Adverse Effect; or

- 12.5.3 has resulted or will result in the creation or imposition of any Lien (other than a Permitted Lien) upon any of the Business Assets of such Restricted Credit Party.

12.6 Enforceability

Each Operative Document and TAD Operating Agreement to which each Restricted Credit Party is a party constitutes a valid and legally binding obligation enforceable against it in accordance with its terms, subject only to bankruptcy, insolvency, winding-up, dissolution, administration, reorganization, arrangement or other statutes or judicial decisions affecting the enforcement of creditors' rights in general and to general principles of equity under which specific performance and injunctive relief may be refused by a court in its discretion.

12.7 Absence of Litigation

There is no existing, pending or, to the Borrower's knowledge, threatened Litigation against any Credit Party which, if adversely determined, could reasonably be expected to have a Material Adverse Effect. To the Borrower's knowledge, no event has occurred, and no state or condition exists, which could reasonably be expected to give rise to any such Litigation and there is no Award outstanding against any Credit Party except for any such Award which is fully covered by insurance and with respect to which the insurer thereunder is not contesting coverage, or which could not reasonably be expected to have a Material Adverse Effect.

12.8 Financial Statements

Each financial report and Financial Statement of each Restricted Credit Party delivered to the Lenders pursuant to or in connection with this Agreement has been prepared in accordance with GAAP (subject to year-end audit adjustments, where applicable and provided that the Borrower's financial statements are on an Adjusted Consolidated Basis) and fairly and accurately presents the financial information and the financial condition and results of operations of such Restricted Credit Party contained therein as at their respective preparation dates.

12.9 Accuracy of Information

No information (other than estimates, forecasts or projections) furnished by any Restricted Credit Party to the Lenders or the Administrative Agent in connection with any of the Operative Documents and the TAD Operating Agreements contains any material misstatement of fact or omits to state a material fact necessary to make the statements contained therein not misleading in light of the circumstances in which they were made and as of the date made. No fact is currently known to the Restricted Credit Parties which has or could reasonably be expected to have a Material Adverse Effect which has not been specifically disclosed in writing to the Lenders or the Administrative Agent.

12.10 Accuracy of Forecasts

Each financial forecast, estimate and projection with respect to any Restricted Credit Party prepared by any Restricted Credit Party and furnished to the Lenders in connection with this Agreement was based upon assumptions believed to be reasonable by the Restricted Credit Parties as of the date of preparation.

12.11 No Material Adverse Change

Since the date of the most recent audited Financial Statements of the Borrower on an Adjusted Consolidated Basis furnished to the Lenders, there has been no change which could reasonably be expected to have a Material Adverse Effect.

12.12 **Compliance with Laws**

Subject to Section 12.23 with respect to environmental matters, each Restricted Credit Party is in compliance in all material respects with all Applicable Laws, non-compliance with which could reasonably be expected to have a Material Adverse Effect.

12.13 **All Authorizations Obtained and Registrations Made**

All Authorizations and Registrations necessary to permit each Restricted Credit Party to (i) execute, deliver and perform each Operative Document and TAD Operating Agreement to which it is party and consummate the transactions contemplated thereby and (ii) own its Business Assets and carry on its business, have been obtained or effected and are in full force and effect except, for such Authorizations and Registrations not yet required to be obtained or made and, in the case of clause (ii) only, for such Authorizations and Registrations the failure to obtain, effect or to be in full force and effect could not reasonably be expected to have a Material Adverse Effect. Each Restricted Credit Party is in compliance with the requirements of all such Authorizations and Registrations and there is no Award outstanding or Litigation existing, pending or, to the Restricted Credit Parties' knowledge, threatened which could result in the revocation, cancellation, suspension or any adverse modification of any of such Authorizations and Registrations, except to the extent that such non-compliance, Award or Litigation could not reasonably be expected to have a Material Adverse Effect.

12.14 **ERISA**

- 12.14.1 No Credit Party has breached the fiduciary rules of ERISA or engaged in any prohibited transaction in connection with which such Credit Party would be subjected to (in the case of any such breach) a suit for damages or (in the case of any such prohibited transaction) either a civil penalty assessed under Section 502(i) of ERISA or a tax imposed by Section 4975 of the Code that, in any case, could, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect.
- 12.14.2 no Credit Party has ever established, maintains, has ever made contributions to, has liabilities with respect to, any Plan (other than a Multiemployer Plan). No Credit Party, nor any Related Person is or has ever been obligated to contribute to any Multiemployer Plan.
- 12.14.3 No Plan (other than a Multiemployer Plan) or any trust created under any such Plan has been terminated by any Related Person since September 2, 1974 under circumstances that resulted, or could in the circumstances reasonably be expected to result, in liability to the PBGC, a trustee appointed pursuant to Section 4042 of ERISA, or a Plan, which liability remains unsatisfied. Other than for premiums payable in the normal course that are not past due and for liabilities that have been satisfied, no liability to the PBGC has been incurred or is reasonably expected by any Related Person to be incurred which has resulted or could, singly or in the aggregate for all such liabilities, reasonably be expected to have a Material Adverse Effect. No Related Person has within the past six years contributed, or had an obligation to contribute, to a single employer Plan with at least two contributing sponsors not under common control, or ceased operations at a facility in a manner which could in the circumstances reasonably be expected to result in liability under Section 4062(e) of ERISA that could, singly or in the aggregate for all such liabilities, reasonably be expected to have a Material Adverse Effect. There has been no Reportable Event or any other event or condition with respect to any Plan (other than a Multiemployer Plan) that presents a risk of termination of any such Plan by the PBGC.
- 12.14.4 Full timely payment has been made of all amounts, if any, which any Credit Party or any other Related Person is required under Applicable Law, the terms of each Plan, or any collective bargaining agreement to have paid as contributions to such Plan, and no accumulated funding deficiency (as defined in Section 302 of ERISA and Section 412 of the Code), whether or not waived, exists or is reasonably expected to exist with respect to any Plan.

12.15 **Canadian Pension Plans**

Each Canadian Plan of the Credit Parties is in compliance in all material respects with all applicable pension benefits and Tax Laws. As of the date of the last completed actuarial evaluation, any unfunded liability of any Canadian Plan (determined in accordance with all Applicable Laws and using assumptions and methods that are appropriate in the circumstances and in accordance with generally accepted actuarial principles and practices in Canada in connection with an on-going Canadian Plan) is being funded or amortized in accordance with Applicable Laws. All contributions, including any special payments to amortize any unfunded liability, required to have been made in accordance with all Applicable Laws and the terms of each Canadian Plan have been made. No event has occurred and no condition exists with respect to any Canadian Plan that has resulted or is reasonably likely to result in any Canadian Plan being ordered or required to be wound up in whole pursuant to any applicable pension benefits Laws or having its registration revoked or refused for the purposes of any applicable pension benefits or Tax Laws or being placed under the administration of any relevant pension benefits regulatory authority or being required to pay any Taxes or penalties under any applicable pension benefits or Tax Laws except, in each case, as would not reasonably be expected to have a Material Adverse Effect. No event has occurred and no condition exists that has resulted, or could reasonably be expected to result, in any Credit Party being required to pay, repay or refund any amount (other than contributions required to be made or benefits or expenses required to be paid in the ordinary course) to or on account of any Canadian Plan or a current or former member thereof where such requirement to pay, repay or refund could reasonably be expected to have a Material Adverse Effect. No event has occurred and no condition exists that has resulted, or could reasonably be expected to result, in a payment being made out of a guarantee fund established under any applicable pension benefits Laws in respect of a Canadian Plan.

12.16 **No Default**

No Default or Event of Default has occurred which has not been disclosed to the Lenders or the Administrative Agent and either remedied (or otherwise ceased to be continuing) or expressly waived by the Lenders in writing.

12.17 **Immovable and Real Property**

Each Restricted Credit Party or a nominee, agent, bare trustee, prête-nom or mandatary therefor which is itself a Restricted Credit Party has a subsisting lease in, or good and marketable title to, in each case free and clear of all Liens, other than Permitted Liens, all of the immovable and real property leased or owned by it which are reflected **(i)** in the latest annual audited consolidated Financial Statements of the Borrower provided to the Lenders, except for immovable or real property interests disposed of since the date of those Financial Statements in compliance with the provisions of the Operative Documents, and **(ii)** and in Schedule W.

12.18 **Movable and Personal Property**

Each Restricted Credit Party is the sole legal and beneficial owner of, free and clear of all Liens, other than Permitted Liens, all movable and personal property reflected as an asset in the latest annual audited consolidated Financial Statements of the Borrower provided to the Lenders, except for **(i)** movable or personal property disposed of since the date of those Financial Statements which consists of inventory sold in the ordinary course of business and **(ii)** movable or personal property disposed of since the date of those Financial Statements in compliance with the provisions of the Operative Documents. Schedule W sets forth, in respect of each Restricted Credit Party, the location of each place of business at which such Restricted Credit Party conducts its business or holds tangible property.

12.19 **Intellectual Property**

Each Restricted Credit Party owns, possesses, or is the beneficiary of licences on or otherwise has the right to use all patents, trademarks, service marks, trade names and copyrights, technology, know-how and processes, and all rights with respect to the foregoing, which are necessary for the operation of its business as presently conducted and as currently proposed to be conducted without any known material conflict with the rights of others, except those the failure to own or possess (or be licensed or otherwise have the right to use) could not, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect. The consummation of the transactions contemplated by

the Operative Documents and the TAD Operating Agreements will not alter or impair in any material respect any such rights. To the Restricted Credit Parties' knowledge, none of the products of the Restricted Credit Parties infringes any patent, trademark, service mark, trade name, copyright, license or other right owned by any other Person in any manner that could, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect; no Litigation is pending or (to the Restricted Credit Parties' knowledge) threatened against any Restricted Credit Party or affecting any Restricted Credit Party, contesting its right to sell or use any product or material which Litigation could, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect. To the Restricted Credit Parties' knowledge, there is no violation by any Person of any of its right with respect to any patent, trademark, trade name or service mark owned by any Restricted Credit Party or used by any Restricted Credit Party or used in connection with the assets of any Restricted Credit Party in any manner that could, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect.

12.20 **Subsidiaries**

On the 2021 Amendment and Restatement Effective Date:

- 12.20.1 the Borrower has no Subsidiaries other than those listed in Schedule Q;
- 12.20.2 the owners, beneficially and of record, of the issued Capital Stock of the Borrower, KPGP and each Subsidiary of the Borrower shall be as disclosed in Schedule Q;
- 12.20.3 no option or right to acquire any Capital Stock in any such Subsidiary shall have been granted to any Person other than as disclosed in Schedule Q;
- 12.20.4 each Restricted Credit Party is a wholly-owned Subsidiary of the Borrower;
- 12.20.5 Joseph Kruger II Controls the Borrower and KPGP.

12.21 **Taxes**

Each Credit Party has:

- 12.21.1 delivered or caused to be delivered, as and when required, all income, sales, goods and services and other returns for Taxes to the appropriate Governmental Authorities;
- 12.21.2 paid and discharged all Taxes payable by it when due except with respect to any such Tax which is being contested in good faith by appropriate proceedings and which is not required, by Applicable Law, to be paid prior to such contestation and for which appropriate reserves have been provided in its books and as to which neither any Lien (other than a Permitted Lien) has attached nor any foreclosure, distraint, seizure, attachment, sale or similar proceedings shall have been commenced;
- 12.21.3 made provision for appropriate amounts in respect of any Taxes likely to be payable in accordance with GAAP;
- 12.21.4 withheld and collected all Taxes required to be withheld and collected by it and remitted as and when required such Taxes to the appropriate Governmental Authority; and
- 12.21.5 paid and discharged all obligations incidental to any statutory Lien or deemed trust imposed upon it by Applicable Law which, if unpaid, would become a Lien, other than a Permitted Lien, on any of its Business Assets;

and the charges, accruals and reserves on its books in respect of Taxes are adequate, in its judgement.

12.22 **Solvency**

Each Restricted Credit Party is Solvent.

12.23 **Environment**

With respect to environmental matters, except as disclosed in Schedule R:

- 12.23.1 each Credit Party is in compliance with all Environmental Laws;
- 12.23.2 the Business Assets of each Credit Party are owned, leased, managed, controlled or operated by each such Credit Party in compliance with all Environmental Laws;
- 12.23.3 there are no existing, pending or, to the knowledge of the Credit Parties threatened:
 - (a) claims, complaints or written notices received by any Credit Party with respect to any alleged violation by any Credit Party of or alleged liability of any Credit Party under any Environmental Law relating to any of the Business Assets of the Credit Parties, or
 - (b) orders from any Governmental Authority, including stop orders or Clean-Up orders issued under Environmental Law which have been received by any Credit Party requiring any work, repair, Clean-up, construction or capital expenditures by any Credit Party with respect to any of the Business Assets of the Credit Parties;
- 12.23.4 except in compliance with Environmental Law, no Hazardous Materials have been generated, received, handled, used, stored, treated or shipped by any Credit Party at or from, or under any of the Business Assets of any of the Credit Parties and there has been no Release of Hazardous Materials at, on, from or under any of the Business Assets of any of the Credit Parties;
- 12.23.5 except in compliance with Environmental Law, as far as the Credit Parties are aware, none of the lands and premises comprising any of the Business Assets of the Credit Parties has been used for the disposal of waste or as a landfill or waste disposal site; and
- 12.23.6 no Credit Party has directly transported or directly arranged for the transportation of any Hazardous Materials to any location, except in compliance in all material respects with Environmental Law,

with the exception of any matter or matters that could not reasonably be expected to, singly or in the aggregate, have a Material Adverse Effect.

12.24 **Employee Relations**

Except as disclosed in Schedule S, as of the 2021 Amendment and Restatement Effective Date, no Restricted Credit Party nor any employees of the Restricted Credit Parties is subject to any collective bargaining agreement and no petition for certification or union election is pending with respect to employees of the Restricted Credit Parties and no union or collective bargaining unit has sought such certification or recognition with respect to employees of the Restricted Credit Parties. Each of the collective bargaining agreements with respect to employees of the Restricted Credit Parties is in force and in good order or, if it has expired, the renewal thereof is being negotiated except where the failure of such collective bargaining agreements to be in force and in good order or to negotiate the renewal thereof, singly or in the aggregate, has not or could not reasonably be expected to have a Material Adverse Effect. There are no grievances filed or threatened with respect to any of the collective bargaining agreements which, if adversely determined, singly or in the aggregate, has or could reasonably be expected to have a Material Adverse

Effect. There are no strikes, slowdowns, lock-outs or stoppages pending or, to the Restricted Credit Parties knowledge, threatened against any Restricted Credit Party and its employees, or any of them which could reasonably be expected to have a Material Adverse Effect.

12.25 **Occupational Health and Safety**

Each Restricted Credit Party is in compliance with all Applicable Laws relating to occupational health and safety with the exception of any non-compliance which would not, singly or in the aggregate, have a Material Adverse Effect.

12.26 **Investment Company; Public Utility Holding Company**

No Restricted Credit Party is, and after giving effect to any Advance no Restricted Credit Party will be, an investment company or a company controlled by an investment company within the meaning of the *United States Investment Company Act of 1940*, as amended. No Restricted Credit Party is subject to regulation under the *United States Public Utility Holding Company Act of 1935*, as amended. No Restricted Credit Party is subject to regulation under the *United States ICC Termination Act of 1995*, as amended or the *United States Federal Power Act*, as amended.

12.27 **Federal Reserve Regulations**

No Restricted Credit Party is engaged, directly or indirectly, principally or as one of its important activities, in the business of extending, or arranging for the extension of, credit for the purpose of purchasing or carrying margin stock (as defined in Regulation U). Neither the borrowing of any Advance hereunder, nor the use of the proceeds thereof, will (i) be used to purchase or carry any **margin stock** within the meaning of Regulation U, or (ii) violate or be inconsistent with the provisions of Regulation U or Regulation X, or (iii) involve any broker or dealer in violation of Regulation T. None of the Business Assets of the Restricted Credit Parties have been, or will be, **margin stock** within the meaning of Regulation U.

12.28 **Foreign Assets Control Regulations, Etc.**

Neither the borrowing of any Advance hereunder nor the use of the proceeds thereof will violate the *Trading with the Enemy Act*, as amended, or any of the foreign assets control regulations of the United States Treasury Department (31 CFR, Subtitle B, Chapter V, as amended), or other sanctions administered by the United Nations Security Council, the European Union or Canada (the **Sanctions**).

No Restricted Credit Party (i) is a Person described or designated in the Specially Designated Nationals and Blocked Persons List of the Office of Foreign Assets Control or in Section 1 of the Anti-Terrorism Order or is the target of Sanctions, nor (ii) engages in any dealings or transactions with any such Person. Each Restricted Credit Party is in compliance, in all material respects, with the *USA Patriot Act*.

No part of the proceeds of any Advance hereunder will be used, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the *United States Foreign Corrupt Practices Act of 1977*, as amended.

12.29 **Anti-Money Laundering Legislation**

No Restricted Credit Party has engaged or will engage, nor will any Restricted Credit Party use any Advance made hereunder for the purpose of engaging, in any transaction related to the commission or the attempted commission of a money laundering offense, the commission or the attempted commission of a terrorist activity financing offense or the commission or the attempted commission of any other act that is the subject of any AML Legislation.

12.30 **Business**

The Restricted Credit Parties are engaged in the manufacturing, distribution and sale of disposable branded and private label tissue products for household, commercial and industrial use and related or ancillary products and have Investments in Subsidiaries involved in the same business.

12.31 **Bank and Securities Accounts**

Schedule W hereto lists all bank accounts and securities accounts of the Restricted Credit Parties (including the HQ Rebate Dedicated Account) specifying in respect of each account, the financial institution where the account is held and the branch or office address.

12.32 **HQ Rebate Dedicated Account**

Amounts on deposit in the HQ Rebate Dedicated Account constitute solely, and originate solely from, HQ Rebates received by the Borrower (in respect of the Crabtree and Gatineau mills), KP Sherbrooke and KPSB.

12.33 **Repetition of Representations and Warranties**

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

12.34 **Nature of Representations and Warranties**

The representations and warranties made under this Agreement shall survive the execution and delivery of this Agreement and the making of each Advance notwithstanding any investigation or examination which may be made by any Finance Party or Lenders' Counsel and the Finance Parties shall be deemed to have relied on such representations and warranties in the making of each Advance.

ARTICLE 13

GENERAL COVENANTS

So long as any Loan or any other amount payable hereunder is outstanding and unpaid or the Borrower shall have the right to borrow hereunder (whether or not the conditions to borrowing have been or can be fulfilled), and unless the Administrative Agent shall otherwise consent in writing, the Borrower hereby covenants that:

13.1 **Preservation of Existence, etc.**

Each Restricted Credit Party will **(i)** subject to Section 15.4, preserve and maintain its existence and **(ii)** preserve and maintain all Authorizations and Registrations necessary or required in the normal conduct of its business and qualify and remain qualified and authorized to do business in each jurisdiction in which it carries on business or owns or leases Business Assets, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

13.2 **Preservation of Authorizations**

Each Restricted Credit Party will maintain, and take all actions necessary to maintain, in full force and effect the action taken by it to authorize the execution, delivery and performance in accordance with their respective terms of each of the Operative Documents and TAD Operating Agreements to which it is a party and the consummation of the transactions contemplated by each one thereof.

13.3 **Obtain Authorizations**

Each Restricted Credit Party will obtain and maintain any Authorization of or from any Governmental Authority which may be or become necessary or required in order that it may (y) carry on its business as contemplated in Section 12.30 and (z) fulfil its obligations under each of the Operative Documents and TAD Operating Agreements to which it is a party, except to the extent that the failure to so obtain or maintain could not reasonably be expected to have a Material Adverse Effect.

13.4 **Business, Compliance with Applicable Law**

Each Restricted Credit Party will engage, directly or indirectly, principally in the business referred to in Section 12.30 and carry on and conduct its business in a proper and efficient manner so as to preserve and protect the earnings, incomes and profits therefrom and comply with all requirements of Applicable Law, and the terms and conditions of all Authorizations necessary or required in the normal conduct of its business, and in order to complete any Permitted Acquisition, provided, however, that nothing herein shall require it to comply with the requirements of any Applicable Law or the terms or conditions of any Authorization so long as the applicability or validity thereof shall be contested by it or on its behalf in good faith and so long as non-compliance while so contesting could not reasonably be expected to have a Material Adverse Effect.

13.5 **Keeping of Records**

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

13.6 **Insurance**

13.6.1 Each Restricted Credit Party shall effect and maintain insurance on all its buildings, plant and other property and assets, which are of an insurable nature for the full replacement cost thereof against loss or damage by fire, theft, flood, explosion, sprinklers, collision and such other risks as are customarily insured against by Persons engaged in businesses similar to that of such Restricted Credit Party in similar locations with such companies, in such amounts and under policies in such form as shall be satisfactory to the Collateral Agent, and such other insurance as the Collateral Agent may require. Evidence satisfactory to the Collateral Agent of such insurance and all renewals and replacements thereof shall be delivered to the Collateral Agent forthwith on request, together with evidence of payment of all premiums therefor. Each insurance policy shall contain an endorsement, in form and substance acceptable to the Collateral Agent, showing loss under such insurance policy payable to the Collateral Agent, in each case for the benefit of the Collateral Agent and the Lenders. Such endorsement, or an independent instrument furnished to the Collateral Agent, shall contain a standard mortgagee clause, shall provide that the insurance company shall give the Collateral Agent at least thirty (30) days written notice before any such policy of insurance is altered or cancelled and that no act, whether wilful or negligent, or default of a Restricted Credit Party or any other Person shall affect the right of Collateral Agent to recover under such policy of insurance in case of loss or damage. The Borrower hereby directs, and will cause each of the other Restricted Credit Parties to direct, all insurers under such policies of insurance to pay all proceeds payable thereunder directly to the Collateral Agent; provided however that prior to the occurrence of an Event of Default, payments by the insurer of any claim in excess of C\$25,000,000 shall be made to the joint order of the Collateral Agent and the relevant Restricted Credit Party and payments of any other claim may be made alone to the relevant Restricted Credit Party. The Borrower, for itself, and on behalf of the other Restricted Credit Parties, irrevocably, make, constitute and appoint the Collateral Agent (and all officers, employees or agents designated by the Collateral Agent) as their respective true and lawful attorney and mandatory for the purpose of making, settling and adjusting claims under such policies of insurance, endorsing the name of the relevant Restricted Credit Party on any cheque, draft, instrument or other item of payment for the proceeds of such policies of

insurance and making all determinations and decisions with respect to such policies of insurance.

- 13.6.2 Each Restricted Credit Party shall maintain, at its expense, such public liability and third party property damage insurance as is customary for Persons engaged in businesses similar to that of such Restricted Credit Party with such companies and in such amounts, with such deductibles and under policies in the form as shall be satisfactory to the Collateral Agent. Evidence of such insurance and all renewals and replacements thereof shall be delivered to the Collateral Agent on request, together with evidence of payment of all premiums therefor. Each such policy provide that the insurance company shall give the Collateral Agent at least thirty (30) days written notice before any such policy shall be altered or cancelled.
- 13.6.3 Should any Restricted Credit Party at any time or times hereafter fail to obtain or maintain any of the policies of insurance required above or in any of the Security Documents or to pay any premium in whole or in part relating thereto, then the Collateral Agent, without waiving or releasing any obligation or default by the Borrower hereunder, may (but shall be under no obligation to) obtain and maintain such policies of insurance and pay such premiums and take such other actions with respect thereto as the Collateral Agent deems advisable. All sums disbursed by the Collateral Agent in connection with any such actions, including, without limitation, court costs, expenses, other charges relating thereto and reasonable attorneys' fees, shall be payable on demand by the Borrower to the Collateral Agent, for its own account and, until paid, shall bear interest at the Prime Rate if owing in Canadian Dollars or the US Base Rate, if owing in US Dollars.
- 13.6.4 The Borrower shall promptly give notice to the Collateral Agent of any loss or damage by fire, theft, flood, explosion, sprinklers, collision or otherwise to the assets of any Restricted Credit Party where the assets affected by such loss or damage are worth more than Cdn\$25,000,000.
- 13.6.5 So long as no Event of Default shall have occurred, **(a)** each Restricted Credit Party shall be entitled to make, settle and adjust claims under their policies of insurance and **(b)** the Collateral Agent agrees that if it receives proceeds of insurance with respect to any damage or loss of collateral it will, at the Borrower's request, make such proceeds available to the Borrower or the relevant Restricted Credit Party. Upon the occurrence of an Event of Default and for so long as it is continuing, **(a)** all proceeds of insurance with respect to any damage to or loss of collateral (whether such damage or loss occurred prior to or following such Event of Default) shall be paid to the Collateral Agent, to be applied as Proceeds of Realization in accordance with the provisions of Section 17.2, **(b)** each Restricted Credit Party shall cooperate with the Collateral Agent in the making, settlement and adjustment of claims and **(c)** any proceeds of insurance received by a Restricted Credit Party shall be held by it for the benefit of and in trust for the Collateral Agent and shall be forthwith paid over to the Collateral Agent.
- 13.6.6 All proceeds of insurance received by a Restricted Credit Party shall be used to repair or replace the lost or damaged collateral, unless otherwise previously approved in writing by the Majority Lenders.

13.7 **Payment of Taxes and Claims**

Each Credit Party will pay and discharge all Taxes imposed upon it or upon its income, capital or profits or upon any properties belonging to it prior to the date on which penalties attach thereto, and all lawful claims for rents, labour, materials and supplies which, if unpaid, might become a Lien upon any of its properties; provided, however, that, to the extent permitted by Applicable Law, no such Tax need be paid which is being contested in good faith by appropriate proceedings and for which appropriate reserves (under and to the extent required by GAAP) shall have been set aside on the appropriate books, but only so long as such Tax does not become a Lien, other than a Permitted Lien and no foreclosure, distraint, seizure, attachment, sale or similar proceedings shall have been commenced.

13.8 **Visits and Inspections**

Each Restricted Credit Party shall permit representatives of any of the Finance Parties to visit and inspect its properties during normal business hours, inspect and make extracts from and copies of its books and records and discuss with its principal officers its business, assets, liabilities, financial position, results of operations and business prospects. Prior to the occurrence of any Default or Event of Default, the Finance Parties shall exercise their rights under this Section 13.8 upon reasonable prior notice.

13.9 **Environment**

In the event: (i) a Release of Hazardous Materials has occurred at, on, from or under any of the Business Assets of the Credit Parties in contravention of Environmental Law and is reasonably expected to have a Material Adverse Effect, (ii) a Governmental Authority has issued a Clean-Up order against a Credit Party pursuant to any Environmental Law in relation with a discharge or release of Hazardous Materials at, on or from the Business Assets of the Credit Parties and failure to comply with such order could reasonably be expected to have a Material Adverse Effect, or (iii) an Event of Default has occurred and is continuing, the Borrower covenants to provide the Administrative Agent and the Lenders at its expense and upon request from the Administrative Agent, with respect to such of the Business Assets of the Credit Parties specified in such request, as far as the event referred to in clause (iii) is concerned (and with respect only to the relevant Business Assets of the Credit Parties, as far as the events referred to in clauses (i) or (ii) are concerned), with an environmental site assessment or environmental audit report (i.e.: Phase I reports) prepared by an environmental consultant of recognized standing chosen by the Borrower, but reasonably acceptable to the Administrative Agent, to assess, with a reasonable degree of certainty the presence or absence of any Hazardous Material in violation of Environmental Laws and the potential Clean-Up costs. In the event the Borrower shall fail to so appoint an environmental consultant acceptable to the Administrative Agent, then the Administrative Agent shall be entitled to retain, at the Borrower's expense, an environmental consultant of its choice to prepare such environmental site assessment or environmental audit report provided that the scope of such environmental site assessment shall be reasonable given its justification.

13.10 **Transactions with Affiliates**

Each Restricted Credit Party will cause all agreements or transactions to be entered into from time to time, as between such Restricted Credit Party and any one or more of its Affiliates, to be negotiated and concluded on an arm's length basis for fair market value on commercially reasonable market terms prevailing from time to time in the industry (including, without limitation, as to payment terms) except for such agreements or transactions entered into only among Restricted Credit Parties.

13.11 **Renewal of Registration and Maintain Security**

The Borrower covenants to renew and keep renewing the Registrations made in connection with the Security Documents, the whole by no later than 90 days before the expiry of the delays stipulated for the preservation of the Liens created under the terms of such documents and, from time to time, upon any demand from the Administrative Agent or the Collateral Agent to that effect, execute and deliver, and cause each of the other Restricted Credit Parties to execute and deliver, all other documents and do all other things which the Administrative Agent or the Collateral Agent may require with respect to the Security Documents in order to maintain the validity and the rank of the Liens created thereunder on all of the assets, present and future, movable and immovable, corporeal and incorporeal of the Borrower and the other Restricted Credit Parties.

13.12 **Know Your Customer Checks**

13.12.1 If:

- (a) the introduction of or any change in (or in the interpretation, administration or application of) any Applicable Law made after the 2021 Amendment and Restatement Effective Date;

- (b) any change in the status of a Restricted Credit Party or the composition of the direct and/or indirect shareholders of a Restricted Credit Party after the 2021 Amendment and Restatement Effective Date; or
- (c) a proposed assignment or transfer by a Lender of any of its rights and/or obligations under this Agreement to a party that is not a Lender prior to such assignment or transfer,

obliges the Administrative Agent or any Lender (or, in the case of paragraph (c) above, any prospective new Lender) to comply with know your customer or similar identification procedures in circumstances where the necessary information is not already available to it, the Borrower shall ensure that each Restricted Credit Party shall promptly upon the request of the Administrative Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Administrative Agent (for itself or on behalf of any Lender) or any Lender (for itself or, in the case of the event described in paragraph (c) above, on behalf of any prospective new Lender) in order for the Administrative Agent, such Lender or, in the case of the event described in paragraph (c) above, any prospective new Lender to carry out and be satisfied with the results of all necessary know your customer or other checks in relation to any relevant person pursuant to the transactions contemplated in the Operative Documents.

13.12.2 Each Lender shall promptly upon the request of the Administrative Agent supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Administrative Agent (for itself) in order for the Administrative Agent to carry out and be satisfied with the results of all necessary know your customer or other checks on Lenders or prospective new Lenders pursuant to the transactions contemplated in the Operative Documents.

13.12.3 Nothing in this Agreement shall oblige the Administrative Agent to carry out any know your customer or other checks in relation to any Person on behalf of any Lender and each Lender confirms to the Administrative Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely, and is not relying, on any statement in relation to such checks made by the Administrative Agent.

13.13 **Anti-Money Laundering Legislation**

13.13.1 Since, pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) and other applicable anti-money laundering, anti-terrorist financing, government sanction and know your client laws (collectively, including any guidelines or orders thereunder, **AML Legislation**), the Lenders and the Administrative Agent may be required to obtain, verify and record information regarding any of the Restricted Credit Parties, its directors, authorized signing officers, direct or indirect shareholders or other Persons in control, directly or indirectly, of 25% or more of the shares of such Restricted Credit Party, where such Restricted Credit Party is a corporation, or 25% or more of such Restricted Credit Party, where such Restricted Credit Party is not a corporation, 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.

13.13.2 Notwithstanding the provisions of subsection 13.13.1, each of the Lenders agrees that the Administrative Agent has no obligation in connection with any information relating to the AML Legislation to ascertain the identity of the Restricted Credit Parties or any authorized signatories of the Restricted Credit Parties on behalf of any Lender, or to confirm the

completeness or accuracy of any information it obtains from the Restricted Credit Parties or any such authorized signatory in doing so.

13.14 **Gatineau Lease**

The Borrower hereby covenants and agrees not to surrender the Gatineau Lease or the Gatineau Leased Premises to the Gatineau Landlord prior to the end of the term reserved by the Gatineau Lease and not to request, agree to or accept any amendment to the Gatineau Lease which would:

- 13.14.1 shorten the term of the Gatineau Lease, which is March 27, 2028;
- 13.14.2 increase the amount of rent payable under the Gatineau Lease or amend the method of calculation of such rent which would result in an increase of such rent, or the time of payment thereof or result in any deferral of payment of any rent thereunder;
- 13.14.3 alter the boundaries of the Gatineau Leased Premises, other than in accordance with current discussions with the National Capital Commission with respect to the beautification and transfer to the National Capital Commission of approximately 10,000 square meters;
- 13.14.4 create or amend any of the events giving rise to any right to terminate the Gatineau Lease or result in the termination of the Gatineau Lease or an acceptance of a surrender thereof;
- 13.14.5 impose on the Borrower any additional material covenant or obligation other than **(i)** in respect of the burial of hydroelectric lines supplying power to the Gatineau Leased Premises, and **(ii)** in respect of furnishing seasonal steam services to the neighbouring closed Domtar Inc. paper mill and other services in the event such mill were to reopen; or
- 13.14.6 derogate from or impair any of the rights of the Administrative Agent under the Weston Non-Disturbance Agreement or under the Gatineau Lease;

unless the Borrower first obtains the written consent of the Administrative Agent which consent shall not be unreasonably withheld or delayed.

In addition, the Borrower hereby covenants and agrees to provide the Administrative Agent, within ten (10) days of being entered into, with each amendment to the Gatineau Lease entered into from time to time after the date hereof, whether or not the consent of the Administrative Agent was required with respect to such amendment.

13.15 **US Real Property Flood Insurance.**

- 13.15.1 If at any time, a Restricted Credit Party acquires immovable (real) property located in the United States of America, not less than forty-five (45) Business Days prior to the inclusion of such property as part of the Liens pursuant to the Security Documents, the relevant Restricted Credit Party shall provide the US Lenders with the full legal address(es) for the applicable property such that the US Lenders may complete a “Life-of-Loan” Federal Emergency Management Agency Standard Flood Hazard Determination with respect to such property, and if such property is deemed to be located in a flood zone, the relevant Restricted Credit Party shall provide evidence of compliance with the Flood Zone Conditions, which conditions will be satisfied prior to the execution and delivery of any applicable mortgage, deed of trust or other instrument as part of the Security Documents over such property.
- 13.15.2 With respect to all immovable (real) property of a Restricted Credit Party located in the United States of America on which Liens are to be granted pursuant to the Security Documents and that is, or may at a future date be, located in an area identified by the Federal Emergency Management Agency (or any successor agency) as a “special flood hazard area” with respect to which flood insurance has been made available under applicable law, the

applicable Restricted Credit Party **(i)** has and will obtain and maintain, with insurance companies (that are financially sound and reputable at all times) such flood insurance in such reasonable total amount as the Administrative Agent and the US Lenders may from time to time reasonably require and otherwise sufficient to comply with all applicable rules and regulations promulgated pursuant to applicable law of the United States of America, and **(ii)** promptly upon request of the Administrative Agent or a US Lender, will deliver to the Administrative Agent or such US Lender, as applicable, evidence of compliance with this subsection 13.15.2 in form and substance reasonably acceptable to the Administrative Agent or US Lender, as applicable, including without limitation, evidence of annual renewals of such insurance.

- 13.15.3 As a condition to any extension of the Revolving Period, any increase of the Facility (including pursuant to the provisions of Article 22) or renewal of the Facility, allow any US Lender requesting same to conduct flood insurance due diligence and flood insurance compliance monitoring in respect of the immovable (real) properties of Restricted Credit Parties located in the United States of America (to be reasonably satisfactory to each such US Lender).

ARTICLE 14

FINANCIAL AND INFORMATION COVENANTS

So long as any Loan or any other amount payable hereunder is outstanding and unpaid or the Borrower shall have the right to borrow hereunder (whether or not the conditions to borrowing have been or can be fulfilled) and unless the Administrative Agent shall otherwise consent in writing, the Borrower covenants and agrees that:

14.1 Maintenance of Ratios

- 14.1.1 The Borrower shall maintain on an Adjusted Consolidated Basis and quarterly financial basis:
- 14.1.1.1 a Ratio of Senior Secured Net Funded Debt to EBITDA not greater than 3.00 to 1.00; and
- 14.1.1.2 an Interest Coverage Ratio of at least 3.00 to 1.00.
- 14.1.2 Where, as at the end of any fiscal quarter, the Borrower has failed to maintain any of the Ratios in accordance with the foregoing, then, within ten (10) days of the Borrower acquiring knowledge of such failure, an Affiliate of the Borrower (other than a Credit Party) may make an Investment in the Borrower by way of subscription of Capital Stock (which would not qualify as Debt for Borrowed Money) or Shareholder Loans (each such Investment a **Cure Investment**). The amount of such Cure Investment shall be the minimum amount required such that, immediately after such Cure Investment and after giving effect thereto (including, in the case where the proceeds of such Cure Investment are used to permanently reduce Debt for Borrowed Money, after giving effect to such repayment), and treating as part of EBITDA the amount of such Investment, the Borrower shall be in compliance with the relevant Ratio, calculated on a *pro forma* basis, as if such Cure Investment had been made as at the last day of such fiscal quarter and any Debt for Borrowed Money repaid out of the proceeds thereof had been so repaid as at the last day of such fiscal quarter. In addition, the amount of such Cure Investment shall be treated as part of EBITDA, net of any Distribution paid following the making of such Cure Investment, for the purpose of the calculation of EBITDA as at the end of the fiscal quarter during which such Cure Investment is made and as at the end of the two (2) fiscal quarters immediately following such fiscal quarter. Concurrently with any such Cure Investment, the Borrower shall provide satisfactory evidence thereof to the Administrative Agent and shall deliver to the Administrative Agent a Compliance Certificate setting forth the required calculations to establish, on a *pro forma* basis as at the last day of such fiscal quarter, compliance by the Borrower with the provisions of this Section 14.1.

- 14.1.3 Notwithstanding the provisions of subsection 14.1.2, the Affiliates of the Borrower shall not be entitled to make Cure Investments (i) more than two (2) times during the course of the period from the 2018 Amendment and Restatement Effective Date (as such term is defined in the Existing Credit Agreement) to the last day of the Revolving Period, (ii) more than one (1) time per twelve (12) month period, and (iii) if such Cure Investment is for an amount exceeding 25% of the EBITDA for the last reported twelve (12) month period.

14.2 Quarterly Financial Statements and Information

Within sixty (60) days after the end of each fiscal quarter (other than the fourth quarter) in each of the fiscal years of the Borrower, the Borrower shall furnish to the Administrative Agent either one (1) copy by electronic mail or one (1) hard copy for each Lender and two (2) hard copies for the Administrative Agent of:

- 14.2.1 the unaudited Financial Statements of the Borrower on an Adjusted Consolidated Basis, together with the supporting schedules;
- 14.2.2 the unaudited consolidated Financial Statements of the TAD #2 Borrowers and their subsidiaries, on a combined basis, together with the supporting schedules; and
- 14.2.3 a Compliance Certificate.

14.3 Annual Financial Statements and Information

The Borrower shall furnish to the Administrative Agent either one (1) copy by electronic mail or one (1) hard copy for each Lender and two (2) hard copies for the Administrative Agent of the following:

- 14.3.1 within 120 days after the end of each fiscal year of the Borrower, the audited Financial Statements of the Borrower on an Adjusted Consolidated Basis as audited by a national firm of chartered accountants of recognized standing and accompanied by such auditors' report which must not contain any expression of any material concern as to whether or not such Financial Statements do present fairly the financial position of the Borrower as at the end of such fiscal year, with the exception of being prepared on an Adjusted Consolidated Basis;
- 14.3.2 within 120 days after the end of each fiscal year of the Borrower, the audited consolidated Financial Statements of the TAD #2 Borrowers and their subsidiaries, on a combined basis, as audited by a national firm of chartered accountants of recognized standing and accompanied by such auditors' report which must not contain any expression of any material concern as to whether or not such Financial Statements do present fairly the financial position of the TAD #2 Borrowers and their subsidiaries, on a combined basis as at the end of such fiscal year; and
- 14.3.3 within 120 days after the end of each fiscal year of the Borrower, a Compliance Certificate.

14.4 Budget Information

No later than 120 days after the beginning of each fiscal year of the Borrower, the Borrower shall furnish to the Administrative Agent either one (1) copy by electronic mail or one (1) hard copy for each Lender and two (2) hard copies for the Administrative Agent of the budget and the forecasted statements of earnings, retained earnings, shareholders' equity and cash flows of the Borrower for such fiscal year, on an Adjusted Consolidated Basis, with all reasonable explanations and copies of the information and assumptions upon which such budget and forecasted statements are based.

14.5 **Financial Information prior to Completing any Permitted Acquisition**

Prior to any Restricted Credit Party completing any Permitted Acquisition, the Borrower shall furnish to the Administrative Agent either one (1) copy by electronic mail or one (1) hard copy for each Lender and two (2) hard copies for the Administrative Agent of:

- 14.5.1 the most recent consolidated Financial Statements of the Person or business being acquired as audited, if available, by a national firm of chartered accountants of recognized standing and accompanied by such auditors' report which must not contain any expression of any material concern as to whether or not such Financial Statements do present fairly the financial position of the Person or business being acquired as at the end of such fiscal year; and
- 14.5.2 an Acquisition Certificate.

14.6 **Change in GAAP**

The parties hereto agree that, in the event of a change in GAAP having a material effect on the application of certain provisions of this Agreement, then the Borrower and the Administrative Agent, further to a request from either party, shall use commercially reasonable efforts to negotiate in good faith amendments to the provisions of this Agreement that are affected by such change in GAAP in order to facilitate their application with a view to preserve as much as possible the original intent of the affected provisions. Any amendment negotiated by the Administrative Agent must be approved by the Majority Lenders. Until any such amendments shall have been agreed upon, the terms, conditions and undertakings of this Credit Agreement shall be interpreted and applied as if such change in GAAP did not apply to the Borrower and the accounting principles applicable to the Borrower immediately prior to the coming into force of such change in GAAP shall continue to apply to the Borrower for the purposes of determining if the Borrower complies with the financial covenants of this Agreement and the Borrower shall continue to provide Financial Statements prepared in accordance with such accounting principles.

14.7 **Other Information**

Promptly upon each request, the Borrower shall furnish to the Administrative Agent, such data, certificates, reports, statements, documents or further information regarding the business, assets, liabilities, financial position, results of operations or business prospects of such Restricted Credit Party as the Administrative Agent may reasonably request including, without limitation, any certificates and documents that the Administrative Agent may request in order to monitor the compliance of the Restricted Credit Parties with AML Legislation or know your client legislation.

14.8 **Notice of Litigation and Other Matters**

The Borrower shall furnish to the Administrative Agent prompt notice of the following events after any Restricted Credit Party has become aware thereof and has made a reasonable determination with respect thereto (which notice shall in any event be given within ten (10) Business Days after any Restricted Credit Party has become aware thereof):

- 14.8.1 the commencement of all Litigation against, or (to the extent known to any Credit Party) in any other way relating adversely to a Credit Party or any of its Business Assets which, if adversely determined, singly or when aggregated with all other such Litigation, could have a Material Adverse Effect;
- 14.8.2 any event or events which, singly or in the aggregate, could have a Material Adverse Effect; and
- 14.8.3 any Default or Event of Default.

In addition, the Borrower shall furnish to the Administrative Agent not later than five (5) Business Days prior to the establishment of or amendment to a Permitted Receivables Securitization which results in an increase in the

aggregate Securitization Amounts under all Permitted Receivables Securitization then outstanding, and not later than one (1) Business Day following such establishment or amendment, a certificate of a Responsible Officer of the Borrower describing such transaction.

14.9 Notice with respect to Security

The Borrower hereby covenants and agrees to notify the Collateral Agent in writing of:

- 14.9.1 any change in the location of the registered office or chief executive office of any Restricted Credit Party;
- 14.9.2 any change in the location of any of the movable or personal property of any Restricted Credit Party (other than inventory in transit, mobile equipment and equipment with repairers for repair and return to such Restricted Credit Party) other than the locations at which any movable and personal property of such Restricted Credit Party was located at the time of execution of the Security Documents to which it is a party;
- 14.9.3 any change in the name, identity or corporate structure of any Restricted Credit Party or the adoption by any Restricted Credit Party of an alternate language form of its name;
- 14.9.4 any change in the jurisdiction of incorporation or organization of any Restricted Credit Party;
- 14.9.5 any change in the residence of any director or officer of any Restricted Credit Party that would result in a majority of such directors or officers residing outside of the Provinces of British Columbia, Alberta, Ontario, Québec and Nova Scotia;
- 14.9.6 the acquisition of any new immovable or real property;

in each case, not less than ten (10) Business Days prior to any such change, clearly describing such new location, name, identity, corporate structure, jurisdiction of incorporation or organization and providing such other information in connection therewith as the Collateral Agent may reasonably request.

ARTICLE 15

NEGATIVE COVENANTS

So long as any Loan or any other amount payable hereunder is outstanding and unpaid or the Borrower shall have the right to borrow hereunder (whether or not the conditions to borrowing have been or can be fulfilled) and unless the Administrative Agent shall otherwise consent in writing, the Borrower hereby covenants that:

15.1 Liens

No Restricted Credit Party will create, incur, assume or suffer to exist any Lien upon or in respect of any of its present or future Business Assets other than Permitted Liens.

15.2 Debt for Borrowed Money

No Restricted Credit Party will incur, create, assume or suffer to exist any Debt for Borrowed Money except for:

- 15.2.1 Debt for Borrowed Money under this Agreement and the other Operative Documents (other than the Credit Card Documents);
- 15.2.2 Debt for Borrowed Money owing to another Restricted Credit Party;

- 15.2.3 Debt for Borrowed Money consisting of Guarantees permitted under the provisions of Section 15.6;
- 15.2.4 Debt for Borrowed Money consisting in the Mark to Market Exposure of such Restricted Credit Party under Derivative Instruments entered into in compliance with Section 15.3, provided, however, that the aggregate net Mark to Market Exposure of all Restricted Credit Parties at any time does not exceed Cdn\$25,000,000;
- 15.2.5 Debt for Borrowed Money under Purchase Money Obligations provided, however, that the aggregate principal amount of Purchase Money Obligations outstanding at any time for all Restricted Credit Parties does not exceed an amount equal to 5% of the Consolidated Tangible Assets at such time, and, in all cases, at the time of entering into any such Purchase Money Obligation, no Default or Event of Default shall have occurred and be continuing or would result therefrom;
- 15.2.6 Shareholder Loans;
- 15.2.7 Debt for Borrowed Money with respect to credit cards issued to Restricted Credit Parties (including pursuant to Credit Card Documents), provided that the aggregate principal amount of such Debt for Borrowed Money shall not exceed at any time Cdn\$5,000,000;
- 15.2.8 Debt for Borrowed Money under the Nordea Loan, provided, however, that **(i)** the aggregate principal amount of Debt for Borrowed Money outstanding at any time under the Nordea Loan does not exceed US\$50,000,000, **(ii)** the proceeds of the Nordea Loan are used exclusively for the purpose of making the Nordea Investment and **(iii)** a satisfactory intercreditor agreement is entered into among the Administrative Agent and Nordea;
- 15.2.9 Debt for Borrowed Money with respect to the IQ Loan, provided that the aggregate principal amount of the IQ Loan shall not exceed at any time Cdn\$39,500,000 (excluding any capitalized interest thereon in accordance with the terms of the IQ Credit Agreement);
- 15.2.10 Debt for Borrowed Money with respect to the 2018 High Yield Notes and 2021 High Yield Notes, provided that the aggregate principal amount of Debt for Borrowed Money under subsections 15.2.10 and 15.2.12 outstanding at any time shall not exceed Cdn\$325,000,000;
- 15.2.11 the Permitted Receivables Securitization, to the extent constituting Debt for Borrowed Money, provided that the aggregate outstanding amount of funding thereunder shall not exceed at any time Cdn\$60,000,000;
- 15.2.12 unsecured Debt for Borrowed Money in form and substance similar to the 2021 High Yield Notes, provided that, **(i)** at the time of incurrence thereof, the maturity of such debt is at least six (6) months later than the then maturity of the Facility, **(ii)** at the time of incurrence thereof, the Ratio of Total Net Funded Debt to EBITDA is less than 5.25 to 1.00 calculated on a pro forma basis after giving effect to the incurrence of such debt, **(iii)** no Default or Event of Default shall have occurred and be continuing or would result therefrom, and **(iv)** the aggregate principal amount of Debt for Borrowed Money under subsections 15.2.10 and 15.2.12 outstanding at any time shall not exceed Cdn\$325,000,000;
- 15.2.13 Debt for Borrowed Money representing the Borrower's obligation to pay monthly redemptions under the IQ Paper Machine Debenture; and
- 15.2.14 unsecured Debt for Borrowed Money owing from time to time by any Restricted Credit Party in an aggregate principal amount not to exceed Cdn\$10,000,000 at any time.

15.3 **Derivative Instruments**

No Restricted Credit Party will enter into, be a party to or Guarantee any Derivative Instrument other than (i) ISDA Contracts or (ii) Derivative Instruments entered into with a Nordea Lender (as such expression is defined in the Amended and Restated Intercreditor and Collateral Agency Agreement) and, in all cases, solely for the purpose of hedging the then existing positions of the Restricted Credit Parties and not for speculative purposes of any kind, subject to the provisions of subsection 15.2.4 and provided that at the time of entering into any such Derivative Instrument, no Default or Event of Default shall have occurred and be continuing or would result therefrom.

15.4 **Corporate Changes, Amalgamations, Liquidations**

No Restricted Credit Party will transfer its jurisdiction of incorporation, wind-up, liquidate or dissolve its affairs or enter into any transaction of amalgamation, merger or consolidation or convey, sell, alienate, lease or otherwise dispose of (or agree to do any of the foregoing, at any future time) all or substantially all of its Business Assets except for any amalgamation, merger or consolidation between two or more Restricted Credit Parties provided that:

- 15.4.1 the Person formed by or surviving any such amalgamation, merger or consolidation:
 - 15.4.1.1 if it is the Borrower, is a corporation or limited partnership, as the case may be, organized or existing under the Laws of Canada or any province thereof; and
 - 15.4.1.2 otherwise, is a corporation organized or existing under the Laws of Canada, any province thereof or any state of the United States of America;
- 15.4.2 the Person formed by or surviving any such amalgamation, merger or consolidation is not financially in any worse financial condition than any of its predecessors and shall expressly assume as primary obligor, by an agreement satisfactory in form and substance to the Administrative Agent, the Secured Obligations and shall execute and deliver to the Administrative Agent all such instruments, acts, deeds or documents required by the Administrative Agent with respect to the Security Documents in order to maintain the validity and ranking of the Liens granted thereunder and acknowledge that the Liens thereof extend to and validly create first ranking Liens, subject only to Permitted Liens, on all of the Business Assets of such Person present and future, movable and immovable, corporeal and incorporeal (which agreement, instruments acts, deeds or documents may require the delivery, in connection with such assumption and maintenance of the Liens created under the Security Documents, of such opinions of the Restricted Credit Parties' Counsel and Lenders' Counsel as the Administrative Agent may reasonably request); and
- 15.4.3 immediately before and after such transaction, no Default or Event of Default exists.

The Borrower will not amend, restate or otherwise modify its limited partnership agreement to the extent such amendment, restatement or modification could have an adverse effect on the validity or effectiveness of the Liens granted by it, on its ability to borrow hereunder or on the rights of the Finance Parties hereunder or under any other Operative Document. Prior to or concurrently with any amendment, restatement or other modification to its limited partnership agreement, the Borrower shall provide a copy thereof to the Administrative Agent.

As long as the Borrower is a limited partnership, its general partner shall remain KPGP.

15.5 **Investments**

No Restricted Credit Party will make any Investment other than:

- 15.5.1 Investments in Cash Equivalent Investments;
- 15.5.2 Investments in any other Restricted Credit Party;

- 15.5.3 Investments in existence as of the 2021 Amendment and Restatement Effective Date and disclosed in Schedule T;
- 15.5.4 Investments in a Subsidiary for the purpose of the TAD #2 Project, up to an aggregate amount not to exceed Cdn\$250,000,000 provided that the amount of such Investment does not represent more than 50% of the total costs associated with the TAD #2 Project;
- 15.5.5 Investments for the creation of KPSB and any additional Investments in KPSB not in excess of Cdn\$25,000,000 outstanding at any time required in the future in connection with the double width machine with respect to the Paper Machine Project;
- 15.5.6 Investments in KPSB solely for the payment of interest in cash on, and repurchase of, the IQ Paper Machine Debenture;
- 15.5.7 Investments not contemplated in the foregoing paragraphs, provided, however, that the aggregate amount of all such Investments does not exceed 5% of the Consolidated Tangible Assets and provided, for greater certainty, that such Investments shall exclude Investments in a Subsidiary for the purpose of the TAD #2 Project. The Borrower may only make Investments in a Subsidiary for the purpose of the TAD #2 Project under the provisions of subsection 15.5.4 and not under the provisions of this subsection 15.5.7.

In addition to the foregoing, at the time of making any Investment contemplated in subsection 15.5.4, 15.5.5, 15.5.6, or 15.5.7, no Default or Event of Default shall have occurred and be continuing or would result therefrom.

For greater certainty, the irrevocable commitment by the Borrower in connection with the Sherbrooke Expansion, in favour of KBLP to make payments of an amount of Cdn\$5,800,000 (including interest and other costs) per year for a period of 10 years for a total amount of Cdn\$58,000,000 and starting 2 years after the recapitalisation of Kruger Specialty Papers Holding L.P, which irrevocable commitment will be granted as consideration for (i) KBLP's contribution to the capital and financing structure implemented by the Borrower for the Sherbrooke Expansion and the benefits and synergies arising from the location of the Sherbrooke Expansion on the Brompton Mill site, including shared infrastructure and services, and (ii) the transfer by KBLP of the properties necessary to complete the Sherbrooke Expansion and the grant by KBLP to KPLP of an option to purchase other portions of the KBLP site free and clear of Liens for fair market value for future expansions of the Sherbrooke Expansion or any other tissue project, is expressly permitted hereunder.

15.6 **Guarantees**

No Restricted Credit Party will create, assume or otherwise become or remain obligated in respect of any Guarantee, or permit to be outstanding any Guarantee, other than:

- 15.6.1 Guarantees pursuant to the Operative Documents;
- 15.6.2 Guarantees of the obligations of any Restricted Credit Party to another Restricted Credit Party;
- 15.6.3 Guarantees of the obligations of the Borrower under the 2018 High Yield Notes and the 2021 High Yield Notes;
- 15.6.4 the Borrower IQ Guarantee
- 15.6.5 Guarantee consisting in (i) the limited recourse pledge granted on the Capital Stock of KPSB in favour of National Bank of Canada as administrative agent, securing the Paper Machine Facilities and other secured obligations contemplated in the Paper Machine Credit Agreement, and (ii) the limited recourse pledge over the HQ Rebate Dedicated Account (and blocked account agreement) in favour of IQ securing the IQ Paper Machine Debenture; and

- 15.6.6 Guarantees not contemplated under the foregoing paragraph provided, however, that the aggregate amount of such Guarantees outstanding at any time for all Restricted Credit Parties does not exceed an amount equal to 5% of the Consolidated Tangible Assets at such time and at the time of entering into any such Guarantee, no Default or Event of Default shall have occurred and be continuing or would result therefrom.

15.7 **Acquisitions**

No Restricted Credit Party will make any Acquisition except for (i) Permitted Acquisitions, provided that the aggregate value of all Permitted Acquisitions effected during any fiscal year does not exceed Cdn\$100,000,000, and (ii) Acquisitions that do not meet the criteria for Permitted Acquisitions so long as such Acquisitions constitute an Investment permitted under subsection 15.5.7, in each case, provided no Default or Event of Default shall have occurred and be continuing or would result therefrom. The Acquisitions contemplated in clause (ii) above will be included in any calculation of the compliance of the Borrower with the provisions of subsection 15.5.7.

15.8 **Distribution**

No Restricted Credit Party will declare, set apart for payment or make any Distribution to any shareholder, Affiliate or holder of any option, warrant or right to purchase or acquire shares of its Capital Stock except (i) any Distribution made to another Restricted Credit Party and (ii) in any other case if, on both the date such Distribution is declared and the date it is paid, no Default or Event of Default has occurred and is continuing or would result therefrom and provided, in either case, that immediately after such Distribution, the Borrower shall be in compliance with the Ratios, calculated on a *pro forma* basis after giving effect to such Distribution and any incurrence of Debt for Borrowed Money resulting therefrom, if any.

15.9 **Reductions of Capital**

The Borrower will not purchase, redeem or otherwise acquire or retire for value any of its Capital Stock or any options, warrants or rights to purchase or acquire shares of its Capital Stock if a Default or an Event of Default has occurred and is continuing or would result therefrom or if immediately thereafter, the Borrower shall not be in compliance with the Ratios, calculated on a *pro forma* basis after giving effect to the foregoing and any incurrence of Debt for Borrowed Money resulting therefrom, if any.

15.10 **Prohibition on Limitation Concerning Distributions by Restricted Credit Parties**

No Restricted Credit Party other than the Borrower will enter into or suffer to exist any encumbrance or restriction on its ability to:

- 15.10.1 make any Distribution to any other Restricted Credit Party;
- 15.10.2 pay any Indebtedness owed to any other Restricted Credit Party;
- 15.10.3 make loans or advances to any other Restricted Credit Party; or
- 15.10.4 transfer any of its Business Assets to any other Restricted Credit Party;

except, in any such case, any such encumbrance or restriction resulting from any Applicable Law or contained in any Operative Document.

15.11 **Sale of Assets**

No Restricted Credit Party will sell, lease, alienate, securitize, enter into any Sale and Leaseback Transaction or otherwise dispose of any of its Business Assets, except for:

- 15.11.1 disposition of inventory made in the ordinary course of the carrying on its day to day business for cash or Cash Equivalent Investments;
- 15.11.2 disposition of Business Assets by a Restricted Credit Party to another Restricted Credit Party;
- 15.11.3 disposition of obsolete equipment that has no material economic value;
- 15.11.4 disposals of Business Assets not contemplated in any of the foregoing paragraphs provided that **(i)** the aggregate fair market value of the property so disposed of by all of the Restricted Credit Parties during any fiscal year (whether or not replaced by similar property) shall not exceed the lesser of **(y)** Cdn\$25,000,000, and **(z)** 15% of the Consolidated Tangible Assets on the basis of the annual Financial Statements of the Borrower for the previous fiscal year, and **(ii)** at the time of each such disposal, no Default or Event of Default shall have occurred and be continuing or would result therefrom; and
- 15.11.5 dispositions of receivable assets by the Borrower made pursuant to a Permitted Receivables Securitization, provided that the aggregate outstanding amount of funding under all Permitted Receivables Securitization shall not at any time exceed Cdn\$60,000,000;

15.12 Capital Expenditures

No Restricted Credit Party shall incur any Capital Expenditure if, as a result, the aggregate amount of Capital Expenditures incurred by the Restricted Credit Parties during any fiscal year would exceed Cdn\$60,000,000 plus an amount equal to the difference between Cdn\$60,000,000 and the amount of Capital Expenditures actually incurred during the immediately preceding fiscal year.

15.13 Change of Year-End

No Restricted Credit Party will change its year-end. On the 2021 Amendment and Restatement Effective Date, the year-end of the Borrower, of KP Real Estate, of KPGP and of the other Restricted Credit Parties is December 31. At the beginning of each fiscal year, the Borrower shall inform the Administrative Agent of the quarter end dates of such fiscal year.

15.14 Change in Business

No Restricted Credit Party will effect any material change in the nature of its business as described in Section 12.30.

15.15 Ownership of Shares and Subsidiaries

No Restricted Credit Party (other than the Borrower) will issue, transfer or authorize the transfer of its Capital Stock or any instrument convertible into its Capital Stock to any Person except to a Restricted Credit Party. Except for KPGP and the Borrower, no Restricted Credit Party shall have any shareholder other than one or more Restricted Credit Parties.

15.16 ERISA Compliance

With respect to any Plan, no Credit Party will:

- 15.16.1 engage in any prohibited transaction (as such term is defined in Section 406 of ERISA or Section 4975 of the Code) for which a civil penalty pursuant to Section 502(i) of ERISA or a tax pursuant to Section 4975 of the Code could be imposed;
- 15.16.2 incur any accumulated funding deficiency (as such term is defined in Section 302 of ERISA), whether or not waived, or permit any Unfunded Liability;

- 15.16.3 permit the occurrence of any Termination Event which could result in a liability to it or any other Credit Party; or
- 15.16.4 fail to comply with the applicable provisions of ERISA and the Code with respect to any Plan which could result in liability to it or any Credit Party,

which, in the aggregate for all such liabilities, results in liabilities in excess of US\$10,000,000 outstanding at any time in the aggregate for all Credit Parties.

15.17 **Other Benefit Plans**

With respect to any Canadian Plan, no Credit Party will fail to make any payment contribution, including any special payment to amortize any unfunded liability, as and when required by Applicable Law and the terms of any such Canadian Plan. No Credit Party shall establish any new defined benefit Canadian Plan. No Credit Party shall terminate or wind up any defined benefit Canadian Plan.

15.18 **Debt for Borrowed Money of the TAD #2 Project Entities**

The aggregate principal amount of Debt for Borrowed Money incurred, created or assumed at any time by TAD Canco, Lux Finco, KTG, Community Benefit Partners LLC (including any successor thereto), the TAD #2 Project Entities on a consolidated basis, shall not at any time exceed US\$397,000,000 and Cdn\$197,000,000,

15.19 **Debt for Borrowed Money of KPSB**

The aggregate principal amount of Debt for Borrowed Money incurred, created or assumed at any time by KPSB, on a consolidated basis, shall not at any time exceed Cdn\$273,000,000.

15.20 **Amendments to the TAD #2 Credit Agreement**

The Borrower will not allow any amendment to the TAD #2 Credit Agreement and the TAD Operating Agreements, or any documents accessory thereto (including any security document creating a Lien) without having obtained the prior written consent of the Administrative Agent, acting in accordance with the instructions of the Majority Lenders, provided, however, that in respect to any amendment to the TAD #2 Credit Agreement, the consent of the Administrative Agent, acting in accordance with the instructions of the Majority Lenders, will only be required where such amendment results in (i) a decrease in the amount of the loans or credit facilities made available to the TAD #2 Borrowers thereunder or (ii) any change in the amortization or maturity date of the loans or credit facilities made available to the TAD #2 Borrowers thereunder.

15.21 **Amendment to IQ Credit Agreement**

The Borrower will not amend or consent to any amendment to the IQ Credit Agreement which would result in:

- 15.21.1 reducing the period of moratorium on payments of principal on the IQ Loan to less than 24 months following September 7, 2016;
- 15.21.2 reducing the maturity of the IQ Loan to a date that is earlier than the tenth (10th) anniversary of September 7, 2016;
- 15.21.3 the amortization of the IQ Loan following the moratorium period mentioned in subsection 15.21.1 being faster than the amortization contemplated in the IQ Credit Agreement as of August 9, 2016; and
- 15.21.4 the interest and fees payable to IQ in respect of the IQ Loan being greater than those contemplated in the IQ Credit Agreement as of August 9, 2016.

15.22 **Amendments to the Nordea Financing Documents**

The Borrower will not amend or allow any amendment to any of the Nordea Financing Documents or any other document accessory thereto, that would result in **(i)** an increase in the Nordea Loan made available to the Borrower under the Nordea Credit Agreement or the interest rate thereunder, **(ii)** any reduction in the amortization period of the Nordea Loan or **(iii)** an acceleration of the maturity date of the Nordea Loan made available to the Borrower under the Nordea Credit Agreement, without having obtained the prior written consent of the Administrative Agent, acting in accordance with the instructions of the Majority Lenders.

15.23 **Amendments to the Paper Machine Financing Documents**

The Borrower will not allow KPSB to amend or allow any amendment to any of the Paper Machine Financing Documents or any other document accessory thereto, that would result in **(i)** an increase in the Paper Machine Facilities or the credit facilities made available to KPSB under the Paper Machine Credit Agreement or the interest rate thereunder, **(ii)** any reduction in the amortization period of the Paper Machine Facilities or **(iii)** an acceleration of the maturity date of the Paper Machine Facilities or the credit facilities made available to KPSB under the Paper Machine Credit Agreement, without having obtained the prior written consent of the Administrative Agent, acting in accordance with the instructions of the Majority Lenders.

15.24 **Amendments to the IQ Financings**

The Borrower will not:

- 15.24.1 allow KP Sherbrooke to amend or allow any amendment to any of the IQ Bathroom Tissue Financing Documents or any other document accessory thereto, that would result in (i) an increase in the IQ Bathroom Tissue Loan made available to KP Sherbrooke under the IQ Bathroom Tissue Credit Agreement or the interest rate thereunder, (ii) any reduction in the amortization period of the IQ Bathroom Tissue Loan or (iii) an acceleration of the maturity date of the IQ Bathroom Tissue Loan or any credit facility made available to KP Sherbrooke under the IQ Bathroom Tissue Credit Agreement,
- 15.24.2 allow KPSB to amend or allow any amendment to any of the IQ Facial Tissue Financing Documents or any other document accessory thereto, that would result in (i) an increase in the IQ Facial Tissue Loan made available to KPSB under the IQ Facial Tissue Credit Agreement or the interest rate thereunder, (ii) any reduction in the amortization period of the IQ Facial Tissue Loan or (iii) an acceleration of the maturity date of the IQ Facial Tissue Loan or any credit facility made available to KPSB under the IQ Facial Tissue Credit Agreement, and
- 15.24.3 allow KPSB to amend or allow any amendment to any of the IQ Paper Machine Debenture Documents or any other document accessory thereto, that would result in (i) an increase in the IQ Paper Machine Debenture made available to KPSB under the IQ Paper Machine Debenture or the interest rate thereunder, (ii) any reduction in the amortization period of the IQ Paper Machine Debenture or (iii) an acceleration of the maturity date of the IQ Paper Machine Debenture or any credit facility made available to KPSB under the IQ Paper Machine Debenture,

in each case, without having obtained the prior written consent of the Administrative Agent, acting in accordance with the instructions of the Majority Lenders.

15.25 **HQ Rebate Dedicated Account**

The Borrower will not make or permit any deposit or transfer to the HQ Rebate Dedicated Account, except for cash or Cash Equivalent Investments that constitute HQ Rebates.

ARTICLE 16

EVENTS OF DEFAULT

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

16.1 **Non-Payment**

The Borrower fails **(i)** to pay, when due, any amount of principal, owed by it and outstanding hereunder or **(ii)** to pay any interest or other amount owed by it and outstanding hereunder within five (5) Business Days of the due date thereof.

16.2 **Misrepresentation**

Any representation or warranty made or deemed made by any Restricted Credit Party hereunder or in any other Operative Document is found to have been either incorrect or substantially inaccurate with respect to a material aspect.

16.3 **Ratio**

The Borrower fails to maintain any Ratio in accordance with Section 14.1 and fails to cure such Default as contemplated and within the delay provided in Section 14.1.

16.4 **Negative Covenants**

Any Restricted Credit Party fails to comply with the provisions of Article 15 and, provided such failure can be remedied, such failure remains unremedied for a period of five (5) Business Days from its occurrence.

16.5 **Breach of Other Covenants**

Any Restricted Credit Party fails to perform or comply with any provision or obligation (other than those specifically referred to in the other Sections of this Article) contained in any Operative Document to which it is a party and such failure continues unremedied for a period of 30 days following the issuance to the Borrower by the Administrative Agent of notice thereof.

16.6 **Cross-Default relating to Debt for Borrowed Money**

Any Restricted Credit Party fails to pay, when due, any amount of principal, interest or other amount owed by it under any one or more agreements, documents or instruments relating to Debt for Borrowed Money, the amount of which singly, exceeds Cdn\$15,000,000 or, when aggregated with all such Debt for Borrowed Money in payment default by the Restricted Credit Parties, exceeds Cdn\$15,000,000 and such failure continues after the applicable grace periods, if any, specified in such agreements, documents or instruments;

16.7 **Cross-Acceleration**

Any Restricted Credit Party defaults under any one or more agreements, documents or instruments relating to Debt for Borrowed Money, the amount of which, singly, exceeds Cdn\$15,000,000 or, when aggregated with all such Debt for Borrowed Money in default by Restricted Credit Parties, exceeds Cdn\$15,000,000, and such default continues after the applicable grace periods, if any, specified in such agreements, documents or instruments, and there shall have occurred an acceleration of the maturity of such Debt for Borrowed Money;

16.8 **Unsatisfied Awards**

Any one or more Awards are entered against any one or more Credit Parties which Awards are not vacated, discharged, stayed or bonded pending appeal within thirty (30) days of the entry thereof or shall not have been vacated or discharged prior to the expiration of any such stay and involve a liability (not paid or fully covered by insurance) the amount of which, singly or when aggregated with all such liabilities of the Credit Parties, exceeds Cdn\$15,000,000.

16.9 **Enforcement Proceeding**

Any proceeding or action involving, singly or in the aggregate, liabilities reasonably expected to be in excess of Cdn\$15,000,000, and seeking issuance of a warrant of attachment, execution, distraint or similar process is commenced against a Credit Party and remains undismissed or unstayed for ten (10) days.

16.10 **Insolvency**

An Insolvency Event shall have occurred with respect to any Restricted Credit Party.

16.11 **Control by Kruger Family**

Kruger Inc. ceases to Control the Borrower or a Change of Control of Kruger occurs.

16.12 **Cross-Default with the Nordea Financing Documents**

An Event of Default (as defined in the Nordea Credit Agreement) occurs under any of the Nordea Financing Documents.

16.13 **Cross-Default with the 2018 High Yield Notes and the 2021 High Yield Notes**

An Event of Default (as defined in any indenture, supplement or similar instrument relating to the 2018 High Yield Notes and the 2021 High Yield Notes) occurs in respect of the 2018 High Yield Notes or the 2021 High Yield Notes.

16.14 **Permitted Receivables Securitization Event of Default**

So long as the Permitted Receivables Securitization Documents are in effect, the occurrence of a Permitted Receivables Securitization Event of Default.

16.15 **Cross-Default with the Paper Machine Financing Documents**

An Event of Default (as defined in the Paper Machine Credit Agreement) occurs under any of the Paper Machine Financing Documents.

16.16 **Cross-Default with the IQ Financings**

16.16.1 An Event of Default or “*cas de défaut*” in French (as defined in the IQ Bathroom Tissue Credit Agreement) occurs under any of the IQ Bathroom Tissue Financing Documents.

16.16.2 An Event of Default or “*cas de défaut*” in French (as defined in the IQ Facial Tissue Credit Agreement) occurs under any of the IQ Facial Tissue Financing Documents.

16.16.3 An Event of Default or “*cas de défaut*” in French (as defined in the IQ Paper Machine Debenture) occurs under any of the IQ Paper Machine Debenture Documents.

ARTICLE 17

REMEDIES

17.1 Termination and Acceleration

If an Event of Default shall have occurred and be continuing, the Administrative Agent may do, or instruct the Collateral Agent to do, as applicable, any one or more of the following:

- 17.1.1 declare the whole or any item or part of the Facility to be cancelled, terminated or reduced, whereupon the Lenders shall not be required to make any further Advance hereunder in respect of such portion of the Facility cancelled, terminated or reduced;
- 17.1.2 accelerate the maturity of all or any item or part of the Loans and declare them to be immediately due and payable, whereupon they shall be so accelerated and become so due and payable;
- 17.1.3 demand that the Borrower prepays the BA Liabilities then outstanding, whereupon the Borrower shall be obliged to prepay to the Administrative Agent the face amount of all outstanding BAs issued for its account notwithstanding that the holders of the outstanding BAs shall not have demanded payment or shall not then be entitled to do so;
- 17.1.4 demand that the Borrower prepays the LC Liabilities then outstanding whereupon the Borrower shall be obliged to prepay to the Administrative Agent the aggregate maximum liability of the LC Issuing Lender under the LCs issued under the Facility and then outstanding notwithstanding that the beneficiaries of such outstanding LCs shall not have demanded payment in whole or in part, or shall have demanded payment in part only or shall not then be entitled to do so;
- 17.1.5 demand payment under any Guarantee comprised in the Operative Documents;
- 17.1.6 suspend any rights of any Restricted Credit Party under any Operative Document, whereupon such rights shall be so suspended; and
- 17.1.7 take any other action, commence any other suit, action or proceeding or exercise such other rights as may be permitted by Applicable Law (whether or not provided for in any Operative Document) at such times and in such manner as the Administrative Agent may consider expedient,

all without any additional notice, demand, presentment for payment, protest, noting of protest, dishonour, notice of dishonour or any other action being required other than those required by Law. If an Event of Default referred to in Section 16.10 occurs, the Facility shall immediately and automatically be cancelled and the Loans shall be accelerated and become immediately and automatically due and payable without any action on the part of the Administrative Agent, the Collateral Agent or any other Finance Party being required.

17.2 Distribution of Proceeds of Realization

Subject to the provisions of the Amended and Restated Intercreditor and Collateral Agency Agreement, any Proceeds of Realization received by any one of the Finance Parties, shall be applied as follows:

- 17.2.1 firstly, to pay all fees due and costs incurred by the Administrative Agent up to and including the day a payment is made to or Proceeds of Realization are retained by the Finance Parties under subsection 17.2.3;

- 17.2.2 secondly, to pay all Realization Costs incurred and paid by any one of the Finance Parties, up to and including the day a payment is made to or Proceeds of Realization are retained by the Finance Parties, under subsection 17.2.3;
- 17.2.3 thirdly, to pay to the Finance Parties **(i)** the Loans, outstanding on the date any payment is made under this subsection, **(ii)** the Indebtedness under ISDA Contracts, but only up to Cdn\$25,000,000 in the aggregate, and **(iii)** Debt for Borrowed Money in respect of credit cards issued to Restricted Credit Parties, but only up to Cdn \$5,000,000 in the aggregate;
- 17.2.4 fourthly, to pay to the Finance Parties all other Secured Obligations outstanding on the day any payment is made under this subsection; and
- 17.2.5 fifthly, to pay any surplus to or to the order of any Person, including the Borrower which under applicable Law may be entitled to receive same.

In the event that, at any time following a distribution under subsection 17.2.3, an LC matures without having been drawn upon, then the LC Issuing Lender that received any amount on account of such LC pursuant to subsection 17.2.3 shall pay over such amount to the Administrative Agent for distribution as Proceeds of Realization under this Section 17.2.

17.3 **Pro Rata Sharing of Realization Costs**

Until such time as the Realization Costs are paid in the manner contemplated in subsection 17.2.2, all Realization Costs incurred and paid by any one of the Finance Parties shall be shared by the Finance Parties on the basis of their respective Rateable Share.

17.4 **Application of Payments**

Subject only to the provisions of Sections 17.2 and 17.3 and notwithstanding the provisions of Article 1572 of the *Civil Code of Québec*, the Lenders shall apply the Proceeds of Realization and of any credit or compensating balances therein referred to against such part of the Secured Obligations, as the Administrative Agent, acting in accordance with the instructions of the Majority Lenders, deems best.

17.5 **Indemnities and Payments**

Nothing herein contained shall be construed or interpreted as in any way obliging the Finance Parties to make any payment as provided for in this Agreement unless they or it are firstly supplied with such indemnifications as the Majority Lenders may consider to be necessary or desirable to protect and save the Finance Parties harmless from any liability or penalty for which any one thereof may become liable under any applicable Law as a result of making such payment.

17.6 **Compensation and Set-Off**

- 17.6.1 In addition to any rights now or hereafter granted under Applicable Law and not by way of limitation of any such rights, upon the occurrence of an Event of Default, each Finance Party is hereby authorized by the Borrower, at any time and from time to time, without notice to the Borrower or to any other Person, any such notice being hereby expressly waived (provided, however, that each Lender shall notify the Borrower of the exercise of its rights under this subsection within a reasonable period from the moment of such exercising of its rights) to effect compensation, to set off and to appropriate and to apply any and all deposits (general or special, time or demand, including Indebtedness evidenced by certificates of deposit, in each case whether matured or unmatured), and any other Indebtedness at any time held or owing by such Lender to or for the credit or the account of the Borrower against and on account of the obligations and liabilities of the Borrower to such Lender under the Operative Documents, irrespective of whether or not the Administrative Agent shall have made any demand

hereunder or shall have declared the Loans to be due and payable as permitted hereunder and although said obligations and liabilities, or any of them, shall be contingent or unmatured.

17.6.2 For the purposes of the application of this Section 17.6, each of the Borrower and the Finance Parties agrees that the benefit of any term applicable to any Lender's deposit or other Indebtedness referred to in this Section 17.6 shall be lost immediately before the time when such Lender shall exercise its rights under this Section 17.6 in respect of such deposit or Indebtedness of such Lender.

17.6.3 Furthermore, in the exercise of its rights under this Section 17.6, where any Indebtedness of any Finance Party to the Borrower is not outstanding in the same currency as the Indebtedness of the Borrower against which such Finance Party desires to exercise its rights under this Section 17.6, then such Finance Party may effect all currency conversions with respect to any such Indebtedness as it considers appropriate in accordance with its normal practices by using its own rate of exchange in effect on the Business Day preceding that on which it exercised its rights under this Section.

17.7 **Recovery for the Finance Parties**

Each Finance Party agrees that if it shall exercise any right under Section 17.6 or any other right of counterclaim, compensation, set-off, banker's lien, realization of security, or similar right with respect to property of the Borrower or if, under any applicable bankruptcy, insolvency or other similar Law, it receives a secured claim the security for which is a debt owed by it to the Borrower, the amount thereof shall constitute Proceeds of Realization under Section 17.2. All amounts thus recovered by any Finance Party shall promptly be delivered to the Collateral Agent for distribution. The provisions of this Section 17.7 shall not apply to the exercise of any such right of counterclaim, compensation, set-off, banker's lien, realization of security or similar right, with respect to property of the Borrower, in favour of such Lender as regards any Indebtedness of the Borrower to such Lender, as the case may be, which would not constitute a part of the Secured Obligations or the Loan of such Lender, as the case may be, or which was not created in furtherance of the Commitment of such Lender, as the case may be.

17.8 **Notices**

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

17.9 **Dealings with the Borrower**

The Administrative Agent may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Borrower as the Required Lenders may see fit, without prejudice to the liability of the Borrower or to the Finance Parties' rights in respect of the security conferred upon them pursuant to the terms of the Operative Documents.

17.10 **No Deemed Payment**

Where any Finance Party, whether under the provisions of the Operative Documents or otherwise, receives or recovers from the Borrower an amount ultimately payable to it under the provisions of the Operative Documents, but as a consequence of the provisions of Section 9.6 does not retain the totality of such amount, as between the Borrower, on the one hand, and that Finance Party, on the other hand, that excess amount not retained by such Finance Party shall be treated as not having been paid to such Finance Party for the purposes of this Agreement but, as between the Borrower, on the one hand, and the Finance Parties, on the other hand, the Borrower shall be entitled to treat such amount as having been paid on the Secured Obligations.

17.11 ISDA Contracts

In the event the Administrative Agent exercises any one of the rights referred to in Section 17.1, any Finance Party having entered into an ISDA Contract with any Restricted Credit Party shall have the right to claim from that Restricted Credit Party all amounts due under such ISDA Contract as a consequence of the exercise by such Finance Party of its right to terminate such agreement under the terms thereof.

17.12 Finance Parties to Exercise Rights through Administrative Agent or Collateral Agent

Subject only to the extent that under the provisions of Article 19 and Article 20 hereto, a single Finance Party is affected and subject to the provisions of Section 17.6 hereto, the Finance Parties shall only exercise their Rights, Remedies and/or Recourses with respect to the Operative Documents through the Administrative Agent or the Collateral Agent, as the case may be.

17.13 Equality of rank among the Liens created under the Operative Documents

Subject to Section 17.2, the Lenders expressly acknowledge, declare and agree that, except as otherwise expressly provided for herein and notwithstanding any other provision to the contrary contained, at any time and from time to time, in the Operative Documents, all rights, recourses and remedies which now are or may at any time hereafter be granted to the Lenders, directly or indirectly, under the terms of any applicable Law or the Operative Documents and all Liens which now or may, at any time hereafter, secure the payment of the Secured Obligations shall rank *pari passu* for the benefit of all of the Lenders in accordance with their respective Pro Rata Share notwithstanding any priorities that might otherwise be established by Law resulting from the nature of the Liens which now are or may, at any time hereafter, be created under any of the Operative Documents or from the date or time of execution, issue, delivery, registration, filing, notification, publication or perfection of any deed, instrument, application for registration, notice or financing statement.

17.14 Distribution of Payments among Creditors of a Same Class

Where any payment is made under any subsection of Section 17.2 and the amount of such payment is insufficient to cover all of the debts contemplated under such subsection, then such payment shall be distributed among each creditor referred to in such subsection on the basis of the proportion that bear the debts owed to such creditor and contemplated in such subsection to the aggregate of the debts contemplated in such subsection.

ARTICLE 18

TAXES AND OTHER CHARGES

18.1 Payments without Deductions

The Borrower agrees to pay the Loan of each Finance Party in principal, interest, fees and accessories, free and clear of and without deduction or withholding for (i) any and all present and future Taxes but excluding, however, Taxes imposed upon such Finance Party (any such Finance Party shall be referred to herein as a Taxed Party) by the jurisdiction and political subdivision in which it or its relevant lending office may be located or under the Laws of which it may have been constituted that may be imposed from time to time by any jurisdiction (including any jurisdiction from which payment is made) in connection with any amount required to be paid to such Finance Party pursuant to this Agreement or by any jurisdiction with respect to the preparation, execution, delivery, registration, performance, amendment or enforcement of this Agreement (all of the foregoing, other than the excluded items shall be collectively referred to herein as the **Local Taxes**), and (ii) any and all present and future Taxes that may be imposed from time to time by any jurisdiction with respect to the payment by the Borrower of or the reimbursement by the Borrower for any Local Taxes (all of the foregoing listed in clauses (i) and (ii) other than the excluded items shall be collectively referred to herein as the **Indemnified Taxes**). In the event that any Taxed Party shall have paid any Indemnified Taxes, which under the terms of this Section 18.1, the Borrower is obliged to pay, the Borrower covenants and agrees to reimburse, upon demand, such Taxed Party on an after-tax-basis as contemplated in Section 18.2 for the amount of any such Indemnified Taxes so paid by the latter, with interest on such amount as

contemplated in this Agreement, and any such reimbursement paid by the Borrower shall benefit from and be subject to the provisions of this Section 18.1 and Section 18.2.

18.2 Payments of Additional Amounts

If the Borrower is at any time **(x)** required by Law to make any deduction or withholding in respect of any Indemnified Taxes from any amount payable under this Agreement or **(y)** prevented by operation of Law from paying, causing to be paid or reimbursing the payment of any Indemnified Taxes or **(z)** required to reimburse a Taxed Party for any Indemnified Taxes paid by the latter but which, under the terms hereof, the Borrower is obliged to pay, the Borrower covenants and agrees to pay such additional amounts as may be necessary in order that the net amounts retained by any Taxed Party, after any deduction or withholding, after the deduction of any such Indemnified Taxes not paid, caused to be paid or reimbursed by the Borrower, after the payment of such Indemnified Taxes by the Taxed Party and after any Taxes imposed on or measured by the net income, profit or capital of the Taxed Party as a result of its receipt of additional amounts hereunder, shall equal the net after-tax amounts which would have been retained by such Taxed Party if any deduction or withholding had not been made, if such Indemnified Taxes had been paid, caused to be paid or reimbursed by the Borrower, if such Indemnified Taxes had not been paid by the Taxed Party and if no additional amounts had been paid hereunder. Such additional amounts shall be paid **(i)** in the case of amounts payable as a result of a deduction or withholding from an amount payable under this Agreement, on the date the latter amount is payable, **(ii)** in the case of amounts payable as a result of the failure by the Borrower to pay or reimburse such Indemnified Taxes, on the earlier of the date on which such Indemnified Taxes are due and the fifth day following the receipt by the Borrower of a notice from the Taxed Party that such Indemnified Taxes have been paid by such Taxed Party, **(iii)** in the case of Indemnified Taxes paid by a Taxed Party and that the Borrower is obliged to pay, on demand from the Taxed Party and **(iv)** in the case of amounts payable as a result of Taxes imposed on or measured by the net income, profit or capital of any Taxed Party as a result of its receipt of additional amounts hereunder, on the fifth day following the receipt by the Borrower of a request therefor by such Taxed Party. Upon request from the Borrower, the Taxed Party claiming payment of Indemnified Taxes under the provisions of this Section shall provide the Borrower with such information and documentation as the Borrower may reasonably request.

18.3 Increase in Interest Rates

If the Borrower is prevented by operation of Law from paying or causing to be paid any amount required to be paid by Section 18.2, the Borrower covenants and agrees to pay as additional interest payable under this Agreement an amount equal to such required amount, on the applicable Interest Payment Date if such amount is in respect of interest or, if otherwise, on the next succeeding Interest Payment Date, it being expressly understood and agreed that any such additional interest payment shall be paid on an after-tax-basis as contemplated in Section 18.2 and shall be subject to the provisions of Sections 18.1 and 18.2. The Borrower, at the request of any Taxed Party, shall sign such documents, deeds and instruments and shall do all such things as such Taxed Party shall reasonably consider useful or necessary to give full force and effect to such increase in the rate of interest.

18.4 Remittances by Taxed Party

With respect to any of such Indemnified Taxes, the Borrower shall make any required payment thereof within the time allowed under applicable Law and, within 15 days thereafter, shall furnish to the Administrative Agent and any Taxed Party evidence of such payment together with such certificates, receipts and other documents as may be available to establish any Tax credit to which such Taxed Party may be entitled. If such Taxed Party shall determine that it has irrevocably obtained a credit or similar Tax benefit with respect to income Taxes imposed by a jurisdiction in which it or its relevant lending office may be located or under the Laws of which it has been constituted, on the basis of the payment of such Taxes by the Borrower, such Taxed Party shall remit to the Borrower promptly an amount equal to the amount of such credit or benefit as is, in its discretion, exercised in good faith, equitably allocable to such payment by the Borrower having taken into account all its dealings giving rise to similar credits or benefits in relation to the same Tax period. If such Taxed Party shall determine subsequently that, for any reason, the amount of such credit or benefit has directly or indirectly been reduced, the Borrower covenants and agrees to pay, upon the request of such Taxed Party accompanied by evidence of such reduction, to such Taxed Party an amount equal to the amount of such reduction. All determinations and computations required or permitted by this Section shall be made, and all assumptions, methods of allocation and other principles necessary for or

related to such determinations and computations shall be made or selected, by such Taxed Party in its sole discretion (exercised in good faith) and shall constitute, in the absence of manifest error, *prima facie* evidence of the amounts or matters so determined or computed. In the absence of a Court order, nothing in this Section shall require any Taxed Party to disclose its tax preparation or other tax materials that it deems confidential.

18.5 **Survival of Agreements**

The agreements of the Borrower under this Article 18 shall survive the repayment of the Loans and the cancellation in full of the Facility.

ARTICLE 19

INDEMNITIES

19.1 **Market Disruption**

Each time that the Administrative Agent shall determine that by reason of circumstances affecting the relevant markets for Canadian Dollar deposits and US Dollar deposits generally, adequate and reasonable means do not exist for ascertaining the Discount Rate or the interest rate applicable to the Libor Loans or any part thereof, for any Selected Period, or the Administrative Agent shall receive a notice from any Affected Lender that:

- 19.1.1 by reason of circumstances affecting the relevant markets generally, deposits in US Dollars or in Canadian Dollars are not available to such Affected Lender in such market in the ordinary course of business in sufficient amounts to enable it to make a Libor Loan, to accept Drafts or discount BAs for the relevant Selected Period; or
- 19.1.2 by reason of circumstances affecting the market for BAs, no purchasers are available to such Affected Lender to enable it to discount BAs having any Selected Period; or
- 19.1.3 by reason of any Change in Law, it is impracticable for such Affected Lender to accept or discount BAs or to make or maintain a Libor Loan for any Selected Period; or
- 19.1.4 Libor or the Discount Rate do not represent, for such Affected Lender, by an amount which such Affected Lender deems in its sole discretion (exercised in good faith) to be material, the effective cost of funding or maintaining the Libor Loan or the BA Liability of such Affected Lender or any part thereof to be made for any Selected Period or continued for any new Selected Period by such Affected Lender;

the Administrative Agent shall promptly give notice of such determination by it or of receipt by it of such notice from an Affected Lender to the Borrower and the other Finance Parties.

19.2 **Suspension of Rights to Convert**

If notice has been given by the Administrative Agent pursuant to Section 19.1:

- 19.2.1 the Libor Loans or any part thereof, as the case may be, shall not be made, the Drafts shall not be accepted or the BAs shall not be discounted (whether pursuant to an Advance, a conversion or a rollover) by the Affected Lenders and the Borrower's right to elect that Advances be made or once made be converted into or continued as BAs or Libor Loans by an Affected Lender or Lenders, as the case may be, shall be suspended until such time as the Administrative Agent shall notify the Borrower that the circumstances having given rise to such suspension no longer exist; provided, however, that the Borrower may request such Affected Lenders to make available their respective Rateable Share of the requested Advance by way of a Prime Rate Loan or US Base Rate Loan, as the case may be;

- 19.2.2 each Affected Lender, over the course of the next ten (10) Business Days following the issuance of the notice by the Administrative Agent under Section 19.1, shall negotiate in good faith with the Borrower and deliver to the Borrower in writing the terms of a substitute basis for the continuation of the BA Liability or Libor Loan, of such Affected Lender or any part thereof, as the case may be, which is, financially, the substantial equivalent to such Affected Lender of the terms provided herein. The terms of the Substitute Basis for the BA Liability or Libor Loan of such Affected Lender or any part thereof, as the case may be, if they are accepted by the Borrower, shall be effective from any such acceptance and the provisions of this Agreement respecting such BA Liability or Libor Loan as the case may be, *ipso facto*, shall be amended to accord with the terms of the Substitute Basis for such Affected Lender. The Borrower shall sign such documents, deeds and instruments, and shall do all such things as the Affected Lenders shall reasonably consider useful or necessary to give effect to the Substitute Basis. If by the expiry of the said ten (10) Business Days no agreement has been reached with respect to the Substitute Basis, then the obligations of such Affected Lender to maintain or give effect to such part of such obligations, or to make or maintain such part of such BA Liabilities or such Libor Loan shall terminate and, subject to the provisions of any such applicable Law and those of Sections 19.5 and 19.6 with respect to losses and expenses, the Borrower may convert such BA Liabilities or such Libor Loan or any part thereof or alternatively may repay in full any such or other affected Loan or liability to such Affected Lender, together, in each case, with all interest accrued thereon, which conversion or repayment shall be made, with respect to each relevant Selected Amount, at the expiry of its Selected Period, or if in the judgment of such Affected Lender immediate conversion or repayment is required, immediately upon demand of such Affected Lender.

19.3 **Illegality**

If any Finance Party determines (which determination shall be evidenced by a certificate submitted to the Borrower and the Administrative Agent by such Finance Party and, in the absence of demonstrable error, such certificate shall constitute prima facie evidence of the subject matter thereof among the parties hereto) that:

- 19.3.1 it is unlawful or contrary to any applicable Law for such Finance Party to maintain or give effect to all or any part of its obligations as contemplated by this Agreement and the other Operative Documents, or to make or maintain all or any part of the BA Liability or the Libor Loan hereunder of such Finance Party, then the obligations of such Finance Party to maintain or give effect to such part of such obligations, or to make or maintain such part of such BA Liability or such Libor Loan shall terminate and, subject to the provisions of any such applicable Law and those of Sections 19.5 and 19.6 with respect to losses and expenses, the Borrower shall convert such BA Liability or such Libor Loan or any part thereof or, as applicable, shall repay in full any such or other affected Loan or liability to such Finance Party, together, in each case, with all interest accrued thereon, which conversion or repayment shall be made, with respect to each relevant Selected Amount, at the expiry of its Selected Period, or if in the judgment of such Finance Party immediate conversion or repayment is required, immediately upon demand of such Finance Party; or
- 19.3.2 a Change in Law has:
- 19.3.2.1 imposed, modified, or deemed applicable any loan ceiling against such Finance Party or imposed, modified or deemed applicable any special Tax (other than a Tax on the overall net income of such Finance Party) deposit insurance, reserve, deposit or similar requirement with respect to assets held by, deposits in or for the account of, the acquisition of funds by, or loans by such Finance Party; or
- 19.3.2.2 changed the basis of taxation of payments to such Finance Party under this Agreement (other than a change affecting taxation on the overall net income of such Finance Party); or

- 19.3.2.3 imposed on such Finance Party any other condition (including the amount of capital required or expected to be maintained by such Finance Party as a result of this Agreement, or its Commitment) or monetary restraint with respect to this Agreement, the BA Liability, the Libor Loan or any part thereof of such Finance Party or any other Operative Document; and

the result of any of the foregoing is to increase the cost to such Finance Party of making or maintaining its Commitment, BA Liability, Libor Loan or LC Liability or any part of any one thereof or to reduce any amount receivable by such Finance Party with respect to the BA Liability, the Libor Loan or LC Liability or any part of any one thereof of such Finance Party by an amount which such Finance Party deems in its sole discretion to be material, then, the Borrower, within fifteen (15) Business Days of receipt of the certificate referred to above (which certificate shall contain all required computations and reasonable explanations of the amounts required to be paid):

- 19.3.2.4 shall pay to such Finance Party, such additional amount computed by such Finance Party as will, on an after-tax basis, compensate such Finance Party for such additional cost or reduction in amounts receivable which such Finance Party determines to be attributable to the Borrower or the Loan made to the Borrower; and
- 19.3.2.5 subject to the provisions of Sections 19.5 and 19.6 with respect to losses and expenses, may (i) convert such Libor Loan or any part thereof into a US Base Rate Loan or may repay it, and (ii) shall repay in full the BA Liability and LC Liability together, in each case, with accrued interest thereon.

19.4 **Notice of Change in Law**

The Administrative Agent shall promptly give notice of receipt by it of any certificate delivered pursuant to the provisions of Section 19.3 to the Borrower and the Finance Parties.

19.5 **Reimbursement of Losses and Expenses**

Whenever any Finance Party or the Administrative Agent shall sustain or incur any losses and expenses in connection with:

- 19.5.1 the failure of the Borrower to borrow pursuant to a Draw Request once delivered (whether by reason of the Borrower's decision not to proceed, the non-fulfilment of any of the conditions set forth in this Agreement, the existence of a Default or Event of Default on the relevant Drawdown Date or for any other reason); or
- 19.5.2 the declaration by the Administrative Agent following the occurrence and during the continuance of an Event of Default, that the Loans are immediately due and payable; or
- 19.5.3 the failure of the Borrower to pay when due principal, interest, fees or any other amount under this Agreement (whether at maturity, by reason of acceleration or otherwise); or
- 19.5.4 the conversion or repayment of the whole or any part of the BA Liabilities, the LC Liabilities or the Libor Loans on any day other than a Selected Maturity Date; or
- 19.5.5 the conversion or repayment of the whole or any part of any affected Loans or liabilities pursuant to Section 19.1 or 19.3; or
- 19.5.6 the failure of the Borrower to convert pursuant to a Conversion Request once delivered any part of the Loans into or continue any part thereof as BA Liabilities, LC Liabilities or Libor Loans (whether by reason of the Borrower's decision not to proceed, the non-fulfilment of any

of the conditions set forth in this Agreement, the existence of a Default or Event of Default on the relevant Conversion Date or for any other reason);

(the events contemplated above shall be referred to individually as a **Loss Event** and the funds converted, repaid, not borrowed or not repaid, as the case may be, which are subject to any such Loss Event shall be collectively referred to as the **Affected Funds**);

the Borrower agrees to pay such Finance Party or the Administrative Agent, upon demand, an amount certified by such Finance Party or the Administrative Agent to be necessary to compensate it for all such losses and expenses, provided, however, that such losses and expenses shall not include any lost profits. The certificate of such Finance Party or the Administrative Agent, as the case may be, shall also specify the computation and reasonable explanations of the amount to be paid. The agreements of the Borrower under this Section 19.5 shall survive the repayment of the Loans and the termination of the Facility.

19.6 **Amount of Losses with respect to Libor Loans**

With respect to the Libor Loans, the losses and expenses referred to in Section 19.5 shall consist of and be limited to, losses and expenses incurred by any Finance Party in connection with the redeployment of the Affected Funds in an amount equal to the premium, if any, that such Finance Party would be required to pay were it to purchase, in the relevant market, prior to its maturity, on the date of such Loss Event, a term deposit instrument in a principal amount equal to the affected Selected Amount and whose maturity is equal to the remaining term of the affected Selected Period and bearing interest at a rate equal to the rate applicable or that would have been applicable under the terms hereof to the Affected Funds on the date of such Loss Event.

19.7 **General Indemnity**

The Borrower hereby indemnifies and holds harmless the Indemnified Parties from and against any and all losses and expenses, solidary, joint or several, that may be incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or relating to any investigation, litigation or proceeding or the preparation of any defense with respect thereto arising out of or in connection with or relating to this Agreement, the other Operative Documents or the transactions contemplated hereby or thereby, or any use made or proposed to be made with the proceeds of the Facility, whether or not such investigation, litigation or proceeding is brought by the Borrower, any shareholder or creditor thereof, an Indemnified Party or any other Person, or an Indemnified Party is otherwise a party thereto and whether or not the transactions contemplated hereby are consummated, except to the extent such losses and expenses are found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from such Indemnified Party's intentional or gross fault or wilful misconduct.

19.8 **Claims under the Indemnity**

The Indemnified Party claiming indemnification under Section 19.7 shall give the Borrower prompt notice in writing of particulars of any claim asserted by third parties against it which is covered by such indemnities.

19.9 **Option to Replace Lenders**

19.9.1 If any Lender shall become an Affected Lender or a Taxed Party that shall have requested indemnification under Article 18, then, in each such case, provided no Default or Event of Default has occurred and is continuing, the Borrower shall have the right to replace such Affected Lender or Taxed Party. The Borrower shall exercise such right within 90 days of such Lender becoming an Affected Lender or Taxed Party. The replacement of any Affected Lender or Taxed Party shall be made for its entire Loan and Commitment.

19.9.2 Where the Borrower shall wish to replace any Affected Lender or Taxed Party then, provided there does not then exist any Default or Event of Default:

- 19.9.2.1 the Borrower shall initially be required to offer the other Lenders, through the Administrative Agent, to acquire the whole or any portion of the Loan and assume the corresponding portion of the Commitment of the Affected Lender or Taxed Party. The other Lenders shall be required to inform the Administrative Agent of their decision within ten (10) Business Days of such offer; and
- 19.9.2.2 with respect to any portion of the Loan and Commitment of the Affected Lender or Taxed Party that the other Lenders have not decided to acquire within the period stipulated above, the Borrower may then request that such portion be Assigned to one or more financial institutions, provided that the Administrative Agent consents to each such Assignment, which consent shall not be unreasonably withheld.
- 19.9.3 Any Assignment under the provisions of this Section 19.9 shall be effected in accordance with the provisions of Section 23.5 provided, however, that the Borrower shall pay to the Administrative Agent the fee referred to in paragraph 23.5.2.5. The Affected Lender or Taxed Party shall cooperate with the Administrative Agent and the Borrower for the purpose of completing any Assignment requested by the Borrower under the provisions of this Section 19.9 in a timely manner.

ARTICLE 20

THE ADMINISTRATIVE AGENT

20.1 Appointment and Authorization

Each Lender irrevocably appoints and authorizes, and hereby agrees that it will require any Assignee, irrevocably to appoint and authorize the Administrative Agent to execute, deliver and take such actions as its agent under each Operative Document to which the Administrative Agent is party and to exercise such rights under each such Operative Document as are specifically delegated to the Administrative Agent by the terms thereof, together with such rights as are reasonably incidental thereto. The Administrative Agent accepts such appointment and agrees to perform its obligations as Administrative Agent under the Operative Documents in accordance with the provisions thereof.

20.2 Declaration of Agency

The Administrative Agent declares that it shall hold the Liens entrusted to it, the properties and assets charged thereby and the rights granted to it under each Operative Document, for its own benefit and as Administrative Agent for the rateable benefit of each Lender. The rights vested in the Administrative Agent by any Operative Document shall be performed by the Administrative Agent in accordance with the provisions of this Article.

20.3 Interest Holders

The Administrative Agent may treat each Lender as the holder of all of the interests of such Lender in respect of the Facility until a duly executed and delivered Loan Transfer Agreement in form and substance satisfactory to the Administrative Agent, has been delivered to the Administrative Agent and the Administrative Agent has been paid its required processing fee for such Assignment.

20.4 Consultation with Professionals

The Administrative Agent may engage and consult with Lenders' Counsel, accountants, consultants, financial advisors and other experts and the Administrative Agent shall not be liable for any action taken or not taken or suffered by it in good faith and in accordance with the advice and opinion of Lenders' Counsel or such accountants, consultants, financial advisors or other experts.

20.5 **Operative Documents**

The Administrative Agent shall be under no duty or obligation to examine, enquire into or pass upon the validity, effectiveness or genuineness of any Operative Document or any other agreement, document, instrument or communication furnished pursuant to or in connection with any Operative Document, and the Administrative Agent shall be entitled to assume that the same are valid, effective and genuine, have been signed or sent by the proper parties and are what they purport to be.

20.6 **Administrative Agent and its Subsidiaries and Affiliates**

With respect to its Commitment and Loan, the Administrative Agent shall have the same rights hereunder as any other Lender and may exercise the same as though it were not the Administrative Agent and the Administrative Agent and its Subsidiaries and Affiliates may accept deposits from, lend money to and generally engage in any kind of business with any Restricted Credit Party and its Affiliates and Persons doing business with any Restricted Credit Party or any of its Affiliates as if it were not the Administrative Agent and without any obligation to account therefor.

20.7 **Responsibility of the Administrative Agent**

The obligations of the Administrative Agent to the other Finance Parties under the Operative Documents are only those expressly set forth therein, including to provide to the Lenders copies of the documentation and information provided to it by the Borrower in connection with the transactions contemplated herein and intended for the Lenders. The Administrative Agent shall have no fiduciary obligation to any other Finance Party. The Administrative Agent shall only have those contractual obligations expressly set forth in the Operative Documents. The Administrative Agent shall have no duty or obligation to investigate whether any Default or Event of Default has occurred. The Administrative Agent shall be entitled to assume that no Default or Event of Default has occurred and is continuing, unless an officer of the Administrative Agent charged with the administration of this Agreement has actual knowledge or has been notified by the Borrower of such fact or has been notified by the Majority Lenders that they consider that a Default or Event of Default has occurred and is continuing, such notification to specify in detail the nature thereof. In the event a Lender is of the opinion that a Default or Event of Default has occurred and is continuing and so informs the Administrative Agent, then, at the request of such Lender, the Administrative Agent shall inform the other Lenders of the opinion of such Lender and of the basis therefor.

20.8 **Action by the Administrative Agent**

- 20.8.1 The Administrative Agent shall be entitled to use its discretion with respect to exercising or refraining from exercising any right which may be vested in it by, and with respect to taking or refraining from taking any action which it may be able to take under or in respect of, any Operative Document, unless the Administrative Agent has been instructed by the Required Lenders to exercise such rights or to take or refrain from taking such action; provided, however, that the Administrative Agent shall not exercise any right under Article 17 without being instructed to do so by the Required Lenders. The Administrative Agent shall incur no obligation under or in respect of the Operative Documents with respect to anything which it may do or refrain from doing in the reasonable exercise of its judgment or which may seem to it to be necessary or desirable in the circumstances, except for its intentional or gross fault or wilful misconduct.
- 20.8.2 The Administrative Agent shall in all cases be fully protected in acting or refraining from acting under any Operative Document in accordance with the instructions of the Required Lenders, and any action taken or failure to act pursuant to such instructions shall be binding on all Finance Parties.
- 20.8.3 Notwithstanding anything else herein contained, the Administrative Agent may refrain from doing anything which would or might in its opinion be contrary to any applicable Law or

which would or might otherwise render it liable to any Person and may do anything which is, in its opinion, necessary to comply with any Applicable Law.

- 20.8.4 Notwithstanding subsection 20.8.1, the Administrative Agent may refrain from acting in accordance with any instructions of the Required Lenders to begin any Litigation, arising out of or in connection with any Operative Document or to take management or control of any of the properties and assets on which a Lien is created pursuant to the Security Documents until it has received such security as it may require (whether by way of payment in advance or otherwise) for all losses and expenses which it will or may expend or incur in complying with such instructions.

20.9 **Notice of Events of Default**

- 20.9.1 In the event that an officer of the Administrative Agent charged with the administration of this Agreement is notified of any Default or Event of Default, the Administrative Agent shall promptly notify the Finance Parties, and, subject to Section 20.8, the Administrative Agent shall take such action and assert such rights under the Operative Documents as the Required Lenders shall request in writing, and the Administrative Agent shall not be subject to any liability by reason of its acting pursuant to any such request.
- 20.9.2 Prior to receiving any instructions from the Required Lenders in respect of such Default or Event of Default, the Administrative Agent may, but shall not be obliged to, take such action or assert such rights (other than those matters requiring unanimous Lender consent) as it deems in its discretion to be advisable for the protection of the Finance Parties, except that, if the Required Lenders have instructed the Administrative Agent not to take such action or assert such rights, in no event shall the Administrative Agent act contrary to those instructions.

20.10 **Responsibility Disclaimed**

The Administrative Agent in its capacity as Administrative Agent shall be under no obligation whatsoever:

- 20.10.1 to any Restricted Credit Party as a consequence of any failure or delay in the performance by, or any breach by, any Finance Party of any of its obligations under any Operative Document;
- 20.10.2 to any Finance Party, as a consequence of any failure or delay in the performance by, or any breach by, any Restricted Credit Party of any of its obligations under any Operative Document; or
- 20.10.3 to any Finance Party for any statements, representations or warranties in any Operative Document or any other agreement, document or instrument contemplated by any Operative Document or in any other information provided pursuant to any Operative Document or for the validity, effectiveness, enforceability or sufficiency of any Operative Document.

20.11 **Indemnification**

Each of the Finance Parties severally agrees to indemnify the Administrative Agent (to the extent not reimbursed by the Borrower on demand) pro rata according to their respective Rateable Share from and against any and all losses and expenses which may be imposed on, incurred by or asserted against the Administrative Agent in any way relating to or arising out of any Operative Document except that no Finance Party shall be liable to the Administrative Agent for any portion of such losses and expenses that is found in a final non-appealable judgment of court of competent jurisdiction to have resulted from the intentional or gross fault or wilful misconduct of the Administrative Agent.

20.12 **Protection of Employees**

Each reference in Sections 20.1, 20.8, 20.9, 20.10, 20.11 and 20.14 to the Administrative Agent shall (to the extent the context so admits) be deemed to include the Administrative Agent and its directors, officers, employees, agents, solicitors, accountants, consultants, financial advisors, other experts and all other representatives and the Administrative Agent shall be constituted as agent and bare trustee of each such Person and shall hold and enforce their rights under said Sections for their respective benefits.

20.13 **Credit Decision**

Each Finance Party represents and warrants to the Administrative Agent that:

- 20.13.1 in making its decision to enter into this Agreement and to make its Commitment and its Loan, it has independently taken whatever steps it considers necessary to evaluate the financial condition and affairs of each Restricted Credit Party and that it has made an independent credit judgment without reliance upon any information furnished by the Administrative Agent; and
- 20.13.2 so long as any portion of its Loan remains outstanding it will continue to make its own independent evaluation of the financial condition and affairs of each Restricted Credit Party.

20.14 **Replacement Administrative Agent**

- 20.14.1 The Administrative Agent (a **Resigning Administrative Agent**) may resign at any time by giving written notice thereof to the other Finance Parties and the Borrower. Such resignation shall only be effective upon the earlier of (i) the appointment of a replacement agent and its acceptance of such appointment and (ii) the 30th day following such notice. Upon receipt of notice of any such intended resignation, the Majority Lenders shall have the right to appoint a replacement to the Resigning Administrative Agent which shall be one of the Lenders that is a bank under Schedule I or Schedule II of the *Bank Act* (Canada) and provided no Default or Event of Default shall have then occurred and be continuing, which shall be acceptable to the Borrower. If no replacement to the Resigning Administrative Agent shall have been so appointed and shall have accepted such appointment within 15 days of receipt of such notice, the Majority Lenders shall, within the following 15 days, appoint a replacement that may, but need not be, a Lender but that shall be a financial institution to which payments are not subject to Part XIII of the *Income Tax Act* (Canada) and which has a branch in Montréal, Québec or Toronto, Ontario and, provided no Default or Event of Default shall have then occurred and be continuing, that shall be acceptable to the Borrower. If the Majority Lenders fail to appoint a replacement to the Resigning Administrative Agent within such 15 day period, without limitation of its rights under this Section 20.14, the Resigning Administrative Agent may, on behalf of the Lenders appoint a replacement Administrative Agent which shall be a financial institution to which payments are not subject to Part XIII of the *Income Tax Act* (Canada) and which has a branch in Montréal, Québec or Toronto, Ontario. Upon the resignation of a Resigning Administrative Agent, the replacement Administrative Agent shall thereupon succeed to and become vested with all the rights and obligations of the Resigning Administrative Agent and the Resigning Administrative Agent shall be discharged from its obligations under the Operative Documents. After any Resigning Administrative Agent's resignation hereunder as Administrative Agent the provisions of this Article 20 shall continue in effect for its benefit in respect of any actions taken or omitted to be taken by it while it was acting as Administrative Agent. In the event no replacement Administrative Agent shall have been appointed, the provisions hereof shall continue in full force and effect and each Lender shall be deemed to be its Administrative Agent.
- 20.14.2 The Administrative Agent may also be removed at any time by the Majority Lenders on the grounds that the Administrative Agent has failed to comply, in all material respects, with its obligations towards any Lender and has not remedied such failure within a reasonable delay

following its receipt of a notice from the Majority Lenders describing such failure. The provisions of subsection 20.14.1 above will apply *mutatis mutandis* to an Administrative Agent that is being so removed.

20.15 **Delegation**

With the prior approval of the Majority Lenders, such approval not to be unreasonably withheld, the Administrative Agent shall have the right to delegate any of its rights, duties or obligations under the Operative Documents to any other Finance Party upon such terms and conditions as the Administrative Agent may think fit and the Administrative Agent shall not be bound to supervise the proceedings or be in any way responsible for any obligations or losses and expenses incurred by reason of any misconduct or default on the part of any such delegate. Any such Finance Party to which the Administrative Agent delegates any of its rights, duties or obligations under the Operative Documents shall incur no obligations under or in respect of the Operative Documents with respect to anything which it may do or refrain from doing (within the scope of the rights, duties or obligations so delegated to it) in the reasonable exercise of its judgment or which may seem to it to be necessary or desirable in the circumstances, except for its intentional or gross fault or wilful misconduct.

20.16 **Waivers and Amendments**

- 20.16.1 Except as otherwise provided in subsections 20.16.2, 20.16.3, 20.16.4 and 20.16.6 (i) any term, covenant, agreement, condition or obligation of any Operative Document (a) may be amended with the consent of the Restricted Credit Parties that are party thereto and the Administrative Agent, acting in accordance with the instructions of the Majority Lenders, and such amendment shall be binding upon all the parties hereto or thereto or (b) compliance therewith may be waived (either generally or in a particular instance and either retroactively or prospectively) by the Administrative Agent, acting in accordance with the instructions of the Majority Lenders, and such waiver shall be binding upon all of the Lenders and in any such event the failure to observe, perform or discharge any such term, covenant, agreement, condition or obligation (whether such amendment is executed or such consent or waiver is given before or after such failure) shall not be construed as a breach of such term, covenant, agreement, condition or obligations or a Default or an Event of Default, and (ii) any discretion or right granted to the Finance Parties or any one thereof may be exercised by the Administrative Agent, acting in accordance with the instructions of the Majority Lenders.
- 20.16.2 Without the prior consent of every Lender (other than any Lender that is an Affiliate of the Borrower) and the Borrower, no amendment, waiver or other action of, or in respect of, any Operative Document shall:
- 20.16.2.1 increase the aggregate amount of the Facility, the amount or term of any of the Commitments or the proportion represented by the Rateable Share of any Lender, except pursuant to subsection 2.1.2 and Section 19.9 or 23.5;
 - 20.16.2.2 postpone or defer the time for the payment of the principal of or interest on the Loans or any part thereof, any Stamping Fee or any other amount payable hereunder;
 - 20.16.2.3 decrease the rate or amount or change the currency of any principal, interest or fees (including Stamping Fees) payable hereunder or the requirement of pro rata application in accordance with each Lender's Rateable Share of all amounts received by the Administrative Agent in respect of the Facility;
 - 20.16.2.4 change the definition of Required Lenders or Majority Lenders;
 - 20.16.2.5 amend this Section 20.16;

- 20.16.2.6 release or postpone any guarantee of any Restricted Credit Party under any Operative Document or release, discharge or subordinate any Lien created under the Security Documents except **(i)** as otherwise expressly permitted or required by the provisions of any Operative Document or under subsection 20.16.6, and **(ii)** that the Administrative Agent shall be entitled to confirm to the secured creditor of a Purchase Money Obligation that it holds a first ranking Lien on the property or asset that is the subject of such Purchase Money Obligation if the Administrative Agent is satisfied that the provisions of this Agreement have been complied with;
- 20.16.2.7 amend Section 10.2 or otherwise defer the time as of which the Borrower shall cause any Subsidiary to become a guarantor;
- 20.16.2.8 amend Section 11.1 or otherwise modify the Conditions Precedent to the 2021 Amendment and Restatement which shall be met to the satisfaction of all Lenders;
- 20.16.2.9 result in any Person becoming the Borrower.
- 20.16.3 No amendment or waiver of any provision of any Operative Document shall affect any of the rights or obligations of the Administrative Agent or the LC Issuing Lender under any Operative Document without the prior consent of the Administrative Agent or the LC Issuing Lender, as the case may be, and the Majority Lenders.
- 20.16.4 No amendment or waiver of any provision of any Operative Document shall affect any of the rights or obligations of any Swingline Lender under any Operative Document without the prior consent of such Swingline Lender.
- 20.16.5 Nothing contained in this Agreement or the other Operative Documents, including, without limitation, the specific reference to Lenders in certain provisions and to Majority Lenders in other provisions, should be construed or interpreted as in any way limiting or restricting the generality of the provisions of this Section 20.16.
- 20.16.6 In connection with the sale by any Restricted Credit Party of any Business Asset in compliance with the provisions of Section 15.11, at the request of the Borrower, the Administrative Agent, without seeking instructions from the Lenders or the Majority Lenders, may authorize the Collateral Agent to confirm to the purchaser of such Business Asset that the Liens granted pursuant to the Security Documents no longer affect such Business Asset and to discharge the Liens granted pursuant to the Security Documents on such Business Asset provided that the Administrative Agent **(i)** has received a certificate duly executed by one (1) Responsible Officer of the Borrower confirming that the provisions of Section 15.11 are being complied with, providing detailed information in support of such confirmation and attesting as in a Certificate of Officers and **(ii)** is satisfied that no Default or Event of Default has occurred and is continuing. Notwithstanding the foregoing, the Administrative Agent may seek the instructions of the Lenders with respect to any request from the Borrower made pursuant to this paragraph. The Administrative Agent shall not be liable for any action taken or not taken by it in good faith in reliance upon the certificate referred to in clause (i) above.
- 20.16.7 The Administrative Agent is entitled, without seeking instructions from the Lenders or the Majority Lenders, to **(i)** confirm to any Person that the Liens granted pursuant to the Security Documents do not affect the Excluded Assets and the Excluded Borrower Collateral, and **(ii)** discharge the Liens granted pursuant to the Security Documents on the Excluded Assets and the Excluded Borrower Collateral.

20.16.8 Notwithstanding anything to the contrary herein, only the consent of the relevant Lender or Hedge Provider shall be required in connection with any amendment, waiver or other action under, or in respect of, any ISDA Contracts entered into by such Lender or Hedge Provider. It is hereby acknowledged and agreed by the parties hereto that notwithstanding any provision of any Operative Document to the contrary, the Hedge Providers shall have no right to direct or instruct the Administrative Agent to take any action or refrain to take any action or to vote on any decision to so direct or instruct the Administrative Agent, unless and until the Loans have been indefeasibly paid in full

20.17 **Articles 2138 to 2148 C.C.Q. Not Applicable**

The mandate of the Administrative Agent under this Agreement is not governed by the provisions of Articles 2138 to 2148 of the *Civil Code of Québec* and the Finance Parties do hereby expressly renounce to the benefit of each and every one of such Articles.

20.18 **Rights, Benefits and Recourses Created by the Operative Documents**

The parties hereto do hereby expressly acknowledge, declare and agree that the Liens, rights, benefits and recourses created and intended to be created at any time and from time to time by any of the Operative Documents in favour of the Administrative Agent or in favour of the Finance Parties or any one thereof, are created and intended to be created in favour of the Lenders and in favour of the Administrative Agent as agent for such Person or Persons that now are or may, at any time and from time to time, become Finance Parties, in the same manner and to the same extent as though each such Person was personally an original party to or a Person specifically named as a beneficiary in the said documents, notwithstanding the invalidity or unenforceability of any Lien created pursuant to any Security Document or the inexistence for any Finance Party of, or the failure by any Finance Party to take a Lien on any asset or property intended to be charged under the Security Documents. In furtherance of the provisions of this Section 20.18, the parties hereto do hereby irrevocably mandate the Administrative Agent, for and on their behalf, to confirm to and confer upon each Person that becomes a Finance Party, the benefits of the Operative Documents and to execute any instrument necessary to evidence same. The acceptance by the Administrative Agent of any Loan Transfer Agreement shall constitute for all purposes of the Operative Documents, the carrying out by the Administrative Agent of the irrevocable mandate given to it under this Agreement.

ARTICLE 21

OPERATION OF ACCOUNTS

21.1 **Notice of Advance to the Finance Parties**

Upon receipt of any Draw Request, Conversion Request or Repayment Notice, the Administrative Agent shall promptly notify each Finance Party of the receipt of such request or notice and, subject to Section 4.2, of the Rateable Share of the requested Advance of such Lender or of the contemplated repayment, as the case may be.

21.2 **Interlender Procedure for Making Advances**

- 21.2.1 With respect to any Direct Advance, by no later than 11:00 a.m. (local time in the place of payment) on the requested Borrowing Date, each Lender shall make available to the Administrative Agent its Rateable Share of the requested Advance in same-day funds in the appropriate currency by wire-transferring such amount in the Administrative Agent's Account.
- 21.2.2 With respect to Advances requested by way of BAs, by no later than 11:00 a.m. (local time in the place of payment) on the relevant Issuance Date, subject to the relevant provisions of Article 11 each Lender shall make available to the Administrative Agent the BA Proceeds referred to in Section 4.6 in same-day funds in Canadian Dollars by wire-transferring such amount in the Administrative Agent's Account.

- 21.2.3 With respect to Advances requested by way of LCs, the Advance shall be made by the delivery by the LC Issuing Lender of the requested LCs as contemplated in Section 6.2.

21.3 **Deposits By or on Behalf of Lenders to Constitute Advances**

With respect to each of the Accounts, all deposits and credits made into said accounts under the terms hereof by the Administrative Agent, on behalf of the Lenders, and required to be so deposited or credited pursuant to a Draw Request or Conversion Request, shall constitute Advances by the Lenders under the terms hereof.

21.4 **Swingline Redistribution**

Where (i) on the last Business Day of each week, or (ii) on any other Business Day where the Administrative Agent requests that a Swingline Redistribution be effected, the Swingline Lender has a disproportionately higher or a disproportionately lower share of the Canadian Dollar Loans or the US Dollar Loans, as the case may be, than its Rateable Share of the Facility, then:

- 21.4.1 in the case of a disproportionately higher share of the Canadian Dollar Loans, each of the other Lenders shall purchase on such Business Day from the Swingline Lender a portion of the Swingline Prime Rate Loan of the Swingline Lender such that, thereafter, the Canadian Dollar Loan of each of the Lenders shall be on a Rateable Share basis of the Facility, for a consideration equal to the principal amount of the Swingline Prime Rate Loan of the Swingline Lender so purchased. Each Lender shall, on such Business Day, wire-transfer in the Administrative Agent's Account, in same-day funds, in Canadian Dollars, the aggregate amount of such consideration;
- 21.4.2 in the case of a disproportionately lower share of the Canadian Dollar Loans, the Swingline Lender shall purchase on such Business Day from the other Lenders a portion of the Canadian Dollar Loan of each other Lender such that, thereafter, the Canadian Dollar Loan of each of the Lenders shall be on a Rateable Share basis of the Facility, for a consideration equal to, for each such other Lender, the principal amount of the Canadian Dollar Loan of such other Lender so purchased. The Swingline Lender shall, on such Business Day, wire-transfer in the Administrative Agent's Account, in same-day funds, in Canadian Dollars, the aggregate amount of such consideration;
- 21.4.3 in the case of a disproportionately higher share of the US Dollar Loans, each of the other Lenders shall purchase on such Business Day from the Swingline Lender a portion of the Swingline US Base Rate Loan of the Swingline Lender such that, thereafter, the US Dollar Loan of each of the Lenders shall be on a Rateable Share basis of the Facility, for a consideration equal to the principal amount of the Swingline US Base Rate Loan of the Swingline Lender so purchased. Each Lender shall, on such Business Day, wire-transfer in the Administrative Agent's Account, in same-day funds, in US Dollars, the aggregate amount of such consideration; and
- 21.4.4 in the case of a disproportionately lower share of the US Dollar Loans, the Swingline Lender shall purchase on such Business Day from the other Lenders a portion of the US Dollar Loan of each other Lender such that, thereafter, the US Dollar Loan of each of the Lenders shall be on a Rateable Share basis of the Facility, for a consideration equal to, for each such other Lender, the principal amount of the US Dollar Loan of such other Lender so purchased. The Swingline Lender shall, on such Business Day, wire-transfer in the Administrative Agent's Account, in same-day funds, in US Dollars, the aggregate amount of such consideration.

Upon receipt in the Administrative Agent's Account of the funds referred to above, the Administrative Agent shall wire-transfer, in same-day funds, to each Lender the amount to which it is entitled under the provisions of this Section.

Notwithstanding the foregoing, in no event shall a Lender have to purchase any portion of the Loan of another Lender pursuant to this Section which would result in such first Lender's Loan exceeding its Commitment and, in such circumstances, the obligation of such Lender under this Section shall be reduced to the maximum amount that such Lender may purchase without resulting in such Lender's Loan exceeding its Commitment. For the purpose of this Section, where the Facility has been cancelled immediately prior to the Swingline Redistribution herein contemplated, the Commitment of each Lender shall be deemed the same as immediately prior to the cancellation of the Facility.

21.5 Use of Credit Balances

- 21.5.1 Where there is a credit balance in the Cdn Dollar Account, such credit balance, rounded downwards to the nearest CDN\$10,000, shall be imputed firstly to the repayment of the Prime Rate Loan of the Swingline Lender until same is repaid in full.
- 21.5.2 Where there is a credit balance in the US Dollar Account, such credit balance, rounded downwards to the nearest US\$10,000, shall be imputed firstly to the repayment of the US Base Rate Loan of the Swingline Lender until same is repaid in full.
- 21.5.3 Other than as provided above and subject to the provisions of Sections 17.2 and 21.4, the credit balances will not be imputed to the repayment of any other Loan unless the Administrative Agent shall have received a Repayment Notice.

21.6 Bank Accounts

The Administrative Agent will open and maintain on its books, for the purpose of this Agreement, for the account of the Borrower, at the Account Branch, a bank account for debits, deposits, credits and transfers in Canadian Dollars and a bank account for debits, deposits, credits and transfers in US Dollars, it being expressly understood that the Borrower shall not close such accounts while any of the Loans remain outstanding, save only in the case of a change in the Administrative Agent, where the Borrower may close the accounts that it had maintained with the retiring Administrative Agent.

21.7 Maintenance of Loan Records by the Administrative Agent

- 21.7.1 The Administrative Agent will open and maintain on its books, at the Administrative Agent's Office, a loan record for the Borrower evidencing the aggregate Indebtedness of the Borrower to the Finance Parties hereunder and each constituent part of the Loans. The Administrative Agent shall record therein the amount of each Direct Advance and the issuance of each LC and BA, and shall enter therein each payment of principal and interest on the said loans and all amounts paid by the Borrower on account of BAs and LC Liabilities and all other amounts paid by the Borrower and becoming due under this Agreement.
- 21.7.2 The said loan records shall constitute, in the absence of manifest error, *prima facie* evidence of the whole and each constituent part of the Loans, the date any Advance is made to the Borrower and the aggregate amounts from time to time paid by the Borrower on account of such Loans, in principal, interest, fees and other amounts due hereunder. Any failure of the Administrative Agent to record a transaction on any loan record in a timely fashion shall not affect or impair the validity of the obligation of the Borrower to repay the Loans owed by it, as and when herein provided. The obligation of the Borrower to repay the Loans owed by it shall be evidenced by this Agreement and by the loan records maintained by the Administrative Agent, it being the intent of the parties hereto that, save as otherwise expressly provided in Section 4.11, the obligations of the Borrower with respect to the Loans are to be evidenced only as stated herein and not by separate promissory notes.
- 21.7.3 Upon request of the Borrower or any Finance Party or as regularly as the Borrower or any Finance Party may request from time to time, the Administrative Agent shall notify in writing

the Borrower or such Finance Party, as the case may be, of the entries in such loan records and of the aggregate amounts due by the Borrower to the Lenders hereunder.

21.8 **Authority to Debit and Credit**

The Borrower does hereby expressly and irrevocably authorize the Administrative Agent to effect any and all necessary debits, deposits, credits and transfers (with respect to the Accounts) in order to accommodate the Lenders in making Advances and in order to accommodate the Borrower in making payments to the Finance Parties and the Administrative Agent, the whole under and subject to the provisions of this Agreement.

21.9 **Failure by Any Lender to Advance**

The failure by any Lender to make an Advance in accordance with its obligations hereunder shall not relieve the other Lenders of their several obligations to make an Advance (in accordance with their respective obligations) equal to their respective Rateable Share of the aggregate amount of any Advance requested by the Borrower nor shall any Lender be responsible for the obligations of any other Lender.

21.10 **Temporary Advances by the Administrative Agent**

21.10.1 Without in any way limiting the generality of the provisions of Section 21.2, the Administrative Agent may irrevocably and unconditionally assume that each Lender shall make available to the Administrative Agent on the relevant Borrowing Date its Rateable Share thereof in accordance with the provisions of Section 21.2 and the Administrative Agent may, in reliance upon such assumption, make available to the Borrower on such date a corresponding amount;

21.10.2 If a Lender does not so make available to the Administrative Agent its Rateable Share of such Advance and the Administrative Agent does make available to the Borrower such amount, such Lender shall pay such Rateable Share to the Administrative Agent on demand, together with interest thereon for each day from and including the date such Rateable Share of such requested Advance was not made available, at a fluctuating rate per annum equal to the interbank rate for overnight funds which is applicable to the currency in which such Advance is to be denominated in accordance with market practice. A certificate of the Administrative Agent submitted to any Lender with respect to any amount owing under this Section shall be *prima facie* evidence thereof, absent manifest error. If such amount and interest thereon is so made available to the Administrative Agent, such payment to the Administrative Agent by such Lender shall constitute such Lender's Advance on the relevant Borrowing Date for all purposes of this Agreement;

21.10.3 If, after delivery to such Lender of such certificate by the Administrative Agent, such amount is not so made available to the Administrative Agent, then the Administrative Agent shall notify the Borrower of such failure and, without in any way affecting or otherwise diminishing the obligation of such Lender to pay such amount to the Administrative Agent on demand, on the third (3rd) Business Day following the date of such requested Advance, the Borrower shall pay to the Administrative Agent such Rateable Share together with interest thereon for each day that the Borrower had the use of such Rateable Share of the requested Advance at:

21.10.3.1 where such amount is denominated in Canadian Dollars, an annual rate applicable for each such day equal to the Prime Rate at the close of business on each such day, plus the Relevant Margin applicable on each such day to the Prime Rate Loans; and

21.10.3.2 where such amount is denominated in US Dollars, an annual rate applicable for each such day equal to the US Base Rate at the close of business on each such

day, plus the Relevant Margin applicable on each such day to the US Base Rate Loans.

- 21.10.4 Any such amount advanced by and repaid to the Administrative Agent shall not be deemed to be a Loan hereunder, but shall be part of the Secured Obligations. Such rates of interest shall be computed in the same manner as that contemplated in Sections 3.6 and 3.8, shall be compounded monthly on the first day of each calendar month and shall be payable upon the demand of the Administrative Agent. Nothing herein shall be deemed to relieve any Lender from its obligation to fulfil its obligations hereunder or to prejudice any rights which the Borrower, the Administrative Agent or any other Lender may have against a Lender as a result of any failure by such Lender hereunder.

21.11 **Erroneous Payments By the Administrative Agent**

- 21.11.1 If the Administrative Agent notifies a Lender or other Finance Party, or any Person who has received funds on behalf of a Lender or other Finance Party under or pursuant to any of the Operative Documents (any such Lender, other Finance Party or other recipient, a **Payment Recipient**) that the Administrative Agent has determined in its sole discretion (whether or not after receipt of any notice under immediately succeeding subsection 21.11.2) that any funds received by such Payment Recipient from the Administrative Agent or any of its Affiliates were erroneously or mistakenly transmitted or paid to, or otherwise erroneously or mistakenly received by, such Payment Recipient (whether or not known to such Lender, other Finance Party or other Payment Recipient on its behalf) (any such funds, whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise, individually and collectively, an **Erroneous Payment**) and demands the return of such Erroneous Payment (or a portion thereof), such Erroneous Payment shall at all times remain the property of the Administrative Agent and shall be segregated by the Payment Recipient and held on deposit for the benefit of the Administrative Agent, and such Lender or other Finance Party shall (or, with respect to any Payment Recipient who received such funds on its behalf, shall cause such Payment Recipient to) promptly, but in no event later than two Business Days thereafter, return to the Administrative Agent the amount of any such Erroneous Payment (or portion thereof) as to which such a demand was made, in same day funds (in the currency so received), together with interest thereon in respect of each day from and including the date such Erroneous Payment (or portion thereof) was received by such Payment Recipient to the date such amount is repaid to the Administrative Agent in same day funds at the greater of (x) in respect of an Erroneous Payment in US Dollars, the US Base Rate and, in respect of an Erroneous Payment in Canadian Dollars at a fluctuating rate per annum equal to the overnight rate at which Canadian Dollars may be borrowed by the Administrative Agent in the interbank market in an amount comparable to such Erroneous Payment (as determined by the Administrative Agent) and (y) a rate determined by the Administrative Agent in accordance with banking industry rules or prevailing market practice for interbank compensation from time to time in effect. A notice of the Administrative Agent to any Payment Recipient under this subsection 21.11.1 shall be conclusive, absent manifest error.
- 21.11.2 Without limiting the immediately preceding subsection 21.11.1, each Lender or other Finance Party, or any Person who has received funds on behalf of a Lender or other Finance Party under or pursuant to any of the Operative Documents, hereby further agrees that if it receives a payment, prepayment or repayment (whether received as a payment, prepayment or repayment of principal, interest, fees, distribution or otherwise) from the Administrative Agent (or any of its Affiliates) (x) that is in a different amount than, or on a different date from, that specified in a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates) with respect to such payment, prepayment or repayment, (y) that was not preceded or accompanied by a notice of payment, prepayment or repayment sent by the Administrative Agent (or any of its Affiliates), or (z) that such Lender

or Finance Party, or other such recipient, otherwise becomes aware was transmitted, paid, or received, in error or by mistake (in whole or in part) in each case:

21.11.2.1 (A) in the case of immediately preceding clauses (x) or (y), an error shall be presumed to have been made (absent express written confirmation from the Administrative Agent to the contrary) or (B) an error has been made (in the case of immediately preceding clause (z)), in each case, with respect to such payment, prepayment or repayment; and

21.11.2.2 such Lender or other Finance Party shall (and shall cause any other recipient that receives funds on its respective behalf to) promptly (and, in all events, within one Business Day of its knowledge of such error) notify the Administrative Agent of its receipt of such payment, prepayment or repayment, the details thereof (in reasonable detail) and that it is so notifying the Administrative Agent pursuant to this subsection 21.11.2.

21.11.3 Each Lender or other Finance Party hereby authorizes the Administrative Agent to compensate, net and apply any and all amounts at any time owing to such Lender or other Finance Party under any Operative Document, or otherwise payable or distributable by the Administrative Agent to such Lender or other Secured Party from any source, against any amount due to the Administrative Agent under immediately preceding subsection 21.11.1 or under the indemnification provisions of this Agreement.

21.11.4 In the event that an Erroneous Payment (or portion thereof) is not recovered by the Administrative Agent for any reason, after demand therefor by the Administrative Agent in accordance with the immediately preceding subsection 21.11.1, from any Lender that has received such Erroneous Payment (or portion thereof) (and/or from any Payment Recipient who received such Erroneous Payment (or portion thereof) on its behalf) (such unrecovered amount, an **Erroneous Payment Return Deficiency**), upon the Administrative Agent's notice to such Lender at any time, (i) such Lender shall be deemed to have assigned its Loans (but not any of its Commitments) under any of the applicable Credit Facilities with respect to which such Erroneous Payment was made (the **Erroneous Payment Impacted Facilities**) in an amount equal to the Erroneous Payment Return Deficiency (or such lesser amount as the Administrative Agent may specify) (such assignment of the Loans (but not any of its Commitments) of the Erroneous Payment Impacted Facilities, the **Erroneous Payment Deficiency Assignment**) at par plus any accrued and unpaid interest (with the assignment fee to be waived by the Administrative Agent in such instance), and is hereby (together with the Borrower) deemed to execute and deliver a Loan Transfer Agreement with respect to such Erroneous Payment Deficiency Assignment, (ii) the Administrative Agent as the assignee Lender shall be deemed to acquire the Erroneous Payment Deficiency Assignment, (iii) upon such deemed acquisition, the Administrative Agent as the assignee Lender shall become a Lender hereunder with respect to such Erroneous Payment Deficiency Assignment and the assigning Lender shall cease to be a Lender hereunder with respect to such Erroneous Payment Deficiency Assignment, excluding, for the avoidance of doubt, its obligations under the indemnification provisions of this Agreement and any of its applicable Commitments which shall survive as to such assigning Lender and (iv) the Administrative Agent may reflect in the register its ownership interest in the Loans subject to the Erroneous Payment Deficiency Assignment. The Administrative Agent may, in its discretion, sell any Loans acquired pursuant to an Erroneous Payment Deficiency Assignment and, upon receipt of the proceeds of such sale, the Erroneous Payment Return Deficiency owing by the applicable Lender shall be reduced by the net proceeds of the sale of such Loan (or portion thereof), and the Administrative Agent shall retain all other Rights, Remedies and/or Recourses against such Lender (and/or against any recipient that receives funds on its respective behalf). For the avoidance of doubt, no Erroneous Payment Deficiency Assignment will reduce the Commitments of any Lender under any of the Credit Facilities and such Commitments under such Facilities shall remain available in accordance with the terms of this Agreement. In

addition, each party hereto agrees that, except to the extent that the Administrative Agent has sold a Loan (or portion thereof) acquired pursuant to an Erroneous Payment Deficiency Assignment, and irrespective of whether the Administrative Agent may be equitably subrogated, the Administrative Agent shall be contractually subrogated to all the rights and interests of the applicable Lender or other Finance Party under the applicable Operative Documents with respect to each Erroneous Payment Return Deficiency (the **Erroneous Payment Subrogation Rights**).

- 21.11.5 The parties hereto agree that an Erroneous Payment shall not pay, prepay, repay, discharge or otherwise satisfy any Secured Obligations owed by the Borrower or any other Credit Party, except, in each case, to the extent such Erroneous Payment is, and solely with respect to the amount of such Erroneous Payment that is, comprised of funds received by the Administrative Agent from (i) the Borrower or any other Credit Party or (ii) the proceeds of realization from the enforcement of one or more of the Operative Documents against or in respect of one or more of the Credit Parties, in each case, for the purpose of making such Erroneous Payment.
- 21.11.6 To the extent permitted by Applicable Law, no Payment Recipient shall assert any right or claim to an Erroneous Payment, and hereby waives, and is deemed to waive, any claim, counterclaim, defense or right of set-off or recoupment with respect to any demand, claim or counterclaim by the Administrative Agent for the return of any Erroneous Payment received, including waiver of any defense based on “discharge for value”, “good consideration” for the Erroneous Payment or change of position by such Payment Recipient, any defense that the intent of the Administrative Agent was that such Payment Recipient retain the Erroneous Payment in all events, or any doctrine or defense similar to any of the foregoing.
- 21.11.7 Each party’s obligations, agreements and waivers under this Section 21.11 shall survive the resignation or replacement of the Administrative Agent, or any assignment or transfer of rights or obligations by, or the replacement of, a Lender or an Affiliate thereof the termination of the Commitments and/or the repayment, satisfaction or discharge of all Secured Obligations (or any portion thereof) under any Operative Document.
- 21.11.8 For purposes of this Section 21.11, each Lender agrees it is executing and delivering this Agreement with respect to this Section 21.11 both on its own behalf and as agent for and on behalf of any Person receiving funds under or pursuant to any of the Operative Documents on behalf of such Lender.

ARTICLE 22

INCREASES IN THE FACILITY

22.1 **Request for Increase in the Facility**

- 22.1.1 The Borrower may request by delivering a written notice to the Administrative Agent that the Facility be increased as provided for in subsection 2.1.2.
- 22.1.2 Promptly upon receipt of such written notice, the Administrative Agent shall deliver to each Lender a copy thereof, and shall use commercially reasonable efforts to obtain an increase in the Commitments of the Existing Lenders up to an amount equal to the requested increase.

No later than fifteen (15) Business Days after its receipt from the Administrative Agent of a copy thereof, each Lender shall notify the Administrative Agent of its election to increase or not its Commitment, provided that any Lender who fails to so notify the Administrative Agent within such delay shall be deemed to have given notice of its election not to increase its Commitment. Upon receipt of all such notices (or deemed notices) from the Lenders, the Administrative Agent shall notify the Lenders and the Borrower of the contents thereof.

22.1.3 Where less than all such Lenders have accepted to so increase their respective Commitments, the Administrative Agent, in agreement with the Borrower, may **(i)** invite any of the Lenders that have accepted to increase their respective Commitment to further increase their respective Commitment, and/or **(ii)** invite one or more Persons to become Acceding Lenders for purposes of committing to a Commitment. The Administrative Agent shall use commercially reasonable efforts to obtain an increase in the aggregate Commitments of the Lenders beyond their respective Rateable Share of the requested increase and/or, as the case may be, a commitment to a Commitment by one or more Acceding Lenders up to the amount of the requested increase.

With respect to the commitments offered pursuant to this subsection 22.1.3, the Administrative Agent, in agreement with the Borrower, shall, in its discretion, determine the amount of the requested increase to be attributed to each Lender and/or Acceding Lender, and shall notify the Borrower and such Lenders and/or Acceding Lenders of such attribution.

22.1.4 No Lender is under any obligation to increase its Commitment.

22.2 **Increase of the Commitment of an Existing Lender and Accession of a New Lender**

22.2.1 In furtherance of the provisions of Section 22.1, where an Existing Lender has accepted to increase its Commitment hereunder, such Existing Lender may do so, provided that an Increased Commitment Certificate shall have been executed by such Existing Lender, the Administrative Agent, the Borrower and the other Restricted Credit Parties and delivered to the Administrative Agent and the Borrower and the other conditions contemplated under this Section 22.2 shall have been fulfilled.

22.2.2 In furtherance of the provisions of Section 22.1, any Person who is not already a Lender may become a party hereunder in the capacity of a Lender provided that an Accession Certificate shall have been executed by such Person, the Administrative Agent, the Borrower and the other Restricted Credit Parties and delivered to the Administrative Agent and the Borrower and the other conditions contemplated in this Section 22.2 shall have been met.

22.2.3 Any increase contemplated in subsection 22.2.1 and any accession contemplated in subsection 22.2.2 shall only be effective on the date that the following conditions shall have been met:

22.2.3.1 concurrently with the relevant Increased Commitment Certificate or Accession Certificate, the Borrower shall have delivered a certificate duly executed by one (1) Responsible Officer of the Borrower confirming that subsequent to the increase in the Facility, the Borrower would be in compliance with the Ratios calculated on a *pro forma* basis as if such increase had occurred and the Facility (subsequent to such increase) had been fully drawn;

22.2.3.2 the Administrative Agent shall have received all such instruments, documents, certificates, agreements and opinions as it may have required pursuant to Section 10.4; and

22.2.3.3 no Default or Event of Default shall have occurred and be continuing.

22.2.4 Upon the execution and delivery of an Accession Certificate, an Acceding Lender shall for all purposes be a Lender party to this Agreement and shall have all the rights and obligations of a Lender under this Agreement and shall be entitled to the benefits of, and be bound by the provisions hereof, to the same extent as if it were an original party hereto and no further consent or action by the Borrower, the Lenders, the Administrative Agent or the Collateral Agent shall be required.

ARTICLE 23

MISCELLANEOUS

23.1 **Notices**

Except as otherwise specified herein, all notices, requests, demands or other communications to or upon the respective parties hereto shall be deemed to have been duly given or made to the party to which such notice, request, demand or other communication is required or permitted to be given or made under this Agreement, when delivered to such party (by certified mail, postage prepaid, or hand delivery) at its address and attention set forth with its signature below or at such other address as any of the parties hereto may hereafter notify the others in writing. No other method of giving notice is hereby precluded, provided, however, that electronic mail and internet and intranet websites may be used only to distribute routine communications, such as Draw Requests, Conversion Requests, Reduction Notices, Repayment Notices, Compliance Certificates and Acquisition Certificates and financial statements and other information and may not be used for any other purpose.

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

In the absence of manifest error, any calculation or determination to be made by the Administrative Agent, any Finance Party or the Majority Lenders under this Agreement, when made, shall constitute *prima facie* evidence for all of the parties hereto.

23.3 **Rights and Recourses Cumulative**

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

23.4 **Assignments by the Borrower**

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

23.5 **Participations and Assignments by Lenders**

23.5.1 Any Lender may, at any time, grant Participations without the consent of the Borrower or the Administrative Agent.

23.5.2 Any Lender may at any time enter into Assignments, provided that no such Assignment to a separate legal entity shall be effective until:

23.5.2.1 the assignee is a Person other than a natural Person, the Borrower or any Affiliate or Subsidiary of the Borrower;

23.5.2.2 the Administrative Agent shall consent to same, which consent shall not be unreasonably withheld;

23.5.2.3 the Borrower shall consent to same, which consent shall not be unreasonably withheld, it being understood, however, that it shall be reasonable for the Borrower to withhold their consent where the Borrower has reasonable grounds to believe that the assignee could claim under the tax indemnity provided under

Article 18, provided, however, that where such Assignment is to occur at a time where a Default or an Event of Default has occurred and is continuing, no such consent shall be required;

23.5.2.4 a Loan Transfer Agreement shall have been executed by such Lender, the Assignee, the Administrative Agent, the Collateral Agent and the Borrower and delivered to the Administrative Agent and the Borrowers. The Borrower hereby covenants and agrees not to unreasonably withhold its execution of the aforesaid instrument. The signature of the Borrower shall only be required under the terms of this subsection where such Assignment is to occur at a time where no Default or Event of Default has occurred and is continuing; and

23.5.2.5 such Lender has paid to the Administrative Agent, for its exclusive benefit, a fee of Cdn\$[REDACTED].

[Redacted for confidentiality purposes.]

Any Lender may, without the consent of the Borrower or the Administrative Agent, pledge its rights hereunder or under any Loan as collateral security for extensions of credit from any Federal Reserve Bank.

23.5.3 Upon such execution and delivery and provided the other conditions of this Section 23.5 shall have been met, such Lender shall be released from its Commitment and other obligations hereunder to the extent of such Assignment, and such Assignee shall for all purposes be a Lender party to this Agreement, and shall have all the rights and obligations of a Lender under this Agreement and shall be entitled to the benefit of the provisions hereof, to the same extent as if it were an original party hereto, and no further consent or action by the Borrower, the Lenders or the Administrative Agent shall be required. Each Loan Transfer Agreement shall constitute an amendment to this Agreement and more particularly to Schedule A hereto to the extent, and only to the extent, necessary to reflect the addition of such Assignee as a Lender and the resulting adjustment of the Commitments, if any, resulting from the aforesaid Assignment.

23.5.4 Without in any way limiting the generality of any of the foregoing, the Borrower shall, at the request of any Lender which so Assigns any of its interest under this Agreement, execute and deliver to such Lender or to such party or parties as such Lender may designate any and all further instruments or documents and use its best efforts to obtain any and all further authorizations or approvals, and make any and all further registrations, filings or notifications, as may be necessary or desirable to give full force and effect to such Assignment.

23.5.5 Any Assignment contemplated in this Section 23.5 must be either for the entire amount of the Commitment and the Loan of a Lender or where it is for a lesser amount, such amount must not be such that the Commitment of the Assigning Lender would be reduced by less than Cdn\$5,000,000 nor must the remaining amount of the Commitment of the Assigning Lender following such an Assignment be less than Cdn\$5,000,000. Notwithstanding the foregoing, where any such Assignment is being made while a Default or an Event of Default has occurred and is continuing, none of the restrictions contained in this subsection 23.5.5 shall apply to such Assignment.

23.5.6 Except as specifically set forth in this Section 23.5, nothing in this Agreement, expressed or implied, is intended to or shall confer on any Person other than the respective parties hereto and their successors or assignees permitted hereunder any benefit or any legal or equitable right, remedy or other claim under this Agreement. For the purposes of this subsection 23.5.6, each Lender, subject to the prior consent of the Borrower, which consent shall not be unreasonably withheld, may provide, on a confidential and need-to-know basis, any prospective assignees, transferees or participants with this Agreement, the other Operative Documents as well as all information, reports, budgets, projections and documents, which are

made available to each Lender by the Borrower in connection with this Agreement, from time to time provided that the prior consent of the Borrower is not required at any time where a Default or an Event of Default has occurred and is continuing.

23.6 **Conversion Rules**

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

23.7 **Currency Indemnity**

The Borrower agrees that its obligations in respect of any amount due and payable to the Finance Parties in the Original Currency hereunder shall, notwithstanding any payment or tender, including pursuant to any judgment expressed or payment made in the Second Currency, be discharged only to the extent that, on the Business Day following receipt of any sums so paid or adjudged to be due hereunder in the Second Currency, the Administrative Agent, on behalf of the Finance Parties, in accordance with normal banking procedure, may purchase in the Canadian money market or the Canadian foreign exchange market, as the case may be, the Original Currency with the amount of the Second Currency so paid or so adjudged to be due; and, if the amount of the Original Currency so purchased is less than the amount originally due in the Original Currency, the Borrower agrees, as a separate obligation and notwithstanding any such payment or judgment to indemnify the affected Finance Parties against such loss and, if the amount of the Original Currency so purchased is greater than the amount originally due in the Original Currency, the Administrative Agent and the Finance Parties agree, notwithstanding any such payment or judgment, to remit to the Borrower, on demand, any such excess.

23.8 **Counterparts, Effectiveness, Electronic Execution.**

- 23.8.1 This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement shall become effective when it has been executed by the Administrative Agent and when the Administrative Agent has received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by telecopy or by sending a scanned copy by electronic mail shall be effective as delivery of a manually executed counterpart of this Agreement.
- 23.8.2 This Agreement and any other Operative Document may be signed by way of associating or otherwise appending an electronic signature or other facsimile signature of the applicable signatory and the words "execution", "signed", "signature", and words of like import in this Agreement and any other Operative Document shall be deemed to include electronic signatures or other facsimile signature, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature.
- 23.8.3 Each party hereto agrees that, at any time, the Administrative Agent and each Lender may convert paper records of this Agreement, the other Operative Documents and all other documentation delivered to the Administrative Agent hereunder or under the Credit Agreement in such capacity (each, a **Paper Record**) into electronic images (each, an **Electronic Image**) as part of the Administrative Agent's or Lender's, as applicable, normal business practices. Each party hereto agrees that each such Electronic Image shall be considered as an authoritative copy of the Paper Record and shall be legally binding on the parties and admissible in any legal, administrative or other proceeding as conclusive evidence of the contents of such document in the same manner as the original Paper Record.

23.9 **Severability**

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

23.10 **Replacement of Previous Agreements**

This Agreement amends and restates all verbal or oral agreements, understandings and undertakings between the Finance Parties, or any one thereof, and the Borrower relating to the Facility, the whole subject to and except for the letter agreement contemplated in Section 8.2.

23.11 **No Novation**

Any security provided to the Finance Parties by the Borrower shall not constitute a payment, nor shall it operate novation of any amount due hereunder and shall not operate by way of compensation, set-off or confusion of, or merge with, any Indebtedness or liability of the Borrower or of any other Person or Persons to the Finance Parties or any one thereof under any deed, guarantee, contract, bill of exchange, promissory note, letter of credit, certificate of deposit or other instrument by which the same may now or at any time hereafter be represented or evidenced.

23.12 **Obligation to Pay Absolute**

Except as provided under Section 9.9, the obligations of the Borrower to make payments on the Loans as and when in this Agreement provided shall be unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances without any right of compensation or set-off and notwithstanding any defence, right of action or claim of any nature whatsoever which the Borrower may at any time have or have had against the Administrative Agent or the Finance Parties, whether in connection with this Agreement or otherwise.

23.13 **Inconsistency with Security Documents**

Unless otherwise herein provided, to the extent that any provision of this Agreement is inconsistent with the provisions of any of the Security Documents, the provisions of this Agreement shall prevail.

23.14 **Contractual Recognition of Bail-In**

Notwithstanding any other term of any Operative Document or any other agreement, arrangement or understanding between the parties hereto, each party acknowledges and accepts that any liability of any Finance Party to any other party under or in connection with the Operative Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

23.14.1 any Bail-In Action in relation to any such liability, including (without limitation):

- (i) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;
- (ii) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and
- (iii) a cancellation of any such liability; and

23.14.2 a variation of any term of any Operative Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

23.15 **Governing Law**

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

23.16 **Submission to Jurisdiction**

Each of the parties hereto irrevocably submits to the non-exclusive jurisdiction of the Courts of the Province of Québec sitting in the judicial district of Montréal with respect to any matter arising hereunder or in relation herewith. The parties hereto irrevocably waive any objections on the ground of venue or *forum non conveniens* or any similar grounds. The parties hereto irrevocably consent to service of process by mail or in any other manner permitted by relevant Law.

23.17 **Acknowledgement Regarding Any Supported QFCs.**

To the extent that the Operative Documents provide support, through a guarantee or otherwise, for any ISDA Contract or any other agreement or instrument that is a QFC (such support, **QFC Credit Support**, and each such QFC, a **Supported QFC**), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the **U.S. Special Resolution Regimes**) in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Operative Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

23.17.1 In the event a Covered Entity that is party to a Supported QFC (each, a **Covered Party**) becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Operative Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States.

23.17.2 As used in this Section 23.17, the following terms have the following meanings:

BHC Act Affiliate of a party means an “affiliate” (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

Covered Entity means any of the following: (i) a “covered entity” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b); (ii) a “covered bank” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or (iii) a “covered FSI” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

Default Right has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

QFC has the meaning assigned to the term “qualified financial contract” in, and shall be interpreted in accordance with, 12 U. S.C. 5390(c)(8)(D).

ARTICLE 24

FORMAL DATE

24.1 Formal Date

For the purpose of convenience, this Agreement may be referred to as bearing formal date of May 21, 2021 irrespective of the actual date of its execution.

ARTICLE 25

LANGUAGE

25.1 English Language

The Borrower has expressly required that this Agreement and all deeds, documents and notices relating thereto be drafted in the English language.

25.2 Langue Anglaise

L’Emprunteur a expressément exigé que la présente convention et tous les autres contrats, documents ou avis qui y sont afférents soient rédigés en langue anglaise.

[INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have signed this Agreement.

**KRUGER PRODUCTS L.P.,
by its general partner, KPGP Inc.**

Per: (s) David Angel

and Per: _____

Address: #200
1900 Minnesota Court
Mississauga, Ontario
L5N 5R5

Attention: Corporate Secretary

**NATIONAL BANK OF CANADA
as Lender**

Per: (s) Alexandre Huot
Alexandre Huot, Managing Director

and Per: (s) Dominic Albanese
Dominic Albanese, Managing Director

Address: 5th Floor
1155 Metcalfe Street
Montréal, Québec H3B 4S9

Attention: Director

**THE BANK OF NOVA SCOTIA
as Lender**

Per: (s) Marc-André Lelièvre
Marc-André Lelièvre, Director

and Per: (s) Olivier Hendrick
Olivier Hendrick, Associate Director

Address: 1002 Sherbrooke Street West
9th Floor
Montréal, Québec H3A 3L6

Attention: Vice President

**THE TORONTO-DOMINION BANK
as Lender**

Per: (s) Mel Saklatvala
Mel Saklatvala, Managing Director

and Per: (s) Serge Cloutier
Serge Cloutier, Director

Address: 1 Place Ville Marie
Suite 2315
Montréal, Québec H3B 3M5

Attention: Vice President

**RABOBANK CANADA,
as Lender**

Per: (s) Yacouba Kane
Yacouba Kane
Executive Director

and Per: (s) Kimberley Fobert
Kimberley Fobert
Managing Director

Address: 22 Adelaide St. West #3720
Bay and Adelaide Centre East Tower
Toronto, ON M5H 4E3

Attention: Vice President

**HSBC BANK CANADA
as Lender**

Per: (s) Dominic Pitacciato
Dominic Pitacciato
Senior Relationship Manager, Large Corporate Banking

and Per: (s) Jean J. Caillé
Jean J. Caillé
Vice-President, Corporate Banking

Address: 2001 McGill College Avenue
Suite 300
Montréal, Québec
H3A 1G1

Attention: Global Relationship Manager

**BANK OF AMERICA, N.A.
Canada Branch
as Lender**

Per: (s) Jean-François Bourdon
Jean-François Bourdon

and Per: _____

Address: 200 Front Street West
Suite 2700
Toronto, Ontario M5V 3L2

Attention: Vice President

**CANADIAN IMPERIAL BANK OF COMMERCE
as Lender**

Per: (s) Kazim Mehdi
Kazim Mehdi, Executive Director

and Per: (s) Peter Rawlins
Peter Rawlins, Managing Director

Address: Brookfield Place
161 Bay Street, 8th Floor
Toronto, Ontario
M5J 2S8

Attention: Kazim Mehdi, Director

**FÉDÉRATION DES CAISSES DESJARDINS DU
QUÉBEC
as Lender**

Per: (s) Michel Tolédano
Michel Tolédano, Director Corporate Banking

and Per: (s) Geneviève Baillargeon
Geneviève Baillargeon, Vice-President Corporate
Banking

Address: 1170, Peel Street
Suite 300
Montréal, Québec H3B 0A9

Attention: Director, Corporate Banking

**WELLS FARGO BANK, N.A., Canadian Branch
as Lender**

Per: (s) Rizwan Malik
Rizwan Malik, Vice President

and Per: _____

Address: 1250 boul. René Lévesque
Suite 2100
Montréal, Québec
H3B 4W8

Attention: Vice President, Middle Market Banking

**NATIONAL BANK OF CANADA
as Administrative Agent and Collateral Agent**

Per: (s) Dominic Albanese
Dominic Albanese, Managing Director

and Per: (s) Alexandre Huot
Alexandre Huot, Managing Director

For purposes of all notices of drawdown, conversion,
renewal or repayment and the delivery of the financial
information:

Address: Corporate Customer Service -
Syndication and Agency Group
500 Place d'Armes, 27th Floor
Montréal, Québec
H2Y 2W3

Attention: Syndication

E-mail: 

For all other purposes:

Address: Loan Structuring & Syndication -
Credit Capital Market
5th Floor
1155 Metcalfe Street
Montréal, Québec
H3B 4S9

Attention: Director

SCHEDULE A

THE LENDERS AND THEIR COMMITMENT

NAME OF LENDER	COMMITMENT (CDN\$)
National Bank of Canada	██████
The Bank of Nova Scotia	██████
The Toronto-Dominion Bank	██████
Rabobank Canada	██████
HSBC Bank Canada	██████
Bank of America, N.A. Canada Branch	██████
Canadian Imperial Bank of Commerce	██████
Fédération des Caisses Desjardins du Québec	██████
Wells Fargo Bank, N.A., Canadian Branch	██████
Total	Cdn\$200,000,000

SCHEDULE B

DEFINITIONS

1061021 refers to 1061021 Delaware Inc., a corporation incorporated under the Laws of the State of Delaware, and includes any successor thereto;

2018 High Yield Notes means senior unsecured notes with a seven (7) year maturity date issued by the Borrower on or about the 2018 Amendment and Restatement Effective Date (as such term is defined in the Existing Credit Agreement) in an aggregate principal amount of Cdn\$125,000,000 by way of a Canadian private placement to repay in part the Facility (as such term is defined in the Existing Credit Agreement) and for general corporate purposes;

2021 High Yield Notes means senior unsecured notes with a eight (8) year maturity date issued by the Borrower on or about April 8, 2021 in an aggregate principal amount of Cdn\$135,000,000 by way of a Canadian private placement for general corporate purposes;

2021 Amendment and Restatement Effective Date has the meaning ascribed to it in Section 11.1;

30 Day CDOR BA Rate means, for any day, the CDOR BA Rate for BAs having a maturity of 1 month;

8528365 refers to 8528365 Canada Inc., a corporation constituted under the laws of Canada, and includes any successor thereto;

Acceding Lender has the meaning ascribed to it in subsection 2.1.2;

Accession Certificate means the instrument referred to in subsection 22.2.2, substantially in the form of the one attached hereto as Schedule M;

Account Branch means the branch of the Administrative Agent located at 600 de la Gauchetière Street West, Level A, Transit 0001-1, Montréal, Québec, H3B 4L2, or such other branch of the Administrative Agent as the Administrative Agent may specify from time to time;

Accounts refers collectively to the Cdn Dollar Account and the US Dollar Account, and **Account** refers to any one thereof;

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

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

the whole either directly or through Subsidiaries provided that the formation, subscription for shares and capitalization of a Subsidiary shall not be deemed to be an Acquisition for purposes of this Agreement;

Acquisition Certificate means a certificate, substantially in the form of the one attached hereto as Schedule J, signed by one (1) Responsible Officer of the Borrower, setting forth, *inter alia*, the calculations required to establish the Ratios, on a pro forma Adjusted Consolidated Basis as at the end of the then most recently completed fiscal quarter as if the Acquisition to which such certificate relates had been completed;

Adjusted Consolidated Basis means, whenever such expression is being used hereunder with respect to Ratios, financial information or Financial Statements of the Borrower, that such Ratios, financial information or Financial Statements shall be calculated, established and determined on the basis of the consolidated financial data of the Borrower, the whole as determined in accordance with GAAP, applied in a consistent manner, save and except however that, irrespective of the relevant GAAP that would otherwise be applicable to consolidation, the Unrestricted Credit Parties shall be accounted for hereunder as investments at cost (but not consolidated).

Administrative Agent means National Bank of Canada, in its capacity as Administrative Agent for the Finance Parties for the purposes of this Agreement and the other Operative Documents, and includes any successor thereto in such capacity;

Administrative Agent's Account means the bank accounts of the Administrative Agent designated from time to time by the Administrative Agent to the Lenders for purposes of making the inter-lender advances contemplated in Section 21.2;

Administrative Agent's Office means generally, the office of the Administrative Agent located at 1155 Metcalfe Street, 5th Floor, Montréal, Québec, or such other office as the Administrative Agent may specify from time to time;

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

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

Advance means any amount of money or credit advanced or to be advanced (as the context requires) to the Borrower pursuant to this Agreement, whether by way of Direct Advance by the Lenders, acceptance of Drafts by the Lenders or issue by the LC Issuing Lender of LCs;

Affected Funds has the meaning ascribed to it in Section 19.5;

Affected Lender means a Lender who shall have issued a notice to the Administrative Agent pursuant to Sections 19.1, 19.3 and 19.5;

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

Amended and Restated American Guarantee and Subordination Agreement refers to the third amended and restated American guarantee and subordination agreement dated as of November 19, 2018 entered into among, *inter alia*, KPUSA, the Borrower and the Collateral Agent;

Amended and Restated Canadian Guarantee and Subordination Agreement refers to the third amended and restated Canadian guarantee and subordination agreement dated as of November 19, 2018 entered into among, *inter alia*, the Borrower, KPGP, KP Real Estate, KP AFH GP, KP AFH LP and the Collateral Agent;

Amended and Restated Contribution Agreement refers to the third amended and restated contribution agreement dated as of November 19, 2018 entered into among, *inter alia*, the Restricted Credit Parties and the Collateral Agent;

Amended and Restated Intercreditor and Collateral Agency Agreement refers to the second amended and restated intercreditor and collateral agency agreement dated as of November 19, 2018 entered into among, *inter alios*, the Borrower, Nordea, in its capacity as administrative agent under the Nordea Credit Agreement, the Administrative Agent and the Collateral Agent;

AML Legislation has the meaning ascribed to it in subsection 13.13.1;

Applicable Law means Law applicable to any specified Person, property, transaction or event or any of such Person's Business Assets, and any Award of any Governmental Authority or arbitrator in any proceeding or action to which the Person in question is a party or by which such Person or any of its Business Assets is bound;

Assignment or **Assign** means the sale, assignment, transfer or other disposition of the Loan or any portion thereof, of a Lender and the equivalent portion of the corresponding Commitment and other obligations of such Lender under this Agreement (provided that, even if no Loans are outstanding, the Commitment of any Lender may be transferred) but expressly excludes any Participation, and **Assigning**, **Assignor** and **Assignee** have the correlative meanings;

Attributable Debt means, with respect to any Person, in connection with any Sale and Leaseback Transaction, at any date as of which the amount thereof is to be determined, the lesser of **(y)** the fair market value of the property subject to such Sale and Leaseback Transaction (as determined in good faith by the board of directors of such Person) and **(z)** the total net amount of rent required to be paid by such Person under the lease which is the subject of such Sale and Leaseback Transaction during the remaining term thereof, (including the initial term and any period for which such lease may be renewed or extended), discounted from the respective due dates thereof to such date at a rate per annum equal to the yield on Government of Canada obligations for the comparable period plus %, compounded annually. The net amount of rent required to be paid under any such lease for any such period shall be the amount of the rent payable by the lessee with respect to such period, after excluding amounts required to be paid on account of maintenance and repairs, insurance, taxes, assessments, water rates and similar charges. In the case of any lease which is terminable by the lessee upon the payment of a penalty, such net amount shall also include the amount of such penalty, but no rent shall be considered as required to be paid under such lease subsequent to the first date upon which it may be so terminated;

Authorization means any authorization, approval, consent, exemption, licence, permit, franchise or no-action letter from any Governmental Authority having jurisdiction with respect to any specified Person, property, transaction or event, or with respect to any of such Person's Business Assets or from any Person in connection with any easement, servitude or contractual rights;

Authorized Currency means any currency that is freely convertible and otherwise satisfactory to the LC Issuing Lender in its absolute discretion, other than Canadian Dollars and US Dollars;

Authorized Currency LC Liability, with respect to any Lender, means, as at any time, the Rateable Share of such Lender in the face amount of the LCs denominated in an Authorized Currency, expressed in its Equivalent in Canadian Dollars, issued under the Facility and still outstanding after deducting therefrom any amount held under Section 9.5 in connection with such LCs, and **Authorized Currency LC Liabilities** refers collectively to the Authorized Currency LC Liabilities of all Lenders;

Available Commitment means, as at any time, as determined by the Administrative Agent, with respect to any Lender, the difference between the Commitment of such Lender at such time and the Loan of such Lender then outstanding, expressed in the Equivalent in Canadian Dollars if any portion thereof is outstanding in US Dollars;

Available Facility means, as at any time, as determined by the Administrative Agent, the difference between the Facility then in effect and the Loans then outstanding, expressed in the Equivalent in Canadian Dollars if any portion thereof is outstanding in US Dollars;

Available Swingline Facility means, as applicable as at any time, as determined by the Swingline Lender, the difference between its Swingline Commitment Amount then in effect and its Swingline Loan then outstanding;

Award means any judgment, decree, injunction, rule, award or order of any Governmental Authority or arbitrator;

BA means, with respect to any Lender other than a Non-BA Lender, a Draft issued by the Borrower and accepted by such Lender pursuant to this Agreement and, with respect to a Non-BA Lender, means a BA Equivalent Note;

BA Equivalent Note means a non-interest bearing promissory note, issued by the Borrower to a Non-BA Lender and which is discounted by such Non-BA Lender in accordance with the provisions of Section 4.11;

Bail-In Action means the exercise of any Write-down and Conversion Powers.

Bail-In Legislation means:

- (i) in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 of Directive 2014/59/EU, as amended or re-enacted, establishing a framework for the recovery and resolution of credit institutions and investment firms, pursuant to a relevant implementing Law from time to time; and
- (ii) in relation to any other state, any analogous Law from time to time which requires contractual recognition of any Write-down and Conversion Powers contained in that Law;

BA Liability, with respect to any Lender, means, as at any time, the aggregate of the face amount of the BAs accepted by such Lender under the Facility and still outstanding after deducting therefrom any amount held under Section 9.4 in connection with such BAs, and **BA Liabilities** refers collectively to the BA Liabilities of all Lenders;

BA Proceeds means, with respect to any BA, the difference between the Discounted Proceeds thereof and the Stamping Fee relating thereto;

BA Reference Lender refers to HSBC Bank Canada, or such other Lender as the Borrower and the Administrative Agent may designate from time to time;

Bathroom Tissue Project means the construction and operation by KP Sherbrooke of a new bathroom tissue converting line located in the existing TAD #2 Project building;

Borrower means Kruger Products L.P. (formerly known as Kruger Products II, L.P.), a limited partnership formed under the laws of Québec, and includes any successor thereof;

Borrower IQ Guarantee means the Guarantee (which Guarantee shall be unsecured except for the limited recourse pledge in favour of IQ over the HQ Rebate Dedicated Account (and blocked account agreement) securing the IQ Paper Machine Debenture) by the Borrower of the IQ Financings, up to an aggregate amount of Cdn\$90,000,000, provided that once the aggregate principal amount of the IQ Financings reaches Cdn\$90,000,000, the maximum amount of the Borrower IQ Guarantee will decrease on a dollar for dollar basis as the aggregate principal amount of the IQ Financings decreases, provided further that the Borrower IQ Guarantee is in addition to the security granted to IQ on the HQ Rebate Dedicated Account and any amounts that may at any time be held therein, and provided further that the HQ Rebate Dedicated Account must however be entirely depleted before any call for the repayment of the IQ Paper Machine Debenture can be made by IQ under the Borrower IQ Guarantee;

Borrowing Date means any day on which an Advance is made, whether it be a Drawdown, a conversion or a rollover;

Brompton Mill means the KBLP newsprint and specialties paper mill;

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

Business Day means any day excluding Saturday, Sunday or any other day which in Montréal, Québec, Toronto, Ontario, New York, New York or London, England (if it relates to Libor Loans) is a legal holiday or a day on which banks are authorized by law or by local proclamation to close provided that with respect to any transaction under the terms hereof requiring a transfer of funds in Canadian Dollars, then **Business Day** means any day, excluding Saturday, Sunday or any other day which in Montréal, Québec or Toronto, Ontario is a legal holiday or a day on which banks are authorized by law or by local proclamation to close;

Canadian Dollar Loan, with respect to any Lender, means, as at any time, the aggregate of the principal amount of Advances of such Lender then outstanding in Canadian Dollars under the Facility, including the BA Liability, the Cdn\$ LC Liability and the Authorized Currency LC Liability of such Lender;

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

Canadian Plan means any plan, program, arrangement or understanding that provides pension or retirement benefits (whether or not registered under any applicable pension benefits or Tax Laws in Canada) which is maintained or contributed to by (or to which there is or may be an obligation to contribute of) a Credit Party in respect of any individual's employment in Canada or a province or territory thereof with a Credit Party or any of its Subsidiaries;

Capital Expenditures, with respect to any Person, means any and all expenditures of money made or committed to be made by such Person for or in connection with the acquisition, repair (the expenditure with respect to which is capitalized), improvement or extension of capital property or assets (other than an Acquisition), whether by way of purchase, Capital Lease or otherwise, provided, however, that shall not be considered Capital Expenditures for purposes of this Agreement expenditures of money resulting from transactions strictly among Restricted Credit Parties;

Capital Lease, with respect to any Person, means any lease or other arrangement relating to property or assets which, in accordance with GAAP, would be accounted for as a capital lease obligation on a balance sheet of such Person. The amount of any Capital Lease at any date shall be the amount of the obligation in respect thereof which would be included within such balance sheet;

Capital Stock means common shares, preferred shares or other equivalent equity interests (howsoever designated) of capital stock of a body corporate, equity preferred or common interests in a limited liability company, limited or general partnership interests in a partnership or any other equivalent such ownership interest;

Cash Equivalent Investments means:

1. direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the government of Canada or the United States of America (or by any agency thereof to the extent such obligations are backed by the full faith and credit of Canada or the United States of America), in each case maturing within one year of the date such Investment is made;
2. marketable general obligations issued by any Province of Canada or by any State of the United States of America or any political subdivision of any such Province or State or any corporation or public instrumentality thereof maturing within one year of the date such Investment is made and, at the time of such Investment, having a credit rating of at least A-3 from S&P or its equivalent from Moody's;
3. investments in commercial paper or other similar marketable promissory notes maturing no longer than twelve (12) months from the date such Investment is made and, at the time of such Investment, having a credit rating of at least A-3 from S&P or its equivalent from Moody's;
4. investments in Canadian or US certificates of deposit, banker's acceptance and time deposits maturing within twelve (12) months of the date such Investment is made, issued, guaranteed by or placed with, and money market deposit accounts issued or offered by **(y)** any Lender, or **(z)** any commercial bank or trust

company organized or licensed under the Laws of Canada or the United States of America, or any Province or State thereof, having a credit rating of at least A-3 from S&P or its equivalent from Moody's; and

5. investments in money market funds or other mutual funds that invest in, or repurchase obligations that are comprised of the types of Cash Equivalent Investments described in clauses 1 to 4 above;

Cdn Dollar Account means, with respect to the Borrower, the Canadian Dollar account established on behalf of the Borrower by the Administrative Agent at the Account Branch pursuant to Section 21.6 (and, with respect to The Bank of Nova Scotia as Swingline Lender, the Canadian Dollar account established on behalf of the Borrower by The Bank of Nova Scotia for such purpose);

Cdn\$ LC Liability, with respect to any Lender, means, as at any time, the Rateable Share of such Lender in the face amount of the LCs denominated in Canadian Dollars issued under the Facility and still outstanding after deducting therefrom any amount held under Section 9.5 in connection with such LCs, and **Cdn\$ LC Liabilities** refers collectively to the Cdn\$ LC Liabilities of all Lenders;

CDOR BA Rate means, for any Business Day, the discount rate (expressed as an annual percentage rounded upwards to the nearest fifth decimal point) quoted on the Reuters Money Market CDOR page as of 10:00 a.m., Montréal time, on such day for bankers' acceptances denominated in Canadian Dollars accepted by the Administrative Agent, having a maturity similar to that of the BAs with respect to which such rate is being determined and, where different rates are shown for different amounts, for an amount which is closest to the aggregate face amount of BAs the Borrower has requested the Lenders accept on such day. If for any such Business Day such rate does not appear on such CDOR Page, **CDOR BA Rate** shall mean for such day, the arithmetical mean of the discount rates (expressed as an annual percentage, rounded upwards to the nearest fifth decimal point), charged by money market jobbers for non-interest bearing bills of exchange accepted by the Administrative Agent, having a maturity similar to that of the BAs with respect to which such rate is being determined and having a face amount which is closest to the aggregate face amount of BAs the Borrower has requested the Lenders accept on such day;

Certificate of Officer means a certificate signed by one (1) Responsible Officer of the Borrower, attesting and stating that:

1. said officer has taken cognizance of all the terms of the present Agreement and of all other Operative Documents;
2. to its knowledge, no Default or Event of Default has occurred and is continuing as of the date of such certificate which has not theretofore been disclosed to the Administrative Agent; and
3. to its knowledge, the representations and warranties made or deemed made by the Borrower under the Operative Documents are true and correct as of the date of such certificate (except to the extent that any such representation or warranty expressly relates to an earlier date, in which case such representation or warranty is true and correct as of such date);

Change in Law means (i) the adoption or the coming into force of any Law, directive, guideline (whether or not having the force of law) or the interpretation or the administration thereof by a Governmental Authority or other authority charged with such interpretation or administration, (ii) any change in any Law, directive or guideline (whether or not having the force of law), or in the interpretation or the administration thereof by any Governmental Authority or other authority charged with the interpretation or administration thereof, (iii) any reversal by any Governmental Authority or other authority of an interpretation of any Law, directive or guideline (whether or not having the force of Law);

Change of Control of Kruger means either (a) during the lifetime of Joseph Kruger II, the failure of Joseph Kruger II to possess, directly or indirectly, the power to direct or cause the direction of the management and policies of Kruger Inc. whether through the ownership of Voting Capital Stock, by contract or otherwise, or (b) thereafter, as a

result of any disposition, legal or beneficial, effected by the legal representatives or heirs of Joseph Kruger II, the failure of the legal representatives or the heirs of Joseph Kruger II collectively to possess, directly or indirectly, the power to direct or cause the direction of the management and policies of Kruger Inc. whether through the ownership of Voting Capital Stock, by contract or otherwise;

Clean-Up means the remediation, containment, removal, treatment, neutralization or inactivation of any Hazardous Material;

Code means the United States Internal Revenue Code of 1986, as amended from time to time;

Collateral Agent refers to National Bank of Canada in its capacity as collateral agent pursuant to the Amended and Restated Intercreditor and Collateral Agency Agreement for, *inter alia*, the Lenders for the purposes of this Agreement and the other Operative Documents, and includes any successor or assign thereof in such capacity;

Commitment means, with respect to any Lender, as at any time, the aggregate amount which such Lender has agreed to make available to the Borrower pursuant to subsection 2.1.1, as such amount may have been modified since the 2021 Amendment and Restatement Effective Date pursuant to the provisions of this Agreement, and **Commitments** means the Commitment of each Lender, collectively;

Compliance Certificate means a certificate, substantially in the form of the one attached hereto as Schedule I, signed by one (1) Responsible Officer of the Borrower and delivered pursuant to Sections 14.2 and 14.3;

Conditions Precedent to the 2021 Amendment and Restatement has the meaning ascribed to it in Section 11.1;

Confirmation of Security Agreements means, collectively, the Canadian confirmation of guarantee and security agreement and the American confirmation of guarantee and security agreement, each dated as of the 2021 Amendment and Restatement Effective Date and executed by the applicable Restricted Credit Parties in favour of the Administrative Agent;

Consolidated Tangible Assets means, as at any time, determined in accordance with GAAP, on an Adjusted Consolidated Basis, the consolidated assets of the Borrower excluding goodwill and other intangible assets other than accounts receivable as determined on the basis of the most recently audited annual Financial Statements of the Borrower delivered pursuant to Section 14.3;

Control, Controls and **Controlled** when used with respect to any Person means the power to appoint the majority of the members of the board of directors of such Person, directly or indirectly, whether through ownership of Capital Stock, by contract or otherwise, it being understood, however, that where the power to manage such Person has been, entirely or substantially, removed from its board of directors through a unanimous shareholders' agreement or otherwise or when such Person does not have a board of directors, then it shall mean the power to direct the management and policies of such Person, directly or indirectly;

Conversion Date means any day on which a conversion or rollover is effected;

Conversion Request means a notice, substantially in the form of the one attached hereto as Schedule F, issued to the Administrative Agent by the Borrower pursuant to Section 7.1;

Credit Card Documents refers to all documents entered into from time to time between a Finance Party and a Restricted Credit Party with respect to the issue of credit cards to such Restricted Credit Party;

Credit Parties refers collectively to the Restricted Credit Parties, the Non-Material Credit Parties and the Unrestricted Credit Parties, and **Credit Party** refers to any one thereof;

Cure Investment has the meaning ascribed to it in Section 14.1;

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

1. obligations for borrowed money;
2. obligations under letters of credit or letters of guarantee or obligations to financial institutions who issued such letters of credit or letters of guarantee for the account of such Person;
3. obligations under banker's acceptances, depository bills or depository notes (as these latter two expressions are defined in the *Depository Bills and Notes Act* (Canada));
4. Purchase Money Obligations;
5. obligations evidenced by bonds, debentures or promissory notes;
6. redeemable shares of its Capital Stock which are either redeemable at the option of the holder thereof, are redeemable at a fixed date or are redeemable during fixed intervals. For the purposes hereof, the amount of Debt for Borrowed Money of any such Capital Stock which shall be taken into consideration at any time shall be the maximum fixed redemption or repurchase price therefor which, in accordance with GAAP, would constitute a liability on the balance sheet of such Person;
7. Attributable Debt with respect to Sale and Leaseback Transactions; and
8. the net Mark to Market Exposure of such Person under Derivative Instruments; and
9. obligations under Guarantees with respect to obligations referred to in paragraphs 1 to 8 inclusively;

Default means any Event of Default or any default, breach, failure, event, state or condition which, unless remedied or waived, with the lapse of time, giving of notice, making of a determination, or any combination thereof or otherwise, would constitute an Event of Default;

Derivative Instruments means any interest rate swap, index swap, forward rate swap, commodity swap (including gas commodity), floor transaction, tunnel transaction, foreign exchange swap, cross-currency rate swap transaction, currency option or any other similar transaction (including any option with respect to any of these transactions) as well as any other transaction contemplated by the expression swap transaction in accordance with the 1991 definitions of the International Swap Dealers Association, Inc., as amended and supplemented from time to time;

Direct Advance refers to any Advance with respect to which the Borrower has requested that interest thereon be calculated on a Prime Rate Basis, US Base Rate Basis or Libor Basis;

Discount Rate means **(i)** with respect to any BA accepted by a Lender that is a bank under Schedule I of the *Bank Act* (Canada), the CDOR BA Rate for the applicable Selected Period, and **(ii)** with respect to any BA accepted by any Lender that is not a bank under Schedule I of the *Bank Act* (Canada) or any BA Equivalent Note discounted by any Non-BA Lender, the lesser of: **(a)** the CDOR BA Rate for the applicable Selected Period, plus ■■■%, and **(b)** the percentage discount rate quoted by such Lender as the percentage discount rate at which such Lender would, in accordance with its normal practices, at or about 10:00 a.m. (Montréal time) on such date, be prepared to purchase banker's acceptances or make BA Equivalent Notes having a face amount and term comparable to the face amount and term of such BA or BA Equivalent Note;

Discounted Proceeds means, with respect to any BA, an amount equal to the result of the following mathematical formula, rounded to the nearest whole cent:

$$BANKER'S ACCEPTANCE NOMINAL AMOUNT \times \left(\frac{1}{1 + \left(A \times \frac{B}{C} \right)} \right)$$

where,

A is the Discount Rate;

B is the number of days comprised in the Selected Period selected by the Borrower with respect to the relevant BAs such Lender is requested to issue; and

C is 365;

Distributions, with respect to any Person, means:

1. the payment or declaration of any dividend or the making of any distribution of any kind or character (whether in cash or property but expressly excluding any such distribution by way of the payment of dividends by the issuance of common stock) in respect of any class of the Capital Stock of such Person or to the holders of any class of its Capital Stock;
2. the purchase, redemption or other acquisition or retirement for value of any of its Capital Stock or of any options, warrants or rights to purchase or acquire shares of its Capital Stock;
3. the payment of any amount on account of Shareholder Loans, whether principal, interest, fees or otherwise; and
4. the setting aside of any funds for any of the foregoing purposes;

Draft means a blank non-interest bearing bill of exchange within the meaning of the *Bills of Exchange Act* (Canada) or a blank depository bill within the meaning of the *Depository Bills and Notes Act* (Canada), as applicable, drawn by the Borrower and addressed to a Lender, made payable to that Lender, bearer or a clearing house bearing such distinguishing letters and numbers and being in such form as each Lender may require;

Draw Request means a notice, substantially in the form of the one attached hereto as Schedule E, issued by the Borrower to the Administrative Agent in connection with any Drawdown requested by the Borrower under the terms hereof;

Drawdown means a fresh Advance which is not derived from a conversion or rollover pursuant to Article 7;

Drawdown Date means any day on which a Drawdown is made;

EBITDA means, with respect to any Person, for any period, earnings before interest, income taxes, depreciation, amortization, non-cash currency translation gains and losses and other non-cash items and extraordinary items, as each of these components is established in accordance with GAAP, but including any cash dividend received from any Person; without in any way limiting the generality of the foregoing, where EBITDA is calculated at any time after any Permitted Acquisition or any Business Asset disposition, then, with respect to the period of calculation preceding the relevant Acquisition or Business Asset disposition, as the case may be, EBITDA shall be calculated on a proforma basis using the historical EBITDA of the Person or of the assets acquired during such period or excluding the EBITDA generated by the disposed Business Assets during such period as if such Permitted

Acquisition or Business Asset disposition, as the case may be, had occurred as of the first day of such relevant period.

EEA Member Country means any member state of the European Union, Iceland, Liechtenstein and Norway;

EKN means Exportkreditnämnden, the Swedish Export Credit Guarantee Board, a Swedish government agency and guarantee institution and includes any successor or assign thereof;

Environmental Law means any Applicable Law relating to the environment and to the Credit Parties or any of their Business Assets, including the *Politique de protection des sols et de réhabilitation des terrains contaminés*, but excluding however any other directive, guideline or policy which does not have force of law;

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

ERISA means the United States *Employee Retirement Income Security Act* of 1974 and the regulations promulgated and rulings issued thereunder, the whole as amended from time to time;

Erroneous Payment has the meaning assigned to it in subsection 21.11.1;

Erroneous Payment Deficiency Assignment has the meaning assigned to it in subsection 21.11.4;

Erroneous Payment Impacted Facilities has the meaning assigned to it in subsection 21.11.4;

Erroneous Payment Return Deficiency has the meaning assigned to it in subsection 21.11.4;

Erroneous Payment Subrogation Rights has the meaning assigned to it in subsection 21.11.4;

Event of Default means any of the events described in Article 16;

Exchange Rate means the rate of exchange quoted by the Bank of Canada on the Business Day preceding the day as of which any determination of such rate is required to be made under the terms hereof, as the noon mid-market spot rate for conversions of any currency into another currency;

Excluded Accounts means (i) any disbursement bank account the funds in which are used for the payment of salaries and wages, employee benefits, workers' compensation and similar expenses and for the payment of other expenses, to the extent such accounts are not used to hold deposits or to receive payments from customers, and (ii) all bank accounts established (or otherwise maintained) by any Restricted Credit Party which are funded by, or on behalf of or for the benefit of, employees of any Restricted Credit Party and are to be maintained exclusively for the benefit, directly or indirectly, of such employees (including, without limitation, bank accounts which are employer funded pension accounts for employees and accounts established solely to pay taxes for and on behalf of employee tax liabilities);

Excluded Assets refers to the Capital Stock of the Borrower, all rights that a holder of such Capital Stock may at any time exercise in relation to same, and the rights to receive Distributions therefrom and all proceeds (claims arising from the sale or other dealing with) of any of the foregoing property;

Excluded Borrower Collateral has the meaning ascribed to it in Section 10.1

Existing Credit Agreement has the meaning ascribed to it in the nineteenth preamble paragraph of this Agreement;

Existing Lenders has the meaning ascribed to it in subsection 2.1.2;

Facial Tissue Project means the construction and operation by KPSB of a new facial tissue converting line located adjacent to Brompton Mill;

Facility as at any time, refers collectively to the aggregate of the Commitments of the Lenders at such time;

Federal Funds Effective Rate means, for any day, an annual interest rate equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System arranged by federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average quotations for the day of such transactions received by the Administrative Agent from three (3) federal funds brokers of recognized standing selected by the Administrative Agent;

Finance Parties refers collectively to the Lenders, the Administrative Agent, the Collateral Agent and the Hedge Providers, and **Finance Party** refers to any one thereof;

Financial Statements means, with respect to any Person, for any period, all prepared in accordance with GAAP, the balance sheet of such Person as at the end of such period and the related statements of income, of retained earnings, and of cash flows for such period, setting forth in each case, in comparative form, the figures for the corresponding period of the previous fiscal quarter or for the previous fiscal year, as the case may be, such Financial Statements to be accompanied (i) in the case of the Restricted Credit Parties, by the management discussion and analysis report for the relevant period and (ii) in the case of the TAD #2 Borrowers, by internally prepared comments from the management;

First Supplemental Credit Agreement has the meaning ascribed to it in the third preamble paragraph of this Agreement;

Flood Zone Conditions means, with respect to any immovable (real) property of any Restricted Credit Party located in the United States of America to be subject to a Lien pursuant to the Security Documents, the US Lenders shall have received the following documents with respect such immovable (real) property: (i) a completed flood hazard determination from a third party vendor satisfactory to each US Lender, (ii) if such immovable (real) property is located in a “special flood hazard area”, (1) a copy of the notification delivered to the relevant Restricted Credit Party of that fact and (if applicable) that flood insurance coverage is not available and (2) evidence of receipt by the relevant Restricted Credit Party of such notice and (3) if such notice is required to be provided to the relevant Restricted Credit Party (and has been provided) and flood insurance is available in the community in which such immovable (real) property is located, evidence of required flood insurance coverage satisfactory to US Lenders; and (iii) the Administrative Agent shall have received written confirmation (not to be unreasonably withheld or delayed) from each of the US Lenders that flood insurance due diligence and flood insurance compliance has been completed by the Lenders.

Fourth Amended and Restated Credit Agreement has the meaning ascribed to it in the sixteenth preamble paragraph of the Agreement;

GAAP means the generally accepted accounting principles (including IFRS), consistently applied, as recommended in the Handbook of the Canadian Institute of Chartered Accountants;

Gatineau Landlord refers collectively to George Weston Limited and Weston and includes any successor thereto;

Gatineau Lease refers to that certain lease agreement dated March 28, 1989 between E.B. Eddy Forest Products Ltd. (then owner of the Gatineau Leased Premises), as landlord, and the Borrower (as successor by assignment to Old KP LP), as tenant, as amended on March 25, 2003 and as same may have been and may be further amended, supplemented or restated at any time and from time to time;

Gatineau Leased Premises refers to that certain parcel of land situated in the City of Gatineau and more fully described in the Gatineau Lease registered at the Hull Registry Office under number 398970;

Governmental Authority means Canada, the Provinces thereof, any other sovereign country and any other regional, municipal, state, provincial, local or other subdivision of any jurisdiction, and any other governmental entity of any such jurisdiction and includes any agency, department, commission, office, *régie*, ministry, tribunal, central bank or other Person exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government including the European Union, the European Court of Justice, the European Commission, the European Parliament and the European Central Bank;

Guarantees means, with respect to any Person, any Indebtedness of another Person which such guaranteeing Person has guaranteed or in respect of which such guaranteeing Person is liable, contingently or otherwise, including, without limitation, liable by way of agreement to purchase property or services, to provide funds for payment, to supply funds to or otherwise invest in such other Person, or otherwise, in all cases to assure a creditor of such other Person against loss, other than endorsements for collection or deposit in the ordinary course of business. Furthermore, **Guarantee** and **Guaranteeing** shall have correlative meanings. For the purposes of determining compliance with various provisions in this Agreement relating to Guarantees, the amount of any Guarantee shall be deemed to be the lesser of (i) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee is made (for greater clarity where such primary obligation is to be incurred pursuant to a revolving credit facility, the amount of the aggregate commitments under such a facility shall constitute the stated amount of the primary obligation) and (ii) the maximum amount for which such guaranteeing Person may be liable pursuant to the terms of the instrument embodying such Guarantee, unless such primary obligation and the maximum amount for which such guaranteeing Person may be liable are not stated or determinable, in which case the amount of such Guarantee shall be deemed to be such guaranteeing Person's maximum reasonably anticipated liability in respect thereof as reasonably determined by the Administrative Agent in good faith;

Hazardous Material means any solid, liquid, gas, odour, heat, sound, vibration, radiation or combination of any of them that is likely to impair the quality of the environment for any use that can be made of it, and includes any material or substance that may be defined or regulated under any Environmental Law;

Hedge Provider refers to any financial institutions that entered into an ISDA Contract with a Restricted Credit Party while it was a Lender, but has since ceased to be a Lender, but only in respect of the ISDA Contracts entered into while it was a Lender;

HQ Rebates refers to the rate discounts attributable to the Sherbrooke Expansion from which the Borrower (in respect of the Crabtree and Gatineau mills), KP Sherbrooke and KPSB will benefit for their plants under the tariff rebate program applicable to consumers billed at rate "L" administered by the Ministère des Finances du Québec pursuant to Order in Council 676-2016 of the Government of Québec, as amended by Order in Council 1475-2018 of the Government of Québec and as may be amended, if applicable;

HQ Rebate Dedicated Account means the account [REDACTED] of the Borrower into which are transferred from time to time HQ Rebates received by the Borrower (in respect of the Crabtree and Gatineau mills), KP Sherbrooke and KPSB, with amounts deposited in such HQ Rebate Dedicated Account to remain with the Borrower and to ultimately be used to invest into the equity of KPSB to finance the redemption of the IQ Paper Machine Debenture;

IFRS means as of any date, the International Financial Reporting Standards, which includes the accounting principles adopted by the International Accounting Standards Board, consistently applied;

Increased Commitment Certificate means the instrument referred to in subsection 22.1.2, substantially in the form of the one attached hereto as Schedule L;

Indebtedness includes, without duplication, for any Person:

1. obligations representing the deferred purchase price of property or services;

2. obligations, whether or not assumed, secured by Liens on, or payable out of the proceeds or production from, property owned by such Person;
3. Debt for Borrowed Money of such Person;
4. the Mark to Market Exposure of such Person under Derivative Instruments;
5. any other obligations which in accordance with GAAP would constitute a liability on the balance sheet of such Person;
6. any obligation described above or any Guarantee, the payment of which is secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien upon or in property or assets of such Person, even though such Person has not assumed or become liable for the payment of such Indebtedness; and
7. obligations under Guarantees;

Indemnified Parties refers collectively to the Finance Parties, each of their Affiliates as well as their respective directors, officers, employees, advisors, representatives and agents and **Indemnified Party** refers to any one thereof;

Indemnified Taxes has the meaning ascribed to it in Section 18.1;

Insolvency Event means with respect to any Person, the occurrence of any of the following events:

1. an order is made that such Person be wound up; or
2. an order appointing a liquidator, an administrator or a provisional liquidator in respect of such Person is made, or one of them is appointed; or
3. a receiver, receiver and manager, statutory manager, trustee or similar official, is appointed in respect of such Person or all or substantially all of its assets; or
4. such Person enters into, or resolves to enter into, an arrangement or reconstruction or composition with, or assignment for the benefit of, all or any class of its creditors or it proposes a reorganization, moratorium or other administration involving any of them for reasons relating to insolvency; or
5. such Person is or states that it is unable to pay its debts generally when they fall due; or
6. such Person resolves to wind itself up, assigns itself into bankruptcy or commits any act of bankruptcy as such term is defined in the *Bankruptcy and Insolvency Act* (Canada) or in any other legislation applicable to such Person, or gives notice of its intention to do so for reasons relating to insolvency; or
7. such Person takes any steps to obtain or is granted protection from its creditors, under any Applicable Law; or
8. **(a)** the commencement of an involuntary proceeding against such Person **(i)** seeking bankruptcy, liquidation, reorganization, dissolution, winding up, a composition or arrangement with creditors, a readjustment of debts, or other relief with respect to it or its debts under any bankruptcy laws or other customary insolvency actions or **(ii)** seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its assets, the issuance of a writ of attachment, execution, or similar process, or like relief if, in each such case, subparagraphs (b), (c) or (d) of this paragraph 8 do not apply and such involuntary proceeding shall remain undismissed and unstayed for a period of thirty (30) days, **(b)** an order for relief is entered against such Person under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or any other present or

future federal bankruptcy or insolvency Laws of Canada or Title 7 or Title 11 of the United States Code as now or hereafter in effect, (c) filing by such Person of an answer admitting the material allegations of a petition filed against it in any involuntary proceeding commenced against it, or (d) consent by such Person to any relief referred to in this paragraph 8 or to the appointment of or taking possession by any such official in any involuntary proceeding commenced against it; or

9. anything analogous or having a substantially similar effect to any of the events specified above happens under the Law of any applicable jurisdiction, including, without limitation, such Person or any other Person taking any steps towards filing any plan of arrangement proceeding seeking to restructure such Person's Indebtedness;

Interest Coverage Ratio means, as at the last day of each fiscal quarter of the Borrower, calculated on an Adjusted Consolidated Basis for the twelve (12) month period preceding and ending at such time, taken as one period, the ratio of (i) EBITDA for such period to (ii) Interest Expense, provided, however, that where, at any time during the relevant period of calculation of such ratio, any Restricted Credit Party has made an Acquisition or any Business Asset disposition, then, for the purpose of this ratio, (y) EBITDA shall be calculated in a manner satisfactory to the Administrative Agent, acting reasonably, on a *pro forma* basis taking into account, with respect to each such Acquisition or Business Asset disposition, as the case may be, the historic financial information (based on audited Financial Statements, if available and, if not available, based on Financial Statements satisfactory to the Administrative Agent, acting reasonably) of the Person (or properties and assets, business, line of business or division) acquired or Business Asset so disposed, as the case may be, as if such Acquisition or Business Asset disposition had occurred on the first day of the relevant period of calculation and (z) Interest Expense shall be calculated in a manner satisfactory to the Administrative Agent, acting reasonably, on a *pro forma* basis, taking into account, with respect to each such Acquisition, the Debt for Borrowed Money incurred for such Acquisition as if it had been incurred on the first day on the relevant period of calculation.

Interest Expense means, for any period, the sum of (i) calculated in accordance with GAAP, on an Adjusted Consolidated Basis, without duplication, the sum of all interest expense (net of interest income) paid or required to be paid during such period, including, without limitation, interest and discounts in respect of Debt for Borrowed Money, discounts, acceptance and stamping fees in respect of banker's acceptances, depository bills or depository notes (as these latter two expressions are defined in the *Depository Bills and Notes Act* (Canada)), fees with respect to the issuance of letters of credit or letters of guarantee, the interest portion of payments under Capital Leases, stand-by fees and facility fees, and (ii) the additional Investments in KPSB contemplated in subsection 15.5.6 solely for the payment of interest in cash on the IQ Paper Machine Debenture;

Interest Payment Date means:

1. with respect to the Prime Rate Loans and the US Base Rate Loans, the first (1st) Business Day of each and every calendar month of each year with respect to amounts of interest accrued to and including the last day of the previous month;
2. with respect to the Libor Loans, for each Selected Amount;
 - (a) the Selected Maturity Date applicable to such Selected Amount where the relevant Selected Period is 3 months or less; and
 - (b) where the relevant Selected Period is greater than 3 months, the first Business Day following each period of 3 months during such Selected Period and the Selected Maturity Date applicable to such Selected Amount;

in each case, with respect to amounts of interest accrued to and including the immediately preceding day; and

3. with respect to LC Fees and LC Fronting Fees, the first (1st) Business Day of each fiscal quarter of the Borrower;

Any interest, LC Fee or LC Fronting Fee accrued under the Existing Credit Agreement and unpaid on the 2021 Amendment and Restatement Effective Date shall be payable on the first applicable Interest Payment Date following the 2021 Amendment and Restatement Effective Date.

Investment means any loan, advance (other than commission, travel and similar advances to officers and employees made in the ordinary course of business), extension of credit (other than accounts receivable arising in the ordinary course of business) or contribution of capital to any other Person or any acquisition of Capital Stock, deposit accounts, certificates of deposit, mutual funds, bonds, notes, debentures or other securities of any other Person or any structured notes;

IQ means *Investissement Québec*, a legal person duly constituted under the *Act respecting Investissement Québec* (Québec), and includes any successor thereto;

IQ Bathroom Tissue Credit Agreement refers to subordinated financing offer (*offre de prêt*) dated as of May 21, 2021 entered into in the French language between KP Sherbrooke, as borrower, and IQ, as lender, with respect to the IQ Bathroom Tissue Loan;

IQ Bathroom Tissue Financing Documents means the IQ Bathroom Tissue Credit Agreement, the Borrower IQ Guarantee and all of the documents executed in connection therewith;

IQ Bathroom Tissue Loan refers to the 10 year subordinated loan in an aggregate principal amount not to exceed Cdn\$47,000,000 to KP Sherbrooke, as borrower, from IQ, as lender, pursuant to the IQ Bathroom Tissue Credit Agreement to finance the Bathroom Tissue Project and secured by second ranking Liens on the Bathroom Tissue Project movable assets;

IQ Credit Agreement means that certain financing offer (*offre de prêt*) dated August 9, 2016 entered into in the French language between the Borrower and IQ on August 9, 2016 under which IQ has committed to loan an amount of up to Cdn\$39,500,000 to finance the acquisition by the Borrower of a paper machine from Lincoln Paper and Tissue Company and its relocation to the Borrower's Crabtree mill in Québec;

IQ Facial Tissue Credit Agreement refers to subordinated financing offer (*offre de prêt*) dated as of May 21, 2021 entered into in the French language between KPSB, as borrower, and IQ, as lender, with respect to the IQ Facial Tissue Loan;

IQ Facial Tissue Financing Documents means the IQ Facial Tissue Credit Agreement, the Borrower IQ Guarantee and all of the documents executed in connection therewith;

IQ Facial Tissue Loan refers to the 10 year subordinated loan in an aggregate principal amount not to exceed Cdn\$43,000,000 to KPSB, as borrower, from IQ, as lender, pursuant to the IQ Facial Tissue Credit Agreement to finance the Facial Tissue Project and secured by second ranking Liens on the Facial Tissue Project assets;

IQ Financings refers to the IQ Bathroom Tissue Loan, the IQ Facial Tissue Loan and the IQ Paper Machine Debenture;

IQ Intercreditor Agreement refers to the Intercreditor Agreement entered into as of August 9, 2016 in the French language among IQ, National Bank of Canada, as Collateral Agent, Kruger Products L. P., as borrower and Kruger Products Real Estate Holdings Inc.;

IQ Loan means, on any date, the aggregate amount owed to IQ under the IQ Credit Agreement;

IQ Paper Machine Debenture refers to the convertible debenture dated on or about May 21, 2021 in an amount of Cdn\$75,000,000 issued by KPSB, as issuer, to IQ to finance a portion of the Paper Machine Project, such debenture to be secured by first ranking Liens on the HQ Rebate Dedicated Account;

IQ Paper Machine Debenture Documents means the IQ Paper Machine Debenture, the Borrower IQ Guarantee documentations relating to the Liens on the HQ Rebate Dedicated Account and all of the documents executed in connection therewith;

ISDA Contracts is the collective reference to the Derivative Instruments entered into from time to time between any of the Restricted Credit Parties and any Lender or Hedge Provider, and **ISDA Contract** refers to any one thereof;

Issuance Date means:

1. with respect to any LC, the date on which the LC Issuing Lender issued same; and
2. with respect to any BA, the date on which the relevant Lender accepted same;

KBLP refers to Kruger Brompton L.P., a limited partnership formed under the laws of Québec, and includes any successor thereof;

KP AFH GP has the meaning ascribed to it in the seventeenth preamble paragraph of this Agreement;

KP AFH LP has the meaning ascribed to it in the seventeenth preamble paragraph of this Agreement;

KPGP refers to KPGP Inc., a corporation constituted under the laws of Canada, and includes any successor thereto;

KPSB refers to Kruger Products SB Inc., a corporation constituted under the laws of Canada, and includes any successor thereof;

KP Real Estate has the meaning ascribed to it in the twelfth preamble paragraph of this Agreement;

KP Sherbrooke refers to Kruger Products Sherbrooke Inc., a corporation constituted under the laws of Canada, and includes any successor thereof;

KPUSA refers to Kruger Products (USA) Inc., a corporation incorporated under the Laws of the State of Delaware, and includes any successor thereto;

Kruger Lenders refers to the lenders under that certain sixth credit agreement dated as of April 20, 2020 entered into among Kruger Inc., as borrower, the lenders party thereto from time to time, as lenders and The Bank of Nova Scotia, as administrative agent;

Kruger Products refers to Kruger Products Limited, a corporation constituted under the laws of Canada, and includes any successor thereto;

KTG refers to K.T.G. (USA) Inc., a corporation incorporated under the Laws of Delaware, and includes any successor thereto;

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

LC Fees refers collectively to the fees payable pursuant to the provisions of Section 6.3;

LC Fronting Fees refers collectively to the fees payable pursuant to the provisions of Section 6.4;

LC Issuing Lender means National Bank of Canada in its capacity as the Lender that, under the terms of Section 6.2, has the exclusive right to issue LCs under the Facility and includes any successor thereto in such capacity;

LC Issuing Office means the office of the LC Issuing Lender located at 1155 Metcalfe Street, 5th Floor, Montréal, Québec, or such other office in Canada as the LC Issuing Lender may specify from time to time;

LC Liability, with respect to any Lender, as at any time, refers collectively to the Cdn\$ LC Liability, the US\$ LC Liability and the Authorized Currency LC Liability of such Lender, and **LC Liabilities** refers to the LC Liability of all Lenders, collectively;

LCs is the collective reference to any outstanding letter of guarantee or any stand-by or other letter of credit (including a documentary letter of credit) and all renewals and substitutions therefor, issued from time to time by an LC Issuing Lender under the Facility in accordance with the provisions hereof, and **LC** means any one of the LCs;

Lender means any Person:

1. named in Schedule A; or
2. which has become a party hereto in accordance with Section 23.5;

and which has not ceased to be a party hereto in accordance with the terms hereof, and **Lenders** is the collective reference to all such Persons.

Lenders' Counsel means **(i)** in Canada, Norton Rose Fulbright Canada LLP, and **(ii)** in each other relevant jurisdiction, such firm of solicitors as the Administrative Agent may select;

Libor for the Selected Period of each Selected Amount means the percentage rate per annum determined by the Administrative Agent (rounded upwards to the nearest 1/16 percent) to be equal to the arithmetic mean of the offered quotations which appear on the page of the Reuter Monitor Screen which displays the ICE Benchmark Administration Interest Settlement Rate, or any successor page as the composite offered rate for London interbank deposits of US Dollars (being currently page Libor 01) for such Selected Period as of 11:00 a.m. (London time) on the relevant Quotation Date for a period identical to such Selected Period or, if such page or such service shall cease to be available, such other page or such other service for the purpose of displaying the British Bankers' Association Interest Settlement Rate for US Dollars as the Administrative Agent shall select. If no quotation for the Selected Period is displayed to permit the Administrative Agent to determine Libor in accordance with the foregoing, Libor will be determined by the Administrative Agent with reference to the rate or the average of the rates of interest at which the leading banks in the London interbank market were offering deposits in US Dollars to prime banks in the London interbank market for such Selected Period as of 11:00 a.m. (London time) on the Quotation Date for such Selected Period;

Libor Basis, means the calculation of interest on the US Dollar Loan, or any portion thereof as provided in Section 5.3;

Libor Loan, with respect to any Lender, means, as at any time, that portion of the US Dollar Loan of such Lender with respect to which the Borrower has elected to pay interest on a Libor Basis, and **Libor Loans** refers to the Libor Loan of all Lenders, collectively;

Licensing Agreement means the trade-mark licensing agreement entered into on August 16, 2011 between the Borrower and KTG in connection with the TAD Project;

Lien means **(i)** any right of set-off or combination of accounts intended to secure the payment or performance of an obligation other than the right of set-off under Derivative Instruments, **(ii)** any interest in property securing an obligation owed to, or a claim by, a Person other than the owner (which for the purposes hereof shall include a possessor under a title retention agreement and a lessee under a Capital Lease or in a Sale and Leaseback Transaction) including by way of mortgage, pledge, charge, lien, assignment by way of security, hypothecation, security interest, hire purchase agreement, conditional sale agreement, deposit arrangement, deemed trust, title retention, Capital Lease, discount, factoring or securitization arrangement deemed trust, on recourse terms, **(iii)** any preference, priority, adverse claim, levy, execution, seizure, attachment, garnishment or other encumbrance which binds property, and **(iv)** any agreement to grant any of the foregoing rights or interests;

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

Loan, with respect to any Lender, is the collective reference to the Canadian Dollar Loan and the US Dollar Loan of such Lender together with any other amount in principal, interest, fees and accessories and interest on arrears of interest, fees and accessories, in each case, due and payable to such Lender by the Borrower, and **Loans** means the aggregate of all Loans of all Lenders;

Loan Transfer Agreement refers to an agreement substantially in the form of the one attached hereto as Schedule K whereby a Lender makes an Assignment;

Local Taxes has the meaning ascribed to it in Section 18.1;

Loss Event has the meaning ascribed to it in Section 19.5;

Lux Finco refers to TAD Luxembourg s.à.r.l., a *société à responsabilité limitée* formed under the Laws of the Grand Duchy of Luxembourg, and includes any successor thereto;

Majority Lenders means Lenders whose Commitments represent at least 66 2/3% of the Facility or, if the Commitments have been terminated, Lenders to which at least 66 2/3% of the Loans are due, it being expressly understood however that to the extent any Affiliate of the Borrower at any time becomes a Lender hereunder, that such Borrower's Affiliate shall not be entitled to vote with respect to any matters contemplated herein that requests the consent or the instructions of the Majority Lenders and, accordingly, its Commitments and Loans shall not be taken into consideration in order to determine whether the 66 2/3% has been attained;

Management and Support Services Agreement means the management and support services agreement entered into on August 16, 2011 between the Borrower, TAD Canco and KTG in connection with the TAD Project;

Mark to Market Exposure in connection with a Person's liability under any Derivative Instrument to which it is a party, means, as at any determination date, the net amount that would be payable by such Person under such Derivative Instrument as though such day were an **Early Revolving Termination Date** and the **Transaction** was a **Revolving Terminated Transaction** in accordance with the payment measure provided for in Section 6(e)(i)(3) of the 1992 ISDA Master Agreement (Multicurrency-Cross Border) as published by the International Swaps and Derivatives Association, Inc. as amended or replaced from time to time. Furthermore, the amount of such liability shall be established by such Person in good faith after informing itself with the relevant counterparties to such Derivative Instruments who themselves shall determine same in accordance with their respective customary practices. For the purpose of determining at any time any net Mark to Market Exposure, any amount payable to a Restricted Credit Party shall be considered nil unless the counterparty has a netting agreement with such Restricted Credit Party, in which case, any amount owing to a Restricted Credit Party by such counterparty up to the amount owed by such Restricted Credit Party to such counterparty and covered by such netting agreement may be netted in calculating the net Mark to Market Exposure;

Material Adverse Effect means the occurrence or the failure to occur of any event or series of events which either singly or in the aggregate would have a material adverse effect **(i)** upon the business, liabilities, affairs, assets,

operations, management, properties or condition (financial or otherwise) of the Restricted Credit Parties taken as a whole, or (ii) on the ability of the Restricted Credit Parties (taken as a whole) to perform their obligations under the Operative Documents;

Moody's means Moody's Investors Service, Inc.;

Multiemployer Plan means any Plan which is a multiemployer plan (as such term is defined in Section 4001(a)(3) of ERISA);

Non-BA Lender means any Lender which does not or cannot in the ordinary course of business accept bills of exchange under the *Bills of Exchange Act* (Canada) or depository bills under the *Depository Bills and Notes Act* (Canada), which would constitute banker's acceptances for the remaining Lenders, and **Non-BA Lenders** is the collective reference to all such Persons;

Non-Material Credit Parties refers collectively to Subsidiaries of the Borrower that, at any time, are designated as Non-Material Credit Parties, provided that:

1. each such Subsidiary is inactive and carries on no business, except for West Tree Farms Limited;
2. the aggregate amount of the assets of all such Non-Material Credit Parties does not exceed at any time Cdn\$5,000,000;
3. the aggregate EBITDA of all such Non-Material Credit Parties does not exceed at any time Cdn\$5,000,000;
4. the value of the material contracts of all such Non-Material Credit Parties does not exceed at any time Cdn\$5,000,000.

As of the 2021 Amendment and Restatement Effective Date, the Non-Material Credit Parties are Canadian Tissue Limited, Aztec Investments Inc., White Swan Tissue Company, Westminster Paper Company Limited and West Tree Farms Limited. At any time, the Borrower may designate that any Non-Material Credit Party will, as of the date specified in such notice, become a Restricted Credit Party;

Nordea means Nordea Bank ABP, Filial I Sverige, and includes any successor thereto;

Nordea Credit Agreement refers to the credit agreement dated as of November 2, 2018 entered into between the Borrower, as borrower and Nordea, as administrative agent and original lender;

Nordea EKN Documents refers collectively to the Nordea EKN Guarantee and all documents and instruments related thereto;

Nordea EKN Guarantee refers to the guarantee(s) issued by EKN in favour of the Nordea, and covering 95% of the political and commercial risks in connection with the Nordea Loan;

Nordea Financing Documents means the Nordea Credit Agreement, the Nordea EKN Documents and all of the documents executed in connection therewith;

Nordea Loan refers to the senior secured term loan facility in the amount not to exceed US\$50,000,000 to the Borrower from Nordea or AB Svensk Exportkredit (publ), as lender;

Old KP LP has the meaning ascribed to it in the eighth preamble paragraph of this Agreement;

Operative Documents refers collectively to this Agreement, the Security Documents, the Amended and Restated Intercreditor and Collateral Agency Agreement, the IQ Intercreditor Agreement, the ISDA Contracts, the Credit Card Documents, the documentation relating to cash management agreements and consolidation of accounts

arrangements entered into by any Restricted Credit Party with any Finance Party and each document, instrument or agreement entered into by or between any Restricted Credit Party, any Finance Party, the Administrative Agent or any other Person in connection with the transactions contemplated herein or therein or which is supplemental hereto or thereto, and **Operative Document** refers to any one thereof;

Original Credit Agreement has the meaning ascribed to it in the first preamble paragraph of this Agreement;

Other Guarantee and Subordination Agreement refers to any guarantee and subordination agreement executed in connection with the Operative Documents by a Restricted Credit Party constituted or continued under the Laws of a jurisdiction outside of Canada or the United States of America, such guarantee and subordination agreement being governed by the Laws of such jurisdiction;

Paper Machine Project means the construction and operation by KPSB of a new LDC tissue machine paper machine located adjacent to Brompton Mill;

Paper Machine Credit Agreement refers to the credit agreement to be entered into between KPSB, as borrower, the lenders party thereto and National Bank of Canada, as administrative agent, in form and substance satisfactory to the Administrative Agent;

Paper Machine Facilities refers to the senior secured loan facilities in an aggregate principal amount not to exceed Cdn\$155,000,000 to KPSB (which includes a Cdn\$10,000,000 operating facility), as borrower, from a syndicate of lenders, as lenders pursuant to the Paper Machine Credit Agreement to finance a portion of the Paper Machine Project and secured by first ranking Liens on the assets of KPSB (including the Paper Machine Project and the Facial Tissue Project);

Paper Machine Financing Documents means the Paper Machine Credit Agreement and all of the documents executed in connection therewith;

Parent Roll Purchase Agreement means the roll purchase agreement entered into on August 16, 2011 between the Borrower and KTG in connection with the TAD Project;

Participation means the sale or granting by any Lender of any participating interest in any Loan owing to such Lender and in the Commitment of such Lender or any other interest of such Lender under this Agreement, provided however, that **(v)** the granting or sale of such participating interest does not result in any change to the obligations of such Lender under this Agreement to any other party hereto, nor does it provide the purchaser or grantee of such interest with any rights hereunder, **(w)** such Lender shall remain a party to this Agreement and solely responsible for the performance of its obligations hereunder, **(x)** the Finance Parties and the Borrower, as the case may be, shall continue to deal solely and directly with such Lender in connection with this Agreement, **(y)** the purchaser or grantee of such interest shall not be considered as a Lender and **(z)** all amounts payable by the Borrower or any one thereof to such Lender shall be determined as if such Lender had not granted such Participation and as if such Lender were funding in the same way as if no such Participation had been granted;

Payment Recipient has the meaning assigned to it in Section 21.11.1;

PBGC means the Pension Benefit Guaranty Corporation or any Governmental Authority succeeding to any of its functions;

Permitted Acquisition refers to an Acquisition:

1. by any Restricted Credit Party;
2. in a field related to the activities of the Restricted Credit Parties as disclosed in Section 12.30;

3. in respect of which the board of directors (or other entity having similar functions) of the target entity has agreed to recommend acceptance provided no other bid is made;
4. that would not result in any Default or Event of Default;
5. if the Acquisition is through the acquisition of Capital Stock of the target entity, following such Acquisition, such Person shall be a wholly-owned Subsidiary of the Borrower; and
6. immediately after such Acquisition, the Borrower shall be in compliance with the Ratios, calculated on a *pro forma* basis after giving effect to such Acquisition and any incurrence of Debt for Borrowed Money resulting therefrom;

Permitted Liens, with respect to any Restricted Credit Party, means, as at any time, any one or more of the following:

1. the reservations, limitations, provisos and conditions, if any, expressed in the original grant of an immoveable or real property from the Crown or letters patent from the Crown;
2. restrictions, easements, servitudes, rights of way or other similar rights in land, including, in each case, for sewers, drains, gas and water mains, electric light and power or telephone and telegraph conduits, poles and cables, pipelines or zoning restrictions affecting the use of such Person's immovable or real properties, in each case, which do not materially or adversely impair the use for which any one of such immovable or real properties is intended;
3. any Lien for taxes, assessments or other governmental charges or levies not yet due or, if due, the validity of which is being contested diligently and in good faith by or on behalf of the Person allegedly liable therefor, and for which such Person has set aside appropriate reserves on its books, as and if required by GAAP;
4. any Lien of any judgment rendered or claim filed against such Person, which such Person or others on its behalf shall be contesting diligently and in good faith by or on behalf of such Person, and for which such Person has set aside appropriate reserves on its books, as and if required by GAAP;
5. any Lien of any craftsman, workman, builder, contractor, supplier of materials, architect, engineer or subcontractor of any one thereof or any other similar Lien related to the construction or the maintenance of such Person's real or immovable properties or any undetermined or inchoate Lien, provided that any such Lien is not registered or published or that such Person has not received a notice in respect of same in accordance with the provisions of any Applicable Law or, if notice has been given or if such Lien is registered or published, which such Person or others on its behalf shall be contesting diligently and in good faith by or on behalf of such Person and for which such Person has set aside appropriate reserves on its books, as and if required by GAAP;
6. the pledges or deposits made pursuant to Laws relating to workmen's compensation or similar Laws, or deposits made in good faith in connection with offers, tenders, leases or contracts (excluding, however, the borrowing of money or the repayment of money borrowed), deposits of cash or securities in order to secure appeal bonds or bonds required in respect of judicial proceedings;
7. minor title defects, homologated lines, zoning and building by-laws, ordinances, regulations and other governmental restrictions on the use of immovable or real property, provided that none of the foregoing adversely affects the value or marketability of such immovable or real property;
8. any Lien in favour or for the benefit of the Finance Parties securing the Secured Obligations;

9. any Lien in existence at the time a Person becomes a Restricted Credit Party and not created in anticipation of so becoming a Restricted Credit Party provided that each such Lien (other than a Lien which would otherwise constitute a Permitted Lien) no longer secures any Indebtedness and is released and discharged within thirty (30) Business Days following the date such Person becomes a Restricted Credit Party;
10. any Lien securing Purchase Money Obligations permitted to be outstanding under subsection 15.2.5 provided that each such Lien only affects the property with respect to which the Purchase Money Obligation it secures was incurred and, in the case of the Province of Ontario Loan, it is secured only on the assets described in Schedule W hereto;
11. any Lien on the Capital Stock of the Borrower in favour of the Kruger Lenders;
12. any Lien pursuant to the Security Documents securing obligations under the Nordea Financing Documents;
13. any Lien against the Borrower to a securitization, factoring or similar agent under the Permitted Receivables Securitization Documents to secure the obligations of the Borrower under the Permitted Receivables Securitization Documents, provided that such Liens are limited to (i) the receivables sold from time to time pursuant to such Permitted Receivables Securitization Documents and in respect of which the Borrower has received the upfront cash portion of such sold receivables' purchase price and (ii) to any Securitization Collection Account into which such receivables may be paid and all cash and instruments deposited in such account from time to time and provided further that a satisfactory intercreditor agreement is entered into between the beneficiary of any such Lien and the Collateral Agent;
14. any second ranking Lien in favour of IQ on the Project Assets securing the IQ Loan, provided any such Lien is subject to the provisions of the IQ Intercreditor Agreement,
15. any Lien by way of a limited recourse pledge in favour of National Bank of Canada, as administrative agent (or any successor), on the Capital Stock of KPSB securing the Paper Machine Facilities and other secured obligations contemplated in the Paper Machine Credit Agreement; and
16. any limited recourse pledge in favour of IQ over the HQ Rebate Dedicated Account (and blocked account agreement) securing the IQ Paper Machine Debenture;

Permitted Receivables Securitization refers to the transactions contemplated by any factoring, securitization or similar transaction of receivables of the Borrower provided that each such transaction is done on a non-recourse basis to any Restricted Credit Party, except in respect of rights of purchasers against the Borrower permitted to be secured by paragraph 14 of the definition of Permitted Liens;

Permitted Receivables Securitization Documents refers collectively to all documents entered into in connection with any Permitted Receivables Securitization;

Permitted Receivables Securitization Event of Default refers to any event that entitles, under any Permitted Receivables Securitization, a Person to initiate an amortization or early termination of the securitization program;

Person means an individual, corporation, estate, partnership, trust, joint venture, other legal entity, unincorporated association or Governmental Authority;

Plan means an employee pension benefit plan (as defined in Section 3 of ERISA) which is subject to ERISA and is or has been established or maintained, or to which contributions are or have been made, by a Credit Party or any of its Related Persons, or an employee pension benefit plan which is subject to ERISA and as to which a Credit Party or any of its Related Persons would be treated as a contributing sponsor under Section 4069 of ERISA if it were to be terminated, or such a plan which is subject to ERISA and as to which a Credit Party or any of its Related Persons would be treated as a contributing sponsor under Section 4212(c) of ERISA;

Portfolio refers as at any time, in respect of any Permitted Receivables Securitization, to the receivables sold at such time under such transaction;

Prime Rate means, for any day, a rate per annum equal to the greater of (y) the Administrative Agent's Prime Rate for such day; and (z) the 30 Day CDOR BA Rate in effect on such day plus ■%;

Prime Rate Basis means the calculation of interest on the Prime Rate Loans as contemplated in Sections 3.3 and 3.5;

Prime Rate Loan, with respect to any Lender, means, as at any time, that portion of the Canadian Dollar Loan of such Lender with respect to which the Borrower has elected or, under the terms of this Agreement, is required to pay interest on a Prime Rate Basis, and **Prime Rate Loans** means the aggregate of all Prime Rate Loans of all Lenders. For greater certainty, as regards the Lender who is also the Swingline Lender, its Prime Rate Loan includes the portion of its Swingline Loan outstanding in Cdn \$;

Principal Credit Agreement has the meaning ascribed to it in the second preamble paragraph of this Agreement;

Proceeds of Realization refers to any and all monies received, collected, generated or that arose from the exercise of any Rights, Remedies and/or Recourses including any monies involved in any operation of compensation or set-off;

Project Assets refers to the assets described in Schedule C to the IQ Intercreditor Agreement;

Province of Ontario Loan refers to the Cdn\$10,000,000 loan made to Kruger Products AFH L.P. by the Province of Ontario on July 1, 2015, which loan is secured on the assets described in Schedule U hereto;

Purchase Money Obligation means, with respect to any Person, any indebtedness incurred in respect of the cost of acquisition, including by way of conditional sales contract or leasing by way of a Capital Lease or Attributable Debt with respect to Sale and Leaseback Transactions, of any property (excluding Capital Stock) or of the cost of construction, improvement or extension of any property acquired, constructed, improved or extended or leased by way of a Capital Lease, which indebtedness existed at the time of acquisition, construction, improvement or extension or was created, issued, incurred, assumed or Guaranteed contemporaneously with the acquisition, construction, improvement or extension or leasing by way of a Capital Lease or within 120 days after the completion thereof and includes any extension, renewal or refinancing of any such indebtedness if the amount thereof outstanding on the date of such extension, renewal or refinancing is not increased. The Province of Ontario Loan is considered a Purchase Money Obligation for the purposes hereof;

Quotation Date means, in relation to any Selected Period, the day on which quotations would ordinarily be given by prime banks in the relevant interbank market for deposits in the currency in relation to which such rate is to be determined for delivery on the first day of that Selected Period provided that, if, for any such Selected Period, quotations would ordinarily be given on more than one date, the Quotation Date for that Selected Period shall be the last of those dates. As of the 2021 Amendment and Restatement Effective Date, the Quotation Date for a Selected Period relating to a Libor Loan is two (2) Business Days' prior to the first day of such Selected Period;

Rateable Share means, with respect to any Lender:

1. in connection with the fees, expenses and costs as well as the Proceeds of Realization and the Realization Costs, the credit and compensating balances and indemnities, the ratio of the Loan of such Lender to the Loans; and
2. with respect to the Facility, the ratio of the Commitment of such Lender to the Facility.

Ratio of Senior Secured Net Funded Debt to EBITDA means, as at the last day of each fiscal quarter of the Borrower, the ratio of Senior Secured Net Funded Debt to EBITDA calculated on an Adjusted Consolidated Basis

for the twelve (12) month period preceding and ending at such time, taken as one period. Provided, however, that where, at any time during the relevant period of calculation of such ratio, any Restricted Credit Party has made an Acquisition or made any Business Asset disposition, then, for the purpose of this ratio, EBITDA shall be calculated in a manner satisfactory to the Administrative Agent, acting reasonably, on a *pro forma* basis taking into account, with respect to each such Acquisition or Business Asset disposition, as the case may be, the historic financial information (based on audited Financial Statements if available, and, if not available, based on Financial Statements satisfactory to the Administrative Agent, acting reasonably) of the Person (or properties and assets, business, line of business or division) acquired or of the Business Asset so disposed, as the case may be, as if such Acquisition or Business Asset disposition had occurred on the first day of the relevant period of calculation;

Ratio of Total Net Funded Debt to EBITDA means, as at the last day of each fiscal quarter of the Borrower, the ratio of Total Net Funded Debt to EBITDA calculated on an Adjusted Consolidated Basis for the twelve (12) month period preceding and ending at such time, taken as one period. Provided, however, that where, at any time during the relevant period of calculation of such ratio, any Restricted Credit Party has made an Acquisition or made any Business Asset disposition, then, for the purpose of this ratio, EBITDA shall be calculated in a manner satisfactory to the Administrative Agent, acting reasonably, on a *pro forma* basis taking into account, with respect to each such Acquisition or Business Asset disposition, as the case may be, the historic financial information (based on audited Financial Statements if available, and, if not available, based on Financial Statements satisfactory to the Administrative Agent, acting reasonably) of the Person (or properties and assets, business, line of business or division) acquired or of the Business Asset so disposed, as the case may be, as if such Acquisition or Business Asset disposition had occurred on the first day of the relevant period of calculation;

Ratios refers collectively to the financial ratios referred to in Section 14.1;

Realization Costs refers collectively to:

1. all costs and expenses incident to the exercise of Rights, Remedies and/or Recourses including reasonable fees and out-of-pocket expenses of counsel, accountants and other professionals, escrow fees, recording fees, broker's fees, any fees, costs and expenses incurred in connection with any sale or foreclosure of any property or assets, and all applicable transfer and mutation taxes that may be imposed by reason of any such sale or foreclosure and the delivery of any and all instruments in connection therewith; and
2. any claim or debt, in principal, interest, fees and accessories which, notwithstanding the provisions of this Agreement, by applicable Law is payable by preference over the Loans;

Reduction Notice means a notice, substantially in the form of the one attached hereto as Schedule G, issued by the Borrower to the Administrative Agent in connection with any reduction of the Facility;

Registration means any notice to or filing, publication, recording or registration with any Governmental Authority having jurisdiction with respect to any specified Person, transaction or event, or any of such Person's Business Assets;

Regulation T means Regulation T of the Board of Governors of the US Federal Reserve System as from time to time in effect and any successor or other regulation or official interpretation of said Board of Governors relating to the extension of credit by banks for the purpose of purchasing or carrying margin stocks;

Regulation U means Regulation U of the Board of Governors of the US Federal Reserve System as from time to time in effect and any successor or other regulation or official interpretation of said Board of Governors relating to the extension of credit by banks for the purpose of purchasing or carrying margin stocks;

Regulation X means Regulation X of the Board of Governors of the US Federal Reserve System as from time to time in effect and any successor thereto or other regulation or official interpretation of said Board of Governors relating to the extension of credit for the purpose of purchasing or carrying margin stocks;

Related Person means any trade or business, whether or not incorporated, which, together with a Credit Party or any of its Subsidiaries is treated as a single employer under Section 414 of the Code;

Release shall mean **(i)** when used as a verb: release, spill, leak, emit, deposit, discharge, leach, migrate, dump, issue, empty, place, seep, exhaust, abandon, bury, incinerate or dispose into the environment and **(ii)** when used as a noun, has a correlative meaning.

Relevant Margin has the meaning ascribed to it in Schedule C;

Repayment Notice means a notice, substantially in the form of the one attached hereto as Schedule H, issued by the Borrower to the Administrative Agent in connection with any repayment of the whole or any part of the Loans;

Reportable Event means a reportable event as defined in Section 4043 of ERISA and the regulations issued under such section, excluding, however, such events as to which the PBGC has by regulation waived the requirement of Section 4043(a) of ERISA that it be notified within 30 days of the occurrence of such event, provided, however, that a failure to meet the minimum funding standard of Section 412 of the Code and of Section 302 of ERISA shall be a Reportable Event regardless of the issuance of any such waiver of the notice requirement in accordance with either Section 4043(a) of ERISA or Section 412(d) of the Code;

Required Lenders means, for any purpose, either the Majority Lenders or all of the Lenders depending on who has the authority to instruct the Administrative Agent for that purpose as provided for in this Agreement;

Reset Date has the meaning ascribed to it in Schedule C;

Resolution Authority means any Governmental Authority which has authority to exercise any Write-down and Conversion Powers;

Responsible Officer means, with respect to any Credit Party, the president, the chief executive officer, the chief financial officer, the chief operating officer, the treasurer, a vice-president, the corporate vice-president finance, a vice-president, the corporate controller, the corporate secretary or the assistant corporate secretary or any member of the board of directors, provided that, with respect to financial matters, the Responsible Officer shall be the chief financial officer, the corporate vice-president finance, the director of financial reporting, tax and treasury or the treasurer of such Person;

Restricted Credit Parties at any time, refers collectively to the Borrower, KPGP, KP Real Estate, KPUSA, KP AFH GP, KP AFH LP and each of their Subsidiaries involved in any way in the Tissue Business at such time, but excludes any Unrestricted Credit Party and any Non-Material Credit Party, and **Restricted Credit Party** refers to any one thereof;

Restricted Credit Parties' Counsel means **(i)** in Québec, McCarthy Tétrault, LLP, **(ii)** in the United States of America, Glankler Brown, PLLC, **(iii)** in each other relevant jurisdiction, such firm of solicitors of recognized local standing as the Borrower may select and **(iv)** each additional or replacement firm of solicitors of recognized local standing as the Borrower may select from time to time;

Revolving Period means the period commencing on the 2021 Amendment and Restatement Effective Date and terminating on the earliest of:

1. the fifth anniversary of the 2021 Amendment and Restatement Effective Date;
2. the date that the Facility is terminated and cancelled in its entirety under the provisions of Section 17.1; and
3. the effective date of any other cancellation of the Facility in its entirety;

Rights, Remedies and/or Recourses with respect to any Person, refers to any personal action, provisional measure, any other real or personal right, any other remedy, whether or not hypothecary, or whether same is exercised under the terms of any security or any other recourse whatsoever and including:

1. the right to accelerate any Indebtedness owed to such Person or to demand payment of any Indebtedness payable on demand or to demand payment under any guarantee;
2. the right to institute or prosecute any litigation;
3. the right, whether legal or conventional, to effect compensation or set-off;
4. the right to initiate or prosecute insolvency proceedings or enforcement proceedings; and
5. the exercise of the rights of a creditor under any insolvency proceeding;

S&P means Standard and Poor's Ratings Services, a division of The McGraw Hill Companies, Inc.;

Sale Agency and Marketing Agreement means the sale agency and marketing agreement entered into on August 16, 2011 between the Borrower and KTG in connection with the TAD Project;

Sale and Leaseback Transaction, with respect to any Person, means any transaction or series of transactions whereby such Person sells, transfers or otherwise disposes of any of its properties and assets to another Person and within one (1) year of such sale, transfer or other disposition such Person leases or rents, as lessee, the same property under a lease, the term of which (including the initial term and any period for which the lease may be renewed or extended) exceeds two (2) years;

Sales Taxes means sales, transfer, turnover or value added taxes of any nature or kind, including Canadian goods and services taxes and federal, state and provincial sales and exercise taxes;

Second Amended and Restated Credit Agreement has the meaning ascribed to it in the fourth preamble paragraph of this Agreement;

Secured Obligations refers collectively to the performance by the Restricted Credit Parties of all of their obligations under the Operative Documents including (i) the obligation of the Borrower to repay the Loans upon the terms and conditions provided for hereunder, (ii) the obligations of the Restricted Credit Parties in respect of ISDA Contracts, and (iii) the obligations of the Restricted Credit Parties in respect of credit cards issued to any of them by any of the Finance Parties, (iv) any indebtedness or liability of the Restricted Credit Parties resulting from cash management agreements and consolidation of accounts arrangements entered into with any Finance Party, and (v) and the Erroneous Payment Subrogation Rights;

Securitization Amount means, at any date of determination thereof and in respect of any Permitted Receivables Securitization, the aggregate cash amount paid from time to time by the purchasers to the Borrower under the Permitted Receivables Securitization Documents relating to such Permitted Receivables Securitization in connection with their purchase of interests in the Portfolio, as the same may be reduced from time to time by collections with respect to such Portfolio or otherwise in accordance with the terms of the documentation relating to such Permitted Receivables Securitization;

Securitization Collection Account refers to any bank account, the main purpose of which is to collect payments on receivables that have been sold pursuant to a Permitted Receivables Securitization;

Security Documents is the collective reference to the Amended and Restated Canadian Guarantee and Subordination Agreement, the Amended and Restated American Guarantee and Subordination Agreement, any Other Guarantee and Subordination Agreement, the Amended and Restated Contribution Agreement, the

Confirmation of Security Agreements and all other agreements, deeds, documents or instruments entered into in furtherance of the provisions of Article ARTICLE 10;

Selected Amount means, with respect to each Lender:

1. in connection with BAs, the aggregate face amount of BAs of such Lender having the same Issuance Date and Selected Maturity Date and outstanding or requested to be outstanding under the Facility;
2. in connection with Libor Loans, such portion of the aggregate principal amount of the Libor Loan of such Lender outstanding or requested to be outstanding under the Facility for a Selected Period;
3. in connection with LCs, the Rateable Share of such Lender of the maximum liability of the LC Issuing Lender under each LC outstanding or requested to be outstanding;

Selected Maturity Date means, with respect to BAs, Libor Loans and LC Liabilities, the maturity date selected by the Borrower under any Draw Request or Conversion Request, as the case may be;

Selected Period means, with respect to any Selected Amount, the period commencing as of and from the Borrowing Date applicable to such Selected Amount up to and including the day preceding the Selected Maturity Date applicable to such Selected Amount;

Senior Secured Net Funded Debt means, as at any time, Total Net Funded Debt (which excludes the Borrower IQ Guarantee) less (i) the principal amount then owing under the 2018 High Yield Notes, and (ii) the principal amount then owing under the 2021 High Yield Notes;

Senior Unsecured Debt has the meaning ascribed to it in the fifth (5th) preamble paragraph of this Agreement;

Shareholder Loans means any Debt for Borrowed Money of the Borrower to any of its Affiliates (other than another Credit Party) which complies with the following conditions:

1. the maturity date thereof is at least six (6) months after the end of the Revolving Period;
2. there are no mandatory or scheduled repayments of principal nor mandatory or scheduled reduction of commitment prior to the date referred to in paragraph 1 above;
3. the rights of the lender(s) in respect of such Debt for Borrowed Money are made expressly subject and subordinate to the rights of the Finance Parties hereunder and under the other Operative Documents and the repayment of such Debt for Borrowed Money (whether as to principal, interest or otherwise) is postponed to the repayment in full of all Secured Obligations, the whole under the terms of a subordination and postponement agreement entered into by such lender(s) in favour of the Finance Parties, which agreement shall contain the subordination and postponement provisions contained in Schedule O hereof and shall otherwise be in form and substance satisfactory to the Administrative Agent, acting in accordance with the instructions of the Majority Lenders. Such subordination and postponement agreement shall not prohibit the payment of principal or interest, in respect of such Debt for Borrowed Money to the extent that, at the time of such payment, the Borrower could make a Distribution in the same amount under Section 15.8;
4. no Restricted Credit Party has granted or is required to grant any Lien or any Guarantee as security for the repayment of such Debt for Borrowed Money.

Shareholders' Equity means, as at any time, for any Person, the sum, without duplication and without taking into account any re-evaluation of assets of (a) the book value of the issued and outstanding Capital Stock of such Person, including Capital Stock classified as a liability, (b) any instrument (other than Debt for Borrowed Money) that is convertible into, or exchangeable for, Capital Stock of such Person (c) such Person's paid in capital or contributed surplus or retained earnings (d) deferred translation adjustments and (e) Shareholder Loans;

Sherbrooke Expansion refers to the Bathroom Tissue Project, the Facial Tissue Project and the Paper Machine Project;

Solvent means, when used with respect to a Person, that **(a)** the fair saleable value of the assets of such Person (and treating as assets of such Person the indemnity payments and contributions from Affiliates to which such Person would be entitled under the Contribution Agreement) is in excess of the total amount of the present value of its liabilities (including for purposes of this definition all liabilities (including loss reserves as determined by such Person), whether or not reflected on a balance sheet prepared in accordance with GAAP and whether direct or indirect, fixed or contingent, secured or unsecured, disputed or undisputed), **(b)** such Person is able to pay its debts or obligations in the ordinary course as they mature and **(c)** such Person does not have unreasonably small capital to carry out its business as conducted and as proposed to be conducted. **Solvency** shall have a correlative meaning;

Stamping Fee refers to the fee payable pursuant to the provisions of Section 4.4;

Stand-By Fees refers collectively to the fees payable pursuant to the provisions of Section 8.1;

Subordinated Debt means any Debt for Borrowed Money of any Restricted Credit Party which complies with the following conditions:

1. the maturity date thereof is at least six (6) months after the end of the Revolving Period;
2. there are no mandatory or scheduled repayments of principal nor mandatory or scheduled reduction of commitment prior to the date referred to in paragraph 1 above;
3. the rights of the lender(s) in respect of such Debt for Borrowed Money are made expressly subject and subordinate to the rights of the Finance Parties hereunder and under the other Operative Documents, and the repayment of such Debt for Borrowed Money (whether as to principal, interest or otherwise) is postponed to the repayment in full of all Secured Obligations, the whole under the terms of a subordination and postponement agreement entered into by such lender(s) in favour of the Finance Parties, which agreement shall contain the subordination and postponement provisions contained in Schedule P hereof and shall otherwise be in form and substance satisfactory to the Administrative Agent, acting in accordance with the instructions of the Majority Lenders. Such subordination and postponement agreement shall not prohibit the payment of interest in respect of such Debt for Borrowed Money to the extent that, at the time of such payment, no Default or Event of Default shall have occurred and be continuing or would result therefrom;
4. no Restricted Credit Party has granted or is required to grant any Lien or any Guarantee as security for the repayment of such Debt for Borrowed Money, other than any unsecured Guarantee from any Restricted Credit Party other than the Restricted Credit Party that is the primary obligor of such Debt for Borrowed Money, and provided that such unsecured Guarantee shall comply with the requirements of this definition of Subordinated Debt; and
5. the interest payable by such Restricted Credit Party on such Debt for Borrowed Money is calculated at a rate which is consistent with rates generally available on the market for similar Debts for Borrowed Money at the time such Debt for Borrowed Money is incurred, assumed or suffered to exist;

Subsidiary of any Person means any Person **(i)** which is Controlled, directly or indirectly by such first Person or **(ii)** a majority of whose voting capital stock, on a fully diluted basis, is owned directly or indirectly, beneficially or otherwise, by such first Person. A Person shall be deemed to be a Subsidiary of another Person if it is a Subsidiary of a Person that is that other's Subsidiary;

Substitute Basis means the substitute basis for the BA Liabilities and the Libor Loans referred to in subsection 19.2.2;

Swingline Commitment Amount means, on any date, for each Swingline Lender, the lesser of (i) its Commitment on such date, and (ii) the amount agreed to between such Swingline Lender and the Borrower and communicated in writing to the Administrative Agent, provided that the maximum Swingline Commitment Amount for all Swingline Lenders shall not, at any time, exceed Cdn\$25,000,000 or the equivalent thereof. As the 2021 Amendment and Restatement Effective Date, the Swingline Commitment Amount of (i) National Bank of Canada is Cdn\$8,000,000, and (ii) The Bank of Nova Scotia is Cdn\$9,000,000;

Swingline Facility means, as applicable, the swingline facility which each Swingline Lender has agreed to make available to the Borrower pursuant to subsection 2.2.1;

Swingline Lender means, as applicable, National Bank of Canada or The Bank of Nova Scotia and includes any successor thereof in such capacity;

Swingline Loan means, as applicable as at any time, the aggregate of the principal amount of Advances of the Swingline Lender then outstanding under its Swingline Facility;

Swingline Prime Rate Loan means, as applicable as at any time, that portion of each Swingline Loan with respect to which the Borrower is required to pay interest on a Prime Rate Basis;

Swingline Redistribution means, as applicable in respect of each Swingline Facility, a redistribution among the Lenders of the amounts outstanding under the Loans and the Swingline Loan under such Swingline Facility, the whole as contemplated in Section 21.4;

Swingline US Base Rate Loan means, as applicable as at any time, that portion of each Swingline Loan with respect to which the Borrower is required to pay interest on a US Base Rate Basis;

TAD Canco refers to TAD Canco Inc., a corporation constituted under the laws of Canada, and includes any successor thereof;

TAD Operating Agreements means the Management and Support Services Agreement, the Sale Agency and Marketing Agreement, the Licensing Agreement and the Parent Roll Purchase Agreement;

TAD Project means the construction and operation of a new through-air-dried tissue machine with an approximate capacity of 60,000 MT which is located adjacent to the Memphis Mill;

TAD #2 Borrowers refers to KP Sherbrooke, KTG, TAD1 US LP and TAD2 US LP;

TAD #2 Credit Agreement means the credit agreement dated as of November 19, 2018 entered into by, among others, the TAD #2 Borrowers, as borrowers, the guarantors party thereto from time to time, as guarantors, the lenders party thereto from time to time, as lenders, American AgCredit, FLCA, as administrative agent and National Bank of Canada, as Canadian administrative agent, as same may be amended, supplemented, restated, replaced or otherwise modified at any time and from time to time;

TAD #2 Project means the construction and operation by KP Sherbrooke of a new through-air-dried or other premium tissue technology tissue machine and associated converting equipment including the related building and infrastructure;

TAD #2 Project Entities refers to the Subsidiaries of the Borrower created for the purpose of the TAD # 2 Project, namely KP Sherbrooke, KP TAD Holdco Inc., TAD2 GP ULC, TAD2 US LP, TAD1 Canco I Inc., TAD1 GP ULC, TAD1 US LP and TAD1 Canco II Inc., and in each case includes any successor thereto;

Taxed Party has the meaning ascribed to it in Section 18.1;

Taxes means all taxes of any kind or nature whatsoever including federal large corporation taxes, provincial capital taxes, realty taxes (including utility charges which are collectible like realty taxes), business taxes, property transfer taxes, income taxes, Sales Taxes, levies, stamp taxes, royalties, duties, and all fees, deductions, compulsory loans and withholdings imposed, levied, collected, withheld or assessed as of the 2021 Amendment and Restatement Effective Date or at any time in the future, by any Governmental Authority having power to tax, together with penalties, fines, additions to tax and interest thereon, and **Tax** shall have a correlative meaning;

Termination Event means **(i)** a transaction in connection with which a Credit Party could be subject to either a civil penalty assessed pursuant to section 502(i) of ERISA or a tax imposed by section 4975 of the Code; **(ii)** a termination or withdrawal from any Plan (other than a Multiemployer Plan) in such a manner, or any other action with respect to any such Plan (including, without limitation, a substantial cessation of operations within the meaning of section 4062(e) of ERISA), which could result in any liability of a Credit Party to the PBGC, or to a trustee appointed under section 4042(b) of ERISA; **(iii)** a termination of a Plan such that a Credit Party incurs liability to the PBGC under section 4064 of ERISA; **(iv)** the existence of an accumulated funding deficiency (as defined in section 302 of ERISA or section 412 of the Code) with respect to any Plan (other than a Multiemployer Plan) which could result in any liability of a Credit Party; **(v)** a complete or partial withdrawal from a multiemployer plan (as described in section 4063(a) of ERISA) or a Multiemployer Plan in such a manner which could result in any liability of a Restricted Credit Party to any such plan; and **(vi)** a failure to make full payment when due of all amounts with respect to any Plan which, under Section 412(m) of the Code, a Credit Party or any Related Person is required to pay as contributions thereto;

Third Amended and Restated Credit Agreement has the meaning ascribed to it in the ninth preamble paragraph of the Agreement;

Tissue Business means all of the assets, present and future, movable and immovable, corporeal and incorporeal of the Restricted Credit Parties and includes, for greater certainty, the manufacturing, distribution and sale of disposable branded and private label tissue products for household commercial and industrial use and related ancillary products, as well as the authorizations, approvals, consents, exemptions, licences, permits or franchises from any Person to operate such assets;

Total Net Funded Debt means, as at any time, the sum of **(A)** calculated in accordance with GAAP, on an Adjusted Consolidated Basis, without duplication, the Debt for Borrowed Money of the Restricted Credit Parties at such time (other than **(i)** Shareholder Loans, **(ii)** Permitted Receivables Securitization authorized under subsection 15.2.11, and **(iii)** the Borrower IQ Guarantee) including, for greater certainty, the Debt for Borrowed Money of the Borrower under the Nordea Financing Documents and the IQ Credit Agreement, less the amount of unrestricted cash on hand held by the Restricted Credit Parties on deposit in accounts with the Administrative Agent or any Lender at such time, in each case, that is subject to a satisfactory account control agreement in favour of the Collateral Agent (which, for greater certainty, means that amounts on deposit in the HQ Rebate Dedicated Account from time to time shall not be deducted above), plus **(B)** the amount at such time of cash debt service (principal and interest) on the IQ Facial Tissue Loan and the IQ Bathroom Tissue Loan for the following twelve (12) months;

Type means, with respect to any Advance, its nature as a Prime Rate Loan, US Base Rate Loan, Libor Loan or an issue of BAs or LCs;

Unrestricted Credit Party refers to KPSB, TAD Canco, TAD #2 Project Entities, Lux Finco, KTG, Community Benefit Partners LLC (including any successor thereto), 1061021 and 8528365 and any Subsidiary of the Borrower acquired after the 2021 Amendment and Restatement Effective Date pursuant to clause (ii) of Section 15.7 with respect to which the Borrower has not issued a written notice hereunder requesting that from the date specified in such notice such Person be considered a Restricted Credit Party hereunder, provided, however, that the Borrower can only issue such written notice if, at the time such Person is to become a Restricted Credit Party, the Borrower could Acquire such Person as a Permitted Acquisition hereunder and the Borrower complies with all of the provisions of this Agreement relating to Permitted Acquisitions as if the Borrower were Acquiring such Person at such time;

US Base Rate means, for any day, a rate per annum equal to the greater of (y) the Administrative Agent's US Base Rate for such day; and (z) the Federal Funds Effective Rate on such day plus ■■%;

US Base Rate Basis means the calculation of interest on the US Base Rate Loans contemplated in Sections 3.4 and 3.5;

US Base Rate Loan, with respect to any Lender, means, as at any time, that portion of the US Dollar Loan of such Lender with respect to which the Borrower has elected or, under the terms of this Agreement, is required to pay interest on a US Base Rate Basis, and **US Base Rate Loans** means the aggregate of all US Base Rate Loans of all Lenders. For greater certainty, as regards the Lender who is also the Swingline Lender, its US Base Rate Loan includes the portion of its Swingline Loan outstanding in US \$;

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

US Dollar Account means, with respect to the Borrower, the US Dollar account established on behalf of the Borrower by the Administrative Agent at the Account Branch pursuant to Section 21.6 (with respect to The Bank of Nova Scotia as Swingline Lender, the US Dollar account established on behalf of the Borrower by The Bank of Nova Scotia for such purpose);

US Dollar Loan, with respect to any Lender, means, as at any time, the aggregate of the principal amount of Advances of such Lender then outstanding in US Dollars under the Facility, including the US\$ LC Liability of such Lender;

US Lenders means all Lenders that are regulated by the laws of the United States of America, including but not limited to *The Flood Disaster Protection Act of 1973* and the *Flood Insurance Reform Act of 1994*.

US\$ LC Liability, with respect to any Lender, means, as at any time, the Rateable Share of such Lender in the face amount of the LCs denominated in US Dollars issued under the Facility and still outstanding after deducting therefrom any amount held under Section 9.5 in connection with such LCs and **US\$ LC Liabilities** refers collectively to the US\$ LC Liabilities of all Lenders;

Voting Capital Stock means Capital Stock of a Person which carries voting rights or the right to Control such Person generally, provided that Capital Stock which carries the right to vote or Control conditionally upon the happening of an event shall not be considered Voting Capital Stock until the occurrence of such event and then only during the continuance of such event;

Weston Non-Disturbance Agreement refers to that certain non-disturbance agreement dated as of July 6, 2011 between Weston Inc., George Weston Limited, the Administrative Agent and the Borrower, as same may have been amended, supplemented or restated at any time and from time to time.

Write-down and Conversion Powers means:

- (i) in relation to any Bail-In Legislation, the powers described from time to time as such in relation to that Bail-In Legislation in a relevant implementing Law; and
- (ii) in relation to any other applicable Bail-In Legislation:
 - (a) any powers under that Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised

under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers; and

(b) any similar or analogous powers under that Bail-In Legislation.

SCHEDULE C

DEFINITION OF RELEVANT MARGIN AND STAND-BY FEE

[Redacted - Confidential Information.]

SCHEDULE D

LIBOR REPLACEMENT SETTING

Notwithstanding anything to the contrary herein or in any other Operative Document (and any ISDA Contract constituting a swap shall be deemed not to be an “Operative Document” for purposes of this Schedule):

- a) *Replacing LIBOR.* On March 5, 2021 the Financial Conduct Authority (the **FCA**), the regulatory supervisor of the LIBOR’s administrator (**IBA**), announced in a public statement the future cessation or loss of representativeness of overnight/Spot Next, 1-month, 3-month, 6-month and 12- month LIBOR tenor settings. On the earlier of
- i. the date that all Available Tenors of Libor have either permanently or indefinitely ceased to be provided by IBA or have been announced by the FCA pursuant to public statement or publication of information to be no longer representative and
 - ii. the Early Opt-in Effective Date,
- if the then-current Benchmark is Libor, the Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Operative Document in respect of any setting of such Benchmark on such day and all subsequent settings without any amendment to, or further action or consent of any other party to this Agreement or any other Operative Document. If the Benchmark Replacement is Daily Simple SOFR, all interest payments will be payable on a monthly basis and the interest payment dates will be determined by the Administrative Agent pursuant to clause (e) below.
- b) *Replacing Future Benchmarks.* Upon the occurrence of a Benchmark Transition Event, the Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder and under any Operative Document in respect of any Benchmark setting at or after 5:00 p.m. on the fifth (5th) Business Day after the date notice of such 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 Operative 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 Majority Lenders.
- c) *Benchmark Replacement after a Term SOFR Event.* Notwithstanding anything to the contrary herein or in any other Operative Document, if a Term SOFR Event has occurred prior to the time provided for the next setting of the then-current Benchmark, then the sum of (i) Term SOFR and (ii) the applicable percentage specified in clause (1)(a) of the definition of Benchmark Replacement will become the applicable Benchmark Replacement and will replace the then-current Benchmark for all purposes hereunder or under any Operative 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 Operative Document; provided that this clause (c) will not be effective unless the Administrative Agent has delivered to the Lenders and the Borrower a notice of the occurrence of such Term SOFR Event.
- d) *Unavailability of Benchmark.* At any time that the administrator of the then-current Benchmark has permanently or indefinitely ceased to provide such Benchmark or such Benchmark has been announced by the regulatory supervisor for the administrator of such Benchmark pursuant to public statement or publication of information to be no longer representative of the underlying market and economic reality that such Benchmark

is intended to measure and that representativeness will not be restored, the Borrower may revoke any request for an Advance of, conversion to or renewal of Loans to be made, converted or continued that would bear interest by reference to such Benchmark until the Borrower's receipt of notice from the Administrative Agent that a Benchmark Replacement has replaced such Benchmark, and, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to US Base Rate Loans. During the period referenced in the foregoing sentence, the component of US Base Rate based upon the Benchmark will not be used in any determination of US Base Rate.

- e) *Benchmark Replacement Conforming Changes.* In connection with the implementation and administration of a Benchmark Replacement, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Operative Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement.
- f) *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 Benchmark Replacement Conforming Changes. 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 Schedule, 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, 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 Operative Document, except, in each case, as expressly required pursuant to this Schedule.
- g) *Unavailability of Tenor of Benchmark.* 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 SOFR or LIBOR), then the Administrative Agent may remove any tenor of such Benchmark that is unavailable or non-representative for Benchmark (including Benchmark Replacement) settings and (ii) the Administrative Agent may reinstate any such previously removed tenor for Benchmark (including Benchmark Replacement) settings that has ceased to be unavailable or non-representative.
- h) *Definitions.* In this Schedule, the following terms have the meanings set out below“

“Available Tenor” means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (i) if the then-current Benchmark is a term rate, any tenor for such Benchmark that is or may be used for determining the length of an interest period or (ii) otherwise, any payment period for interest calculated with reference to such Benchmark, as applicable, pursuant to this Agreement as of such date.

“Benchmark” means, initially, the Libor; provided that if a replacement of the Benchmark has occurred pursuant to this Schedule, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate. Any reference to “Benchmark” will include, as applicable, the published component used in the calculation thereof.

“Benchmark Replacement” means, for any Available Tenor:

- 1) For purposes of clause (a) of this Schedule, the first alternative set forth below that can be determined by the Administrative Agent:

- a) the sum of: (i) Term SOFR and (ii) [REDACTED] % ([REDACTED] basis points) for an Available Tenor of one-month's duration, [REDACTED] 1% ([REDACTED] basis points) for an Available Tenor of three-months' duration, and [REDACTED] % ([REDACTED] basis points) for an Available Tenor of six-months' duration, or
 - b) the sum of: (i) Daily Simple SOFR and (ii) the spread adjustment selected or recommended by the Relevant Governmental Body for the replacement of the tenor of the LIBOR with a SOFR-based rate having approximately the same length as the interest payment period specified in clause (a) of this Schedule; and
- 2) For purposes of clause (b) of this Schedule, the sum of (i) the alternate benchmark rate and (ii) an adjustment (which may be a positive or negative value or zero), in each case, that has been selected by the Administrative Agent and the Borrower as the replacement for such Available Tenor of such Benchmark giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body, for U.S. dollar-denominated syndicated credit facilities at such time;

provided that, if the Benchmark Replacement as determined pursuant to clause (1) or (2) 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 Operative Documents.

“Benchmark Replacement Conforming Changes” means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “US Base Rate,” the definition of “Business Day,” timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or renewal 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 may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the 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 such Benchmark Replacement 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 Operative Documents).

“Benchmark Transition Event” means, with respect to any then-current Benchmark other than the Libor, the occurrence of a public statement or publication of information by or on behalf of the administrator of the then-current Benchmark, the regulatory supervisor for the administrator of such Benchmark, the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark, a resolution authority with jurisdiction over the administrator for such Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, announcing or stating that

- a) such administrator has ceased or will cease on a specified date to provide all Available Tenors of such Benchmark, 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

- b) all Available Tenors of such Benchmark are or will no longer be representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored.

“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 recommended by the Relevant Governmental Body for determining “Daily Simple SOFR” for syndicated credit facilities; 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.

“Early Opt-in Effective Date” means, with respect to any Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (Montréal time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Majority Lenders.

“Early Opt-in Election” means the occurrence of:

- a) a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding U.S. dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and
- b) the joint election by the Administrative Agent and the Borrower to trigger a fallback from Libor and the provision by the Administrative Agent of written notice of such election to the Lenders.

“Floor” means the benchmark rate floor, if any, provided in this Agreement with respect to Libor.

“Relevant Governmental Body” means 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.

“SOFR” means a rate per annum equal to the secured overnight financing rate for such Business Day published by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate) on 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 administrator of the secured overnight financing rate from time to time).

“Term SOFR” means, for the applicable corresponding tenor, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

“Term SOFR Event” means the determination by the Administrative Agent that (i) Term SOFR has been recommended for use by the Relevant Governmental Body, (ii) the administration of Term SOFR is

administratively feasible for the Administrative Agent and (iii) a Benchmark Transition Event has previously occurred resulting in a Benchmark Replacement that is not based on Term SOFR.

SCHEDULE E
FORM OF DRAW REQUEST

Date: _____

NATIONAL BANK OF CANADA
AS ADMINISTRATIVE AGENT
Corporate Customer Service -
Syndication and Agency Group
500 Place d'Armes, 26th Floor
Montréal, Québec
H2Y 2W3

Attention: Syndication

Gentlemen:

We refer you to the seventh amended and restated credit agreement dated as of May 21, 2021, entered into among Kruger Products L.P., as Borrower, the several lenders set forth in Schedule A thereto from time to time, as Lenders, and National Bank of Canada, as Administrative Agent and Collateral Agent (which agreement, as same may be further amended, supplemented, restated, replaced or otherwise modified from time to time, is hereinafter referred to as the **Credit Agreement**).

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

Pursuant to Section 2.6 of the Credit Agreement, we hereby request a Drawdown under the Facility, as indicated in the Table attached hereto.

For that purpose, we represent and warrant that, to our knowledge, each and every one of the representations and warranties made under the Credit Agreement are true and correct on the date of this Draw Request.

We further represent and warrant that no Default or Event of Default has occurred and is continuing as of the date of this Draw Request which has not theretofore been disclosed to the Administrative Agent.

Note 1

Yours truly,

KRUGER PRODUCTS L.P., by its general partner
KPGP INC.

Per: _____

SCHEDULE E
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

TABLE

Form of Advance	Borrowing Date or Issuance Date	Selected Maturity Date	Selected Period	Amount or Selected Amount	Interest (if applicable)
Prime Rate Loans	_____ 20 __	N/A	N/A	Cdn\$ _____	Prime Rate Basis
US Base Rate Loans	_____ 20 __	N/A	N/A	US\$ _____	US Base Rate Basis
Libor Loans	_____ 20 __	<u>Note 2</u>	1 month 2 months 3 months	US\$ _____ US\$ _____ US\$ _____	Libor Basis
LC	_____ 20 __	<u>Note 2</u>	_____	<u>Note 3</u>	N/A
BA	_____ 20 __	<u>Note 2</u>	1 month 2 months 3 months	Cdn\$ _____ Cdn\$ _____ Cdn\$ _____	N/A

Notes:

- Where pursuant to this Draw Request, the Borrower desires to give a direction of payment, then the Borrower should include the required payment information.
- Specify the Selected Maturity Date, which must be a Business Day falling within the Revolving Period.
- Specify the amount and currency which can be Cdn\$, US\$ or any other Authorized Currency.

SCHEDULE F
FORM OF CONVERSION REQUEST

Date: _____

NATIONAL BANK OF CANADA
AS ADMINISTRATIVE AGENT
Corporate Customer Service -
Syndication and Agency Group
500 Place d'Armes, 26th Floor
Montréal, Québec
H2Y 2W3

Attention: Syndication

Gentlemen:

We refer you to the seventh amended and restated credit agreement dated as of May 21, 2021, entered into among Kruger Products L.P., as Borrower, the several lenders set forth in Schedule A thereto from time to time, as Lenders, and National Bank of Canada, as Administrative Agent and Collateral Agent (which agreement, as same may be further amended, supplemented, restated, replaced or otherwise modified from time to time, is hereinafter referred to as the **Credit Agreement**).

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

Pursuant to Section 7.1 of the Credit Agreement, we hereby request a conversion or rollover of a portion of the Loans, as indicated in the Table attached hereto, such conversion or rollover to occur on **Note 1**.

For that purpose, we represent and warrant that, to our knowledge, each and every one of the representations and warranties made under the Credit Agreement are true and correct on the date of this Conversion Request.

We further represent and warrant that no Default or Event of Default has occurred and is continuing as of the date of such certificate which has not theretofore been disclosed to the Administrative Agent.

Yours truly,

KRUGER PRODUCTS L.P., by its general
partner, KPGP INC.

Per: _____

SCHEDULE F
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

SCHEDULE F
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

TABLE

FROM:		TO:					
Form of Advance	Selected Maturity Date	Form of Advance	Borrowing Date or Issuance Date	Selected Maturity Date	Selected Period	Amount or Selected Amount	Interest (if applicable)
Prime Rate Loans	N/A	Prime Rate Loans	_____ 20 _	N/A	N/A	Cdn\$ _____	Prime Rate Basis
US Base Rate Loans	N/A	US Base Rate Loans	_____ 20 _	N/A	N/A	US\$ _____	US Base Rate Basis
Libor Loans	<u>Note 2</u>	Libor Loans	_____ 20 _	<u>Note 2</u>	1 month 2 months 3 months	US\$ _____ US\$ _____ US\$ _____	Libor Basis
LC	<u>Note 2</u>	LC	_____ 20 _	<u>Note 2</u>	_____	<u>Note 3</u>	N/A
BA	<u>Note 2</u>	BA	_____ 20 _	<u>Note 2</u>	1 month 2 months 3 months	Cdn\$ _____ Cdn\$ _____ Cdn\$ _____	N/A

Notes:

1. Specify the date of the conversion or rollover.
2. Specify the Selected Maturity Date, which must be a Business Day falling within the Revolving Period.
3. Specify the amount and currency which can be Cdn\$, US\$ or any other Authorized Currency.

SCHEDULE G

FORM OF REDUCTION NOTICE

Date: _____

NATIONAL BANK OF CANADA

AS ADMINISTRATIVE AGENT
Corporate Customer Service -
Syndication and Agency Group
500 Place d'Armes, 26th Floor
Montréal, Québec
H2Y 2W3

Attention: Syndication

Gentlemen:

We refer you to the seventh amended and restated credit agreement dated as of May 21, 2021, entered into among Kruger Products L.P., as Borrower, the several lenders set forth in Schedule A thereto from time to time, as Lenders, and National Bank of Canada, as Administrative Agent and Collateral Agent (which agreement, as same may be further amended, supplemented, restated, replaced or otherwise modified from time to time, is hereinafter referred to as the **Credit Agreement**).

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

Pursuant to the provisions of Sections 2.10 of the Credit Agreement, we hereby notify you that we desire to reduce as of **Note 1** , the Facility by an amount of [Cdn \$ **Note 2**] such that thereafter the Facility shall be for an amount of [Cdn \$ **Note 3**].

Note 4

Yours truly,

KRUGER PRODUCTS L.P., by its general
partner KPGP INC.

Per: _____

Notes:

1. The effective date shall not be less than three (3) Business Days following the delivery to the Administrative Agent of this Reduction Notice.
2. Insert the amount by which the Facility shall be reduced and cancelled. Note that the Facility must be reduced in minimum amounts of Cdn\$5,000,000 and in whole multiples of Cdn\$1,000,000.

SCHEDULE G

SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

3. Insert the amount of the Facility following such reduction and cancellation.
4. Where any such reduction or cancellation results in a repayment of the whole or any part of the Loans, then the Borrower shall attach to this Reduction Notice a Repayment Notice.

SCHEDULE H
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

SCHEDULE H
FORM OF REPAYMENT NOTICE

Date: _____

NATIONAL BANK OF CANADA

AS ADMINISTRATIVE AGENT
Corporate Customer Service -
Syndication and Agency Group
500 Place d'Armes, 26th Floor
Montréal, Québec
H2Y 2W3

Attention: Syndication

Gentlemen:

We refer you to the seventh amended and restated credit agreement dated as of May 21, 2021, entered into among Kruger Products L.P., as Borrower, the several lenders set forth in Schedule A thereto from time to time, as Lenders, and National Bank of Canada, as Administrative Agent and Collateral Agent (which agreement, as same may be further amended, supplemented, restated, replaced or otherwise modified from time to time, is hereinafter referred to as the **Credit Agreement**).

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

Pursuant to the provisions of **Note 1** of the Credit Agreement, we hereby notify you that on **Note 2**, we shall repay an amount of Cdn\$ _____, US\$ _____ or [Authorized Currency] _____ of the Loans to be applied as follows:

LOANS		
LOANS AGAINST WHICH PAYMENT IS TO BE APPLIED	AMOUNT	SELECTED MATURITY DATE
Prime Rate Loans	Cdn\$ _____	N/A
US Base Rate Loans	US\$ _____	N/A
Libor Loans	US\$ _____	<u>Note 3</u>
LC	<u>Note 4</u>	<u>Note 3</u>
BA	Cdn\$ _____	<u>Note 3</u>

SCHEDULE H
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

Yours truly,

KRUGER PRODUCTS L.P., by its general partner
KPGP INC.

Per: _____

Notes:

1. Specify pursuant to the provisions of which Section of the Credit Agreement this Repayment Notice is being issued.
2. Specify the date of repayment (see Section 2.15.1 of the Credit Agreement).
3. Indicate the Selected Maturity Date of the Loans against which payment is to be applied.
4. Specify the amount and currency which can be Cdn\$, US\$ or any other Authorized Currency.

SCHEDULE I
FORM OF COMPLIANCE CERTIFICATE

Date: _____

NATIONAL BANK OF CANADA
AS ADMINISTRATIVE AGENT
Corporate Customer Service -
Syndication and Agency Group
500 Place d'Armes, 26th Floor
Montréal, Québec
H2Y 2W3

Attention: Syndication

Gentlemen:

We refer you to the seventh amended and restated credit agreement dated as of May 21, 2021, entered into among Kruger Products L.P., as Borrower, the several lenders set forth in Schedule A thereto from time to time, as Lenders, and National Bank of Canada, as Administrative Agent and Collateral Agent (which agreement, as same may be further amended, supplemented, restated, replaced or otherwise modified from time to time, is hereinafter referred to as the **Credit Agreement**).

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

This certificate is delivered to you pursuant to subsection **[14.2.3 or 14.3.3]** of the Credit Agreement.

I, _____, the undersigned, the _____ of Kruger Products L.P. do hereby certify that:

1. I have taken cognizance of all the terms of the Credit Agreement and of all other Operative Documents;
2. To the best of my knowledge, after diligent enquiry, I do not know of the existence, as of the date hereof, of a condition or of any fact whatsoever, constituting or having constituted a Default or an Event of Default during the **[fiscal quarter/year]** with respect to which this certificate is being delivered which has not heretofore been disclosed to the Administrative Agent;
3. To the best of my knowledge, after diligent enquiry, the representations and warranties made or deemed made by the Borrower under the Operative Documents are true and correct as of the date hereof (except to the extent that any such representation or warranty expressly relates to an earlier date, in which case such representation or warranty is true and correct as of such date);
4. The unaudited Financial Statements of the Borrower on an Adjusted Consolidated Basis attached hereto for the fiscal quarter ended _____ fairly present in all material respects and in accordance with GAAP the financial position of the Borrower as at the end of such fiscal quarter, subject only to normal year-end auditing adjustments;

SCHEDULE I
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

[or]

The audited Financial Statements of the Borrower on an Adjusted Consolidated Basis for the fiscal year ended _____ fairly present in all material respects and in accordance with GAAP the financial position of the Borrower as at the end of such fiscal year.

5. The unaudited consolidated Financial Statements of the TAD #2 Borrowers and their subsidiaries, on a combined basis, attached hereto for the fiscal quarter ended _____ fairly present in all material respects and in accordance with GAAP the financial position of the TAD #2 Borrowers and subsidiaries, as the case may be, as at the end of such fiscal quarter, subject only to normal year-end auditing adjustments;

[or]

The audited consolidated Financial Statements of the TAD #2 Borrowers and their subsidiaries, on a combined basis, for the fiscal year ended _____ fairly present in all material respects and in accordance with GAAP the financial position of the TAD #2 Borrowers and their subsidiaries, on a combined basis, as at the end of such fiscal year.

6. The **[fiscal quarter/year]** to which the following calculations relate ended on **[date]** (the **Quarter** or the **Year**).
7. For purposes of the Credit Agreement, including Schedule C thereof, the Ratio of Total Net Funded Debt to EBITDA for the preceding twelve (12) month period of the Borrower (the **Relevant Period**), as at the end of the **[Quarter/Year]** is as follows:

For the Borrower, calculated on an Adjusted Consolidated Basis, for the Relevant Period, the Ratio of Total Net Funded Debt in line (6) below (being the amount in line (1) minus the amount in lines (2), (3) and (4) below, plus the amount in line (5)) to EBITDA (being the amount in line (7) below calculated as per Appendix A attached hereto) as at the end of the **[Quarter/Year]** was _____, on the basis of the following:

- | | | |
|-----|---|-------------|
| (1) | Debt for Borrowed Money of the Restricted Credit Parties (including under the Nordea Financing Documents and the IQ Credit Agreement) | Cdn\$ _____ |
| (2) | Debt for Borrowed Money of the Restricted Credit Parties consisting of Shareholder Loans and Permitted Receivables Securitization authorized under subsection 15.2.11 of the Credit Agreement | Cdn\$ _____ |
| (3) | The Borrower IQ Guarantee | Cdn\$ _____ |
| (4) | Amount of unrestricted cash on hand held by the Restricted Credit Parties on deposit in accounts with the Administrative Agent or any Lender at such time, in each case, that is subject to a satisfactory account control agreement in favour of the Collateral Agent (which, for greater certainty, means that amounts on deposit in the HQ Rebate Dedicated Account from time to time shall not be deducted above) | Cdn\$ _____ |

SCHEDULE I
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

- (5) the amount at such time of cash debt service (principal and interest) on the IQ Facial Tissue Loan and the IQ Bathroom Tissue Loan for the following twelve (12) months Cdn\$_____
- (6) Total Net Funded Debt Cdn\$_____
- (7) EBITDA (see Appendix A) Cdn\$_____

8. The provisions of subsection 14.1.1.1 of the Credit Agreement require that the Ratio of Senior Secured Net Funded Debt to EBITDA for the Relevant Period, as at the end of the **[Quarter/Year]**, be no greater than 3.00 to 1.00.

For the Borrower, calculated on an Adjusted Consolidated Basis, for the Relevant Period, the Ratio of Senior Secured Net Funded Debt (being the amount in line (6) below minus the amounts in lines (8) and (9) below) to EBITDA (being the amount in line (7) above as at the end of the **[Quarter/Year]**) was _____, on the basis of the following:

- (8) Principal amount owing under the 2018 High Yield Notes Cdn\$_____
- (9) Principal amount owing under the 2021 High Yield Notes Cdn\$_____

9. The provisions of subsection 14.1.1.2 of the Credit Agreement require that the Interest Coverage Ratio for the Relevant Period be at least 3.00 to 1.00 as at the end of the **[Quarter/Year]**.

For the Borrower, calculated on an Adjusted Consolidated Basis, for the Relevant Period, the Interest Coverage Ratio was the ratio of (i) EBITDA (being the amount in line (6) above) to (ii) Interest Expense (being the amount in line (10) below) as at the end of the **[Quarter/Year]** was _____, on the basis of the following:

- (10) Interest Expense (being the sum of (i) all interest expense (net of interest income) paid or required to be paid during the Relevant Period and (ii) the additional Investments in KPSB contemplated in subsection 15.5.5 of the Credit Agreement solely for the payment of interest in cash on the IQ Paper Machine Debenture) Cdn\$_____

10. As at the end of the **[Quarter/Year]**, the aggregate principal amount of Debt for Borrowed Money consisting in the Mark to Market Exposure of the Restricted Credit Parties under Derivative Instruments entered into in compliance with Section 15.3 of the Credit Agreement is equal to Cdn\$_____, and all such Derivative Instruments constitute (i) ISDA Contracts or (ii) Derivative Instruments entered into with a Nordea Lender (as such expression is defined in the Amended and Restated Intercreditor and Collateral Agency Agreement).
11. As at the end of the **[Quarter/Year]**, the aggregate principal amount of Debt for Borrowed Money of the Restricted Credit Parties consisting of Purchase Money Obligations is equal to Cdn\$_____, which **[does not exceed]** Cdn\$_____ (being the Consolidated Tangible Assets of the Restricted Credit Parties as at the end of the **[Quarter/Year]** multiplied by 5%).

SCHEDULE I
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

12. As at the end of the **[Quarter/Year]**, the aggregate principal amount of Debt for Borrowed Money under the Nordea Loan is equal to US\$_____.
13. As at the end of the **[Quarter/Year]**, the aggregate principal amount of Debt for Borrowed Money under the IQ Loan is equal to Cdn\$_____.
14. As at the end of the **[Quarter/Year]**, the aggregate principal amount of Debt for Borrowed Money under the 2018 High Yield Notes and 2021 High Yield Notes is equal to Cdn\$_____.
15. As at the end of the **[Quarter/Year]**, the aggregate principal amount of Permitted Receivables Securitization under Debt for Borrowed Money is equal to Cdn\$_____.
16. As at the end of the **[Quarter/Year]**, the aggregate principal amount of unsecured Debt for Borrowed Money in form and in substance similar to the 2021 High Yield Notes (excluding the 2018 High Yield Notes and 2021 High Yield Notes) referred to in subsection 15.2.12 of the Credit Agreement is equal to Cdn\$_____.
17. As at the end of the **[Quarter/Year]**, the aggregate principal amount of unsecured Debt for Borrowed Money owing from time to time by any Restricted Credit Party is equal to Cdn\$_____.
18. As at the end of the **[Quarter/Year]**, the aggregate value of all the Investments referred to in subsection 15.5.4 of the Credit Agreement is equal to Cdn\$_____.
19. As at the end of the **[Quarter/Year]**, the aggregate value of all the Investments referred to in subsection 15.5.5 of the Credit Agreement is equal to Cdn\$_____.
20. As at the end of the **[Quarter/Year]**, the aggregate value of all the Investments referred to in subsection 15.5.7 of the Credit Agreement is equal to Cdn\$_____.
21. Section 15.8 of the Credit Agreement requires that Distributions declared, set apart or made thereunder may not be declared or made unless, *inter alia*, the declaration or making of such Distribution does not result in the Borrower failing to maintain, as provided in Section 15.8 of the Credit Agreement, any of the Ratios. Any Distribution declared, set apart or made by the Borrower during the **[Quarter/Year]** pursuant to Section 15.8 of the Credit Agreement respected the provisions of Section 15.8.
22. As at the end of the **[Quarter/Year]**, the aggregate principal amount of Debt for Borrowed Money incurred, created or assumed at any time by TAD Canco, Lux Finco, KTG, Community Benefit Partners LLC (including any successor thereto) and TAD #2 Project Entities, on a consolidated basis, was equal to US\$_____ and Cdn\$_____.
23. As at the end of the **[Quarter/Year]**, the aggregate principal amount of Debt for Borrowed Money incurred, created or assumed at any time by KPSB, on a consolidated basis, was equal to Cdn\$_____.

SCHEDULE I
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

Signed at _____, this _____ day of _____, 20____.

Name:
Title:

APPENDIX A
CALCULATION OF EBITDA

The amount of EBITDA for the purpose of line (4) of this Compliance Certificate shall be calculated as follows:

	i)	net earnings	\$ _____
plus	ii)	taxes	\$ _____
plus	iii)	non-cash currency gains and losses	\$ _____
plus	iv)	non-cash extraordinary items	\$ _____
plus	v)	interests	\$ _____
plus	vi)	depreciation	\$ _____
plus	vii)	amortization	\$ _____
equals	EBITDA	=	\$ _____

SCHEDULE J
FORM OF ACQUISITION CERTIFICATE

Date: _____

NATIONAL BANK OF CANADA
AS ADMINISTRATIVE AGENT
Corporate Customer Service -
Syndication and Agency Group
500 Place d'Armes, 26th Floor
Montréal, Québec
H2Y 2W3

Attention: Syndication

Gentlemen:

We refer you to the seventh amended and restated credit agreement dated as of May 21, 2021, entered into among Kruger Products L.P., as Borrower, the several lenders set forth in Schedule A thereto from time to time, as Lenders, and National Bank of Canada, as Administrative Agent and Collateral Agent (which agreement, as same may be further amended, supplemented, restated, replaced or otherwise modified from time to time, is hereinafter referred to as the **Credit Agreement**).

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

This certificate is delivered to you pursuant to Section 14.5.2 of the Credit Agreement.

I, _____, the undersigned, the _____ of KPGP Inc., in my capacity as officer of the general partner of Kruger Products L.P. and not in my personal capacity, do hereby certify that:

1. I have attached the most recent **[audited]** consolidated Financial Statements of the Person or business being acquired.
2. The calculations referred to below in paragraphs (3) and (4), inclusively, are made on a *pro forma* Adjusted Consolidated Basis as at the end of the fiscal quarter ended on _____, 20____ (the **Quarter**) as if the acquisition to which this certificate relates had been completed on the first day of the period for which each of the relevant ratios is calculated and as if **[Note ¹]** was a Restricted Credit Party.
3. The provisions of subsection 14.1.1.1 of the Credit Agreement require that the Ratio of Senior Secured Net Funded Debt to EBITDA for the preceding twelve (12) Relevant Period, as at the end of the **[Quarter/Year]**, be no greater than 3.00 to 1.00.

For the Borrower, calculated on an Adjusted Consolidated Basis, for the Relevant Period, the Ratio of Senior Secured Net Funded Debt (being the amount in line (1) below minus the amounts

¹ Name of the acquired entity.

SCHEDULE J
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

in lines (2) and (3) below) to EBITDA (being the amount in line (4) below as at the end of the [Quarter/Year] was _____, on the basis of the following:

- (1) Total Net Funded Debt (which excludes the Borrower IQ Guarantee) Cdn\$ _____
- (2) Principal amount owing under the 2018 High Yield Notes Cdn\$ _____
- (3) Principal amount owing under the 2021 High Yield Notes Cdn\$ _____
- (4) EBITDA (see Appendix A) Cdn\$ _____

4. The provisions of subsection 14.1.1.2 of the Credit Agreement require that the Interest Coverage Ratio for the Relevant Period be at least 3.00 to 1.00 as at the end of the Quarter.

For the Borrower, calculated on an Adjusted Consolidated Basis, for the Relevant Period, the Interest Coverage Ratio was the ratio of (i) EBITDA (being the amount in line (4) above) to (ii) Interest Expense (being the amount in line (5) below) as at the end of the [Quarter/Year] was _____, on the basis of the following:

- (5) Interest Expense (being the sum of (i) all interest expense (net of interest income) paid or required to be paid during the Relevant Period and (ii) the additional Investments in KPSB contemplated in subsection 15.5.5 of the Credit Agreement solely for the payment of interest in cash on the IQ Paper Machine Debenture) Cdn\$ _____

Signed at _____, this _____ day of _____, 20__

Name:
Title:

APPENDIX A
CALCULATION OF EBITDA

The amount of EBITDA for the purpose of line (4) of this Acquisition Certificate shall be calculated as follows:

	i)	net earnings	\$ _____	
plus	ii)	taxes	\$ _____	
plus	iii)	non-cash currency gains and losses	\$ _____	
plus	iv)	non-cash extraordinary items	\$ _____	
plus	v)	interests	\$ _____	
plus	vi)	depreciation	\$ _____	
plus	vii)	amortization	\$ _____	
equals	EBITDA	=		\$ _____

SCHEDULE K
FORM OF LOAN TRANSFER AGREEMENT

- Item 1. Assignor: _____ (the **Assignor**).
- Item 2. Assignee: _____ (the **Assignee**).
- Item 3. Borrower: _____.
- Item 4. Guarantors: _____ [Note: NAME EACH OF THE
GUARANTORS AS AT THE DATE OF THE LOAN TRANSFER AGREEMENT]
(the **Guarantors**).
- Item 5. Credit Agreement: _____ (the **Credit Agreement**).
- Item 6. The standard terms and conditions set forth in Schedule A hereto (the **Standard Terms and Conditions**) are hereby agreed to and incorporated herein by reference and made a part of this Loan Transfer Agreement as if set forth herein in full.
- Item 7. Unless otherwise defined in this Loan Transfer Agreement, terms defined in the Credit Agreement are used herein as therein defined.
- Item 8. Date of this Loan Transfer Agreement: _____ (the **Effective Date**).
- Item 9. Commitment of the Assignor immediately prior to the Effective Date and the assigned amount of each one thereof:

	Commitment Immediately prior to Effective Date	Assigned Amount of Commitment
Commitment	A1 Cdn\$ _____	A2 Cdn \$ _____

Commitment Assigned Share: $A2/A1 \times 100 =$ ____% (the **Commitment Assigned Share**).

- Item 10. Loan of the Assignor outstanding immediately prior to the Effective Date:

Type of Loan	Principal	Interest Accrued But Not Yet Payable	Interest Due But Not Yet Paid	Stand-By Fees Accrued But Not Yet Payable
Loan				Cdn\$ _____
Prime Rate Loans	Cdn\$ _____	Cdn\$ _____	Cdn\$ _____	

SCHEDULE K
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

Type of Loan	Principal	Interest Accrued But Not Yet Payable	Interest Due But Not Yet Paid	Stand-By Fees Accrued But Not Yet Payable
Base Rate Loans	US\$_____	US\$_____	US\$_____	
Libor Loans	US\$_____	US\$_____	US\$_____	
LC		N/A	N/A	
BA	Cdn\$_____	N/A	N/A	

Item 11. BA Liability of the Assignor outstanding immediately prior to the Effective Date:

	Selected Amount	Selected Maturity Date	Stamping Fees	Stamping Fees Payable by the Assignor on the Effective Date
BA Liability				
BA	Cdn\$_____	_____	Cdn\$_____	Cdn\$_____

Where a BA Liability of the Assignor is outstanding immediately prior to the Effective Date, the parties hereto shall be bound by the provisions of Section 9 of the Standard Terms and Conditions. Otherwise, notwithstanding Item 6 hereinabove, such provisions shall not apply.

Item 12. Libor Loan of the Assignor outstanding immediately prior to the Effective Date:

	Selected Amount	Selected Maturity Date	Libor	Libor Interbank Rate
Libor Loan	US\$_____	_____	_____%	_____%

Where a Libor Loan of the Assignor is outstanding immediately prior to the Effective Date, the parties hereto shall be bound by the provisions of Section 10 of the Standard Terms and Conditions. Otherwise, notwithstanding Item 6 hereinabove, such provisions shall not apply.

The percentage appearing under the column entitled "Libor Interbank Rate" shall be defined as **Libor Interbank Rate** and shall be used for purposes of the calculations contemplated in subsection 10.2 of the Standard Terms and Conditions.

Item 13. In furtherance of the provisions hereof and of Section 23.5 of the Credit Agreement, the parties hereto do hereby expressly acknowledge and agree that, in accordance with the provisions of Section 23.5 of the Credit Agreement, as of the Effective Date, Schedule "A" of the Credit Agreement is hereby amended so that it shall hereafter read as follows:

SCHEDULE A

THE LENDERS AND THEIR COMMITMENTS

NAME OF LENDER	COMMITMENT (CDN\$)
<*>	<*>
<*>	<*>

[INTENTIONALLY LEFT BLANK]

SCHEDULE K
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

Acknowledged and Agreed

By their execution and delivery hereof, each of the undersigned acknowledges and agrees to be bound as of the Effective Date by the terms and conditions of this Loan Transfer Agreement, including, without limitation, the applicable Standard Terms and Conditions.

<*>

as Assignor

Per: _____

and Per: _____

Address: <*>

Attention: <*>

Telecopier: <*>

<*>

as Assignee

Per: _____

and Per: _____

Address: <*>

Attention: <*>

Telecopier: <*>

<*>

as Borrower

Per: _____

and Per: _____

Address: <*>

Attention: <*>

Telecopier: <*>

SCHEDULE K
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

**NATIONAL BANK OF CANADA
as Administrative Agent**

Per: _____

and Per: _____

Address: Corporate Customer Service -
Syndication and Agency Group
500 Place d'Armes, 26th Floor
Montréal, Québec
H2Y 2W3

Attention: Vice President

Telecopier: 514 390 7850

**<*>
as Guarantor**

Per: _____

and Per: _____

Address: <*>

Attention: <*>

Telecopier: <*>

**NATIONAL BANK OF CANADA
as Collateral Agent**

Per: _____

and Per: _____

Address: Loan Structuring & Syndication
- Corporate & Investment Banking
Group
5th Floor
1155 Metcalfe Street
Montréal, QC H3B 4S9

Attention: Vice President

Telecopier: 514 390 7850

SCHEDULE A

STANDARD TERMS AND CONDITIONS

1. The capitalized words and expressions used in these Standard Terms and Conditions or in the Loan Transfer Agreement, unless otherwise defined as follows or unless there be something in the subject or the context inconsistent therewith, shall have the meaning ascribed to them in the Credit Agreement:

Assignee shall have the meaning ascribed thereto in Item 2 of the Loan Transfer Agreement;

Assignor shall have the meaning ascribed thereto in Item 1 of the Loan Transfer Agreement;

Bond means any bond issued at any time and from time to time by any Borrower or Guarantor pursuant to any Deed of Hypothec, and **Bonds** is a collective reference to all such Bonds;

Commitment Assigned Share shall have the meaning ascribed thereto in Item 9 of the Loan Transfer Agreement;

Credit Agreement shall have the meaning ascribed thereto in Item 5 of the Loan Transfer Agreement;

Deed of Hypothec refers to any notarized deed of hypothec pursuant to the terms of which are hypothecated the assets of any Borrower or Guarantor and pursuant to the terms of which may be issued Bonds;

Guarantors shall have the meaning ascribed thereto in Item 4 of the Loan Transfer Agreement, and **Guarantor** shall be a reference to any one thereof;

Pledge refers to any movable deed of hypothec pursuant to the terms of which any Borrower or Guarantor pledges a Bond in favour of the Administrative Agent or the Collateral Agent in order to secure the Secured Obligations, and **Pledges** is a collective reference to all such Pledges.

2. The Assignor hereby sells and assigns to the Assignee without recourse and without representation or warranty (other than as expressly provided herein), and the Assignee hereby purchases and assumes from the Assignor, the Commitment Assigned Share of the interest in and to the Assignor's Loan and Commitment and in and to all of the Assignor's rights and obligations under the Credit Agreement and any other Operative Document as of the date hereof (including, without limitation, the Commitment Assigned Share of the interest in and to all of the Assignor's rights and obligations with respect to the Liens created pursuant to the Security Documents).

3. The Assignor **(i)** represents and warrants that it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim; **(ii)** represents and warrants that immediately prior to the Effective Date, the Loan of the Assignor under the Credit Agreement and the other Operative Documents is as set forth in Item 10 of this Loan Transfer Agreement; **(iii)** makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Credit Agreement or the other Operative Documents or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement or the other Operative Documents or any other instrument or document furnished pursuant thereto; and **(iv)** makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or the Guarantors or the performance or observance by each of the Borrower or the Guarantors of any of its obligations under the Credit Agreement or the other Operative Documents to which it is a party or any other instrument or document furnished pursuant thereto.

SCHEDULE K
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

4. The Assignee **(i)** confirms that it has received a copy of the Credit Agreement and the other Operative Documents, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Loan Transfer Agreement; **(ii)** agrees that it will, independently and without reliance upon the Administrative Agent, the Collateral Agent, the Assignor or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; **(iii)** appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement and the other Operative Documents as are delegated to the Administrative Agent under the terms thereof, together with such powers as are reasonably incidental thereto; **(iv)** appoints and authorizes the Collateral Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement and the other Operative Documents as are delegated to the Collateral Agent under the terms thereof, together with such powers as are reasonably incidental thereto and; **(v)** agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender.

5. As of the Effective Date, **(i)** the Assignee shall be a party to the Credit Agreement and the Amended and Restated Intercreditor and Collateral Agency Agreement, and, to the extent provided in this Loan Transfer Agreement, have the rights and obligations of a Lender thereunder and under the other Operative Documents and **(ii)** the Assignor shall, to the extent provided in this Loan Transfer Agreement, relinquish its rights and be released from its obligations under the Credit Agreement and the other Operative Documents.

6. Subject to Section 9 and Section 10 of these Standard Terms and Conditions, it is agreed that the Assignee shall be entitled to all interest paid on and all Stand-By Fees paid with respect to the Commitment Assigned Share of the Loan of the Assignor, as provided in the Credit Agreement on and after the Effective Date, such interest to be paid by the Administrative Agent directly to the Assignee. It is further agreed that all payments of principal made on the Commitment Assigned Share of the Loan of the Assignor which occur on and after the Effective Date will be paid directly by the Administrative Agent to the Assignee. The Assignments pursuant to this Loan Transfer Agreement are effected for a purchase price to which have agreed the Assignor and Assignee, and the Assignor hereby acknowledges receipt of the full amount thereof.

7. The Borrower and the Guarantors hereby expressly acknowledge, declare, agree and confirm that the Assignee, through the naming of the Collateral Agent as agent for the Lenders:

7.2 in each of the Bonds, has all of the benefits of and is hereby acknowledged for all purposes of the Security Documents as being a payee under each of the Bonds, jointly with the Lenders, in the same manner and to the same extent as though the Assignee were an original named payee thereunder;

7.3 in the Pledges, is and is hereby acknowledged for all purposes of the Security Documents as being the beneficiary and holder of the Liens created thereunder, jointly with the Lenders, as fully as though the Assignee were an original party thereto; and

7.4 in the remaining Security Documents, is and is hereby acknowledged for all purposes of the Security Documents as the beneficiary and holder of the Liens created thereunder, jointly with the Lenders, as fully as though the Assignee were an original party thereto.

8. Each Guarantor does hereby expressly acknowledge, declare, agree and confirm that the Assignee, through the naming of the Collateral Agent, as agent for the Lenders, in the Guarantees granted by the Borrower and the Guarantors in connection with the Secured Obligations, is and is hereby acknowledged for all purposes of such Guarantees as the beneficiary and holder of the guarantees created thereunder as fully as though the Assignee were an original party thereto.

SCHEDULE K
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

9. As part of the Assignments made under the terms of Section 2 of these Standard Terms and Conditions, the Assignee has purchased a portion of the BA Liability of the Assignor set forth in Item 11 of this Loan Transfer Agreement equal to the Commitment Assigned Share. The Borrower acknowledges that, as of and from the Effective Date, the portion so purchased by the Assignee of the BA Liability of the Assignor forms part of the BA Liability of the Assignee, as the case may be.

The Assignee, notwithstanding any payment obligation default on the part of the Borrower, irrevocably undertakes to pay to the Assignor on the Selected Maturity Date of each BA set forth in Item 11 of this Loan Transfer Agreement, with respect to any BA Liability, a portion of the Selected Amount of such BA equal to the Commitment Assigned Share, and, in consideration thereof, the Assignor shall be responsible for all payments to third parties under such BA.

Each amount of Stamping Fees set forth in Item 11 of this Loan Transfer Agreement represents the Stamping Fees already collected by the Assignor in connection with each respective Selected Amount for the period commencing as of the Effective Date until and including the respective Selected Maturity Date. The Assignor hereby acknowledges and agrees that it shall remit to the Assignee, on the Effective Date, with respect to each BA Liability set forth in Item 11 of this Loan Transfer Agreement, the amount set forth in the column entitled "Stamping Fees Payable by the Assignor on the Effective Date".

10. As part of the Assignments made under the terms of Section 2 of these Standard Terms and Conditions, the Assignee has purchased a portion of the Libor Loan of the Assignor set forth in Item 12 of this Loan Transfer Agreement equal to the Commitment Assigned Share. The Borrower hereby acknowledges and agrees that, as of and from the Effective Date, the portion so purchased by the Assignee of the Libor Loan of the Assignor forms part of the Libor Loan of the Assignee.

The Assignee, notwithstanding any payment obligation default on the part of the Borrower, irrevocably undertakes to pay to the Assignor on the Maturity Date of the Libor Loan set forth in Item 12 of this Loan Transfer Agreement, with respect to any Libor Loan, a portion of the Selected Amount of such Libor Loan equal to the Commitment Assigned Share.

The Assignee, notwithstanding any payment obligation default on the part of the Borrower, further irrevocably undertakes to pay to the Assignor with respect to the Libor Loan set forth in Item 12 of this Loan Transfer Agreement:

- 1.1 on the first Interest Payment Date of such Libor Loan following the Effective Date, the aggregate of **(i)** with respect to any Libor Loan, the Commitment Assigned Share of the amount set forth for such Libor Loan in the column entitled "Interest Accrued But Not Yet Payable" in Item 10 of this Loan Transfer Agreement and **(ii)** with respect to any Libor Loan, the interest accrued on the Commitment Assigned Share of such Libor Loan, from the Effective Date until such Interest Payment Date, and calculated as set forth in the Credit Agreement for Libor Loans at the Libor Interbank Rate; and
- 1.2 on every Interest Payment Date thereafter of such Libor Loan, with respect to any Libor Loan, the interest accrued on the Commitment Assigned Share of such Libor Loan, from the Interest Payment Date immediately preceding the then current Interest Payment Date until the then current Interest Payment Date, and calculated as set forth in the Credit Agreement for Libor Loans at the Libor Interbank Rate.

2. This Loan Transfer Agreement constitutes for all purposes the instrument referred to in Section 23.5 of the Credit Agreement as being required to make effective the Assignment from the Assignor to the Assignee herein provided.

3. The Administrative Agent acknowledges receipt of the amount of Cdn\$ [REDACTED] paid on the Effective Date by the Assignor in accordance with the provisions of Section 23.5 of the Credit Agreement.

SCHEDULE K

SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

4. Except as otherwise specified herein, all notices, requests, demands or other communications to or upon the respective parties hereto shall be deemed to have been duly given or made to the party to which such notice, request, demand or other communication is required or permitted to be given or made under this Loan Transfer Agreement, when delivered to such party (by certified mail, postage prepaid, or by telecopier or hand delivery) at its address and attention set forth with its signature below or at such other address as any of the parties hereto may hereafter notify the others in writing. No other method of giving notice is hereby precluded.
5. This Loan Transfer Agreement and the interpretation and enforcement thereof shall be governed by the Laws of the Province of Québec and the federal Laws of Canada applicable therein.
6. The parties hereto have expressly required that this Loan Transfer Agreement and all deeds, documents and notices relating thereto to be drafted in the English language. *Les parties aux présentes ont expressément exigé que la présente convention et tous les autres contrats, documents ou avis qui y sont afférents soient rédigés en langue anglaise.*

SCHEDULE L

FORM OF INCREASED COMMITMENT CERTIFICATE

Date: _____

**ADDRESSED TO EACH PERSON WHOSE NAME
APPEARS IN APPENDIX 1 HERETO**

Gentlemen:

We refer you to the seventh amended and restated credit agreement dated as of May 21, 2021, entered into among Kruger Products L.P., as Borrower, the several lenders set forth in Schedule A thereto from time to time, as Lenders, and National Bank of Canada, as Administrative Agent and Collateral Agent (which agreement, as same may be further amended, supplemented, restated, replaced or otherwise modified from time to time, is hereinafter referred to as the **Credit Agreement**).

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

Pursuant to the provisions of Section 22.2 of the Credit Agreement, **Note 1**, in its capacity as Lender, hereby notifies you of its desire to increase its Commitment. Such increase shall be effective as of and from **Note 2** and its Commitment shall then be, subsequent to such increase, **Note 3**.

This instrument shall, for all purposes, constitute our intervention to the Credit Agreement.

We would ask you to kindly confirm your acceptance of the foregoing by executing the enclosed duplicate copy hereof and delivering same to the other Lenders in accordance with the provisions of Section 22.2 of the Credit Agreement.

Note 1

Per: _____

Notes:

1. Insert the full name of the Lender requesting to increase its Commitment.
2. Insert the effective date as of which the Lender shall increase its Commitment.
3. Insert the amount of the Commitment of the Lender subsequent to the increase in its Commitment.

CONSENT FROM THE BORROWER AND THE OTHER RESTRICTED CREDIT PARTIES

We hereby consent to **Note 1** increasing its Commitment as of and from **Note 2** , its Commitment subsequent to such increase being equal to **Note 3** .

We hereby expressly acknowledge, declare and agree that as of and from **Note 2** , further to the increase in the Commitment of **Note 1** pursuant to this Increased Commitment Certificate and any other Increased Commitment Certificates and/or Accession Certificates delivered concurrently herewith, Schedule A of the Credit Agreement is hereby amended so that it shall hereafter read as indicated in the attached Consent from the Administrative Agent.

Dated: _____.

**KRUGER PRODUCTS L.P., by its general
partner KPGP INC.**

Per: _____

**[ADD SIGNATURES OF OTHER
RESTRICTED CREDIT PARTIES]**

Per: _____

and Per: _____

CONSENT FROM THE ADMINISTRATIVE AGENT

We, in our capacity as Administrative Agent, hereby consent to **Note 1** increasing its Commitment as of and from **Note 2** , its Commitment subsequent to such increase being equal to **Note 3** .

In furtherance of the provisions hereof, we hereby confirm that further to the increase in the Commitment of **Note 1** pursuant to this Increased Commitment Certificate and any other Increased Commitment Certificates and/or Accession Certificates delivered concurrently herewith, as of and from **Note 2** , Schedule A of the Credit Agreement is hereby amended so that it shall hereafter read as follows:

"

SCHEDULE A

THE LENDERS AND THEIR COMMITMENTS

NAME OF LENDER	COMMITMENT (CDN\$)
<*>	<*>
<*>	<*>

Dated: _____

NATIONAL BANK OF CANADA
as Administrative Agent

Per: _____

and Per: _____

SCHEDULE L
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

APPENDIX 1

NATIONAL BANK OF CANADA

AS ADMINISTRATIVE AGENT
Corporate Customer Service -
Syndication and Agency Group
500 Place d'Armes, 26th Floor
Montréal, Québec
H2Y 2W3

KRUGER PRODUCTS L.P.

Suite 200
1900 Minnesota Court
Mississauga, Ontario
L5N 5R5

[NOTE TO DRAFT: Update name of borrower, as applicable, and add name and address of each of the other Restricted Credit Parties at the time of the increase in the Commitment.]

SCHEDULE M

FORM OF ACCESSION CERTIFICATE

Date: _____

**ADDRESSED TO EACH PERSON WHOSE NAME
APPEARS IN APPENDIX 1 HERETO**

Gentlemen:

We refer you to the seventh amended and restated credit agreement dated as of May 21, 2021, entered into among Kruger Products L.P., as Borrower, the several lenders set forth in Schedule A thereto from time to time, as Lenders, and National Bank of Canada, as Administrative Agent and Collateral Agent (which agreement, as same may be further amended, supplemented, restated, replaced or otherwise modified from time to time, is hereinafter referred to as the **Credit Agreement**).

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

Pursuant to the provisions of Section 22.2 of the Credit Agreement, **Note 1** hereby notifies you of its desire to become a party to the Credit Agreement as a Lender. Such accession thereto shall be effective as of and from **Note 2** and its Commitment shall be **Note 3**.

We hereby acknowledge and agree that as of and from **Note 2** we shall, for all purposes of the Credit Agreement, be a Lender party to the Credit Agreement and shall have all the rights and obligations of a Lender under the Credit Agreement and shall be entitled to the benefit of, and be bound by the provisions thereof, to the same extent as if we were each an original party thereto.

Furthermore, we hereby acknowledge having taken cognizance of the Credit Agreement, the Security Documents and the other Operative Documents and hereby accept the terms and conditions of each one thereof.

In furtherance of the provisions of Section 20.1 of the Credit Agreement, we hereby irrevocably appoint and authorize the Administrative Agent to take such actions as administrative agent on our behalf and to exercise such powers under the Credit Agreement, the Security Documents and the other Operative Documents as are delegated to the Administrative Agent by the terms thereof, together with such powers as are reasonably incidental thereto.

In furtherance of the provisions of Section 9.1 of the Amended and Restated Intercreditor and Collateral Agency Agreement, we hereby irrevocably appoint and authorize the Collateral Agent to take such actions as collateral agent on our behalf and to exercise such powers under the Security Documents and the other Operative Documents as are delegated to the Collateral Agent by the terms thereof, together with such rights as are reasonably incidental thereto.

We hereby expressly acknowledge, declare, agree and confirm that:

1. the Administrative Agent, in executing the Credit Agreement and the other Operative Documents to which it is a party as administrative agent, has always had and continues to have its irrevocable mandate to act for and on our behalf in the execution of the aforesaid documents and in the assumption and performance of our obligations thereunder and to bind and oblige ourselves thereunder, the whole in the same manner and to the same extent as though we were

SCHEDULE M
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

an original party to the aforesaid documents and, to the extent same may be necessary, we hereby irrevocably confirm the aforesaid mandate of the Administrative Agent;

2. the execution by the Administrative Agent of the Credit Agreement and the other Operative Documents to which it is a party as administrative agent shall constitute for all purposes of said agreements and documents, our intervention under the said agreements and documents as an original party thereto;
3. the Collateral Agent, in executing the Operative Documents to which it is a party as collateral agent, has always had and continues to have its irrevocable mandate to act for and on our behalf in the execution of the aforesaid documents and in the assumption and performance of our obligations thereunder and to bind and oblige ourselves thereunder, the whole in the same manner and to the same extent as though we were an original party to the aforesaid documents and, to the extent same may be necessary, we hereby irrevocably confirm the aforesaid mandate of the Collateral Agent;
4. the execution by the Collateral Agent of the Operative Documents to which it is a party as collateral agent shall constitute for all purposes of said agreements and documents, our intervention under the said agreements and documents as an original party thereto.

We hereby confirm that we are entering into this agreement without any representations or warranties by the Administrative Agent or the Collateral Agent on any matter whatsoever including, without limitation, the effectiveness, validity, legality, enforceability, adequacy or completeness of the Credit Agreement, the Security Documents or the other Operative Documents or any document delivered pursuant thereto or in connection therewith or any of the terms, covenants and conditions therein or on the financial condition, creditworthiness, condition, affairs, status or nature of the Borrower. We further confirm that we have relied solely on our own investigations and analysis in connection with all such matters and all other matters incidental to the Credit Agreement, the Security Documents and the other Operative Documents and the transactions contemplated therein and we confirm that we have not in any way relied upon, and will not hereafter rely upon, the Administrative Agent or the Collateral Agent in respect of any such matters.

This instrument shall, for all purposes, constitute our intervention to the Credit Agreement and the Amended and Restated Intercreditor and Collateral Agency Agreement.

We would ask you to kindly confirm your acceptance of the foregoing by executing the enclosed duplicate copy hereof and delivering same to the other Lenders in accordance with the provisions of Section 22.2 of the Credit Agreement.

Note 1

Per: _____

Notes:

1. Insert the full name of the Person requesting to accede to the Credit Agreement as a Lender.
2. Insert the effective date as of which the new Lender shall become party to the Credit Agreement.
3. Insert the amount of the Commitment of the new Lender.

**CONSENT FROM THE BORROWER AND
THE OTHER RESTRICTED CREDIT PARTIES**

We hereby consent to **Note 1** becoming a party to the Credit Agreement and the Amended and Restated Intercreditor and Collateral Agency Agreement in the capacity of a Lender as of and from **Note 2** and with an Commitment of **Note 3** .

Furthermore, we hereby expressly acknowledge, declare, agree and confirm that **Note 1** , through the naming of the Collateral Agent as collateral agent for the Lenders:

1. in each bond issued at any time and from time to time by any Restricted Credit Party pursuant to any notarized deed of hypothec under the terms of which are hypothecated the assets of such Restricted Credit Party, has all of the benefits of and is hereby acknowledged for all purposes of the Security Documents as being a beneficiary of the payment collected by the Collateral Agent under such bond, jointly with the Lenders, for an amount not to exceed from time to time its Rateable Share of the principal amount of such bond and the interest accruing thereon as fully as though it were an original named payee thereunder; and
2. in each movable deed of hypothec pursuant to the terms of which any Restricted Credit Party pledges any bond to which reference is made hereinabove in favour of the Collateral Agent in order to secure the Secured Obligations, has all the benefits of and is hereby acknowledged for all purposes of the Security Documents as being a pledgee under such movable deed of hypothec for an amount not to exceed from time to time its Rateable Share of the Loans, jointly with the Lenders, as fully as though it were an original party to such movable deed of hypothec.

Furthermore, we hereby expressly acknowledge, declare, agree and confirm that **Note 1** , through the naming of the Collateral Agent as collateral agent for the Lenders, in each of the remaining Security Documents, has all the benefits of and is hereby acknowledged for all purposes of the remaining Security Documents as a secured party thereunder for an amount not to exceed from time to time its Rateable Share of the Loans, jointly with the Lenders, as fully as though it was an original party thereto.

Finally, we hereby expressly acknowledge, declare and agree that as of and from **Note 2** , further to this Accession Certificate and any other Accession Certificate and/or Increased Commitment Certificate delivered concurrently herewith, Schedule A of the Credit Agreement is hereby amended so that it shall hereafter read as indicated in the attached Consent from the Administrative Agent and the Collateral Agent.

[INTENTIONALLY LEFT BLANK]

SCHEDULE M
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

Dated: _____.

KRUGER PRODUCTS L.P., by its general
partner KPGP INC.

Per: _____

**[ADD SIGNATURES OF OTHER
RESTRICTED CREDIT PARTIES]**

Per: _____

and Per: _____

**CONSENT FROM THE ADMINISTRATIVE AGENT AND
THE COLLATERAL AGENT**

We, in our capacities as Administrative Agent and Collateral Agent, hereby consent to **Note 1** becoming a party to the Credit Agreement and the Amended and Restated Intercreditor and Collateral Agency Agreement in the capacity of a Lender as of and from **Note 2** and with an Commitment of **Note 3** .

In furtherance of the provisions hereof, we hereby confirm that further to this Accession Certificate and any other Accession Certificate and/or Increased Commitment Certificate delivered concurrently herewith, Schedule A of the Credit Agreement is hereby amended so that it shall hereafter read as follows:

SCHEDULE A

THE LENDERS AND THEIR COMMITMENTS

NAME OF LENDER	COMMITMENT (CDN\$)
<*>	CDN\$<*>
<*>	CDN\$<*>

Dated: _____

NATIONAL BANK OF CANADA,
as Administrative Agent and Collateral Agent

Per: _____

and Per: _____

SCHEDULE M
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

APPENDIX 1

NATIONAL BANK OF CANADA

AS ADMINISTRATIVE AGENT
Corporate Customer Service -
Syndication and Agency Group
500 Place d'Armes, 26th Floor
Montréal, Québec
H2Y 2W3

KRUGER PRODUCTS L.P.

Suite 200
1900 Minnesota Court
Mississauga, Ontario
L5N 5R5

[NOTE TO DRAFT: Update name of borrower, as applicable, and add name and address of each of the other Restricted Credit Parties at the time of accession of the new Lender.]

SCHEDULE N

FORM OF SOLVENCY CERTIFICATE

This Solvency Certificate is delivered for _____ (the **Company**) in connection with (i) a seventh amended and restated credit agreement dated as of May 21, 2021, entered into among Kruger Products L.P., as Borrower, the several lenders set forth in Schedule A thereto from time to time, as Lenders, and National Bank of Canada, as Administrative Agent and Collateral Agent (which agreement, as same may be further amended, supplemented, restated, replaced or otherwise modified from time to time is hereinafter referred to as the **Credit Agreement**) and (ii) [the **Second Amended and Restated Canadian Guarantee and Subordination Agreement**] [the **Second Amended and Restated American Guarantee and Subordination Agreement**] [the **Other Guarantee and Subordination Agreement**] (which agreement, as same may be amended, supplemented, restated or otherwise modified from time to time, is hereinafter referred to as the **Guarantee**).

For purposes of this Certificate, I, or officers of the Company under my direction and supervision, have performed the following procedures as of and for the periods set forth below:

1. I have reviewed the Financial Statements of the Company for the period ending on _____.
2. I have made all inquiries reasonably required to be able to give this certificate knowledgeably.
3. Based on the foregoing, in my capacity as _____ of the Company and not personally, I hereby certify that, to the best of my knowledge, after giving effect to the Guarantee and the Loans contemplated under the Credit Agreement, and treating as assets of the Company the indemnity payments and contributions from any other Restricted Credit Party to which the Company would be entitled under the Amended and Restated Contribution Agreement (as same may be further amended, supplemented, restated or otherwise modified from time to time), it is my opinion that (a) the Fair Value and Present Fair Saleable Value of the assets of the Company exceed its Stated Liabilities and Identified Contingent Liabilities; (b) the Company Does not have Unreasonably Small Capital; and (c) the Company will be able to pay its respective Stated Liabilities and Identified Contingent Liabilities as they mature or otherwise become payable.

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

For purposes of this Certificate, the following terms shall have the following meanings:

- A. **Fair Value** shall mean the amount at which the assets, in their entirety, of the Company would change hands between a willing buyer and a willing seller, within a commercially reasonable period of time, each having reasonable knowledge of the relevant facts, with neither being under any compulsion to act.
- B. **Present Fair Saleable Value** shall mean the amount that could be obtained by an independent willing seller from an independent willing buyer if the assets of the Company are sold with reasonable promptness in an arms-length transaction under normal selling conditions for the sale of comparable business enterprises.
- C. **Stated Liabilities** shall mean the recorded liabilities (including contingent liabilities that would be recorded in accordance with GAAP) of the Company as of [INSERT LAST DATE OF MOST RECENTLY ENDED FISCAL YEAR], after giving effect to the initial loans under the Credit Agreement, determined in accordance with GAAP.

SCHEDULE N
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

- D. **Identified Contingent Liabilities** shall mean the maximum estimated amount of liabilities reasonably likely to result from pending litigation, asserted claims and assessments, guaranties, uninsured risks and other contingent liabilities of the Company after giving effect to the transactions contemplated by the Credit Agreement (including all fees and expenses related thereto but exclusive of such contingent liabilities to the extent reflected in Stated Liabilities), as identified and explained in terms of their nature and estimated magnitude by responsible officers of the Company.
- E. **Will be able to pay its Stated Liabilities, including Identified Contingent Liabilities, as they mature** shall mean that for the period from the date hereof through the date the Stated Liabilities and Identified Contingent Liabilities may mature or otherwise become payable, the Company will have sufficient assets and cash flow to pay its respective Stated Liabilities and Identified Contingent Liabilities as those liabilities mature or otherwise become payable.
- F. **Does not have Unreasonably Small Capital** shall mean that the Company, after giving effect to the incurrence of the Secured Obligations, is a going concern and has sufficient capital to ensure that it will continue to be a going concern for such period and to remain a going concern.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ (____) day of _____, 20__.

By: _____
Name:
Title:

SCHEDULE O

FORM OF SUBORDINATION AND POSTPONEMENT FOR SHAREHOLDER LOANS

1. Subordination and Postponement of Indebtedness

Each of the Subordinated Creditors acknowledges, declares and agrees that all Subordinated Indebtedness is junior and subordinate, and the payment thereof, whether in whole or in part, and whether as to principal, interest, fees or otherwise, and whether at or prior to maturity or upon acceleration of any maturity, is postponed to the prior payment in full of the Secured Party Indebtedness.

2. Exception as to Postponement Only

Notwithstanding the provisions of Section 1, any Restricted Credit Party may pay any amount due to any Subordinated Creditor, at any time, on account of the Subordinated Indebtedness on condition that at the time of such payment, the Borrower could make a Distribution in the same amount under Section 15.8 of the Credit Agreement.

3. No Liens

Each of the Subordinated Creditors hereby acknowledges, declares and agrees that none of the Subordinated Indebtedness is or shall be secured by a Lien.

4. Exercise of Rights Either Under the Subordinated Indebtedness or the Subordinated Liens

In the event that any event of default occurs and continues under any one of the deeds or documents pursuant to which the Subordinated Indebtedness, or any part thereof, may be attested or evidenced, now or at any time hereafter (the aggregate of such contracts, hypothecs, deeds and documents, as same may be amended, supplemented or restated at any time and from time to time, are collectively referred to herein as the **Subordinated Documents**), each of the Subordinated Creditors agrees not to directly or indirectly exercise any Right, Remedy or Recourse granted to it by Law or any one of the Subordinated Documents during any period while a Default or an Event of Default has occurred and is continuing until such time as the Administrative Agent shall have given its prior written consent to the exercise of such Rights, Remedies or Recourses and, with respect to any such Right, Remedy or Recourse, which any Subordinated Creditor is exercising when a Default or an Event of Default occurs and is outstanding, each of the Subordinated Creditors agrees to cease exercising such Right, Remedy or Recourse upon the request of the Administrative Agent.

5. Discharge of Subordinated Liens

In the event Liens are granted to any Subordinated Creditor in connection with any Subordinated Indebtedness, each of the Subordinated Creditors expressly agrees, upon the written demand of the Administrative Agent and at the expense of the Subordinated Creditors, to execute and deliver all such instruments of release, discharge and cancellation of Liens and termination statements as the Administrative Agent consider necessary or desirable in order to discharge and cancel such Liens.

6. Proceeds of Sale, etc.

In the event that the assets and properties of any of the Restricted Credit Parties subject to Liens in favour of the Finance Parties, whether in whole or in part, are disposed of or are otherwise realized, or proceeds of insurance policies or expropriation awards are paid in respect thereof,

the Secured Party Indebtedness shall be paid in full prior to the payment of any Subordinated Indebtedness.

7. **Prior Payment of Secured Party Indebtedness in Bankruptcy, etc.**

In the event of any proceeding relating to any one of the Restricted Credit Parties or its debts or assets, if the Secured Party Indebtedness has not been paid in full at such time, the Finance Parties and the Administrative Agent, for and on behalf of the Finance Parties, are hereby irrevocably authorized by each of the Subordinated Creditors in any such proceeding, to collect any assets or securities of any kind of such party distributed, divided or applied by way of dividend or payment or any such securities issued on account of any of the Subordinated Indebtedness and to apply the same, or the proceeds of any realization upon the same, as the Majority Lenders in their discretion elect, to the Secured Party Indebtedness until the Secured Party Indebtedness shall have been paid in full, rendering any surplus then remaining to the Persons entitled by Law to receive same. The Subordinated Creditors shall vote or otherwise act in any such proceeding (including, without limitation, vote to accept or reject any plan of partial or complete liquidation, reorganization, arrangement, composition or extension) in accordance with the written instructions of the Administrative Agent and, upon request from the Administrative Agent, each Subordinated Creditor shall give a power of attorney or proxy to the Administrative Agent or any Person designated by it to vote or otherwise act in any such proceeding. Furthermore, each of the Subordinated Creditors hereby covenants and agrees to do all such things and give all such instructions as the Administrative Agent, in its discretion, may deem necessary or desirable in order to instruct any receiver, trustee, liquidator or sequestrator appointed in connection with or as a result of any such proceeding, to make any payment or distribution or issue any securities to be made or issued in connection with such proceeding on account of such Subordinated Indebtedness to the Administrative Agent, for the benefit of the Finance Parties, until the Secured Party Indebtedness shall have been paid in full.

8. **Payments Held in Deposit**

In the event of any payment or distribution to any Subordinated Creditor made in breach of the terms of this Agreement, such a payment or distribution shall be held in trust for the Finance Parties and shall be paid to the Administrative Agent, for the benefit of the Finance Parties, forthwith following demand therefor by the Administrative Agent to the extent that the Finance Parties remain, on the date of any such payment, creditors of any of the Restricted Credit Parties.

9. **Scope of Subordination and Postponement**

The provisions of this Agreement are intended solely to define and establish the relative rights of the creditors of the Restricted Credit Parties who are parties hereto. Nothing in this Agreement or in any of the Liens in favour of the Finance Parties shall in any way impair, modify or affect, as between or among any Restricted Credit Party, on the one hand, and its creditors who are parties hereto, on the other hand, the obligations of such party to effect payment of principal, interest, costs, fees, royalties and other amounts, obligations and liabilities owing under or pursuant to the terms of such Liens and documents or affect the relative rights of the creditors of such Restricted Credit Party thereunder.

10. **Further Acts**

Each of the Subordinated Creditors hereby covenants and agrees to execute and deliver all such deeds, documents, applications for registration, notices and financing statements and to do all such things as are necessary in order to register and publish the subordinations contained in this Agreement wheresoever required by the Administrative Agent, the whole at the expense of the Subordinated Creditors.

SCHEDULE O
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

For the purposes hereof:

Subordinated Creditor refers to [NOTE TO DRAFT: To be completed];

Subordinated Indebtedness refers to [NOTE TO DRAFT: To be completed];

Secured Party Indebtedness is the collective reference to all Indebtedness, present and future, of the Restricted Credit Parties to the Finance Parties or any one thereof under the Operative Documents, in principal, interest, fees and accessories and interest on arrears of interest, fees and accessories;

and all other capitalized terms and expressions shall have the same meaning as that ascribed to them in the seventh amended and restated credit agreement dated as of May 21, 2021, entered into among Kruger Products L.P., as borrower, the several lenders set forth in Schedule A thereto from time to time, as lenders, and National Bank of Canada, as administrative agent and collateral agent, as same may be further amended, supplemented, restated, replaced or otherwise modified from time to time.

SCHEDULE P

FORM OF SUBORDINATION AND POSTPONEMENT FOR SUBORDINATED DEBT

1. **Subordination and Postponement of Indebtedness**

Each of the Subordinated Creditors acknowledges, declares and agrees that all Subordinated Indebtedness is junior and subordinate, and the payment thereof, whether in whole or in part, and whether as to principal, interest, fees or otherwise, and whether at or prior to maturity or upon acceleration of any maturity, is postponed to the prior payment in full of the Secured Party Indebtedness.

2. **Exception as to Postponement Only**

Notwithstanding the provisions of Section 1, any Restricted Credit Party may pay any amount due to any Subordinated Creditor, at any time, on account of interest on the Subordinated Indebtedness as and when same is due, on condition that at the time of such payment, no Default or Event of Default shall have occurred and be continuing or would result therefrom.

3. **No Liens**

Each of the Subordinated Creditors hereby acknowledges, declares and agrees that none of the Subordinated Indebtedness is or shall be secured by a Lien.

4. **Exercise of Rights Either Under the Subordinated Indebtedness or the Subordinated Liens**

In the event that any event of default occurs and continues under any one of the deeds or documents pursuant to which the Subordinated Indebtedness, or any part thereof, may be attested or evidenced, now or at any time hereafter (the aggregate of such contracts, hypothecs, deeds and documents, as same may be amended, supplemented or restated at any time and from time to time, are collectively referred to herein as the **Subordinated Documents**), each of the Subordinated Creditors agrees not to directly or indirectly exercise any Right, Remedy or Recourse granted to it by Law or any one of the Subordinated Documents during any period while a Default or an Event of Default has occurred and is continuing until the expiry of 180 days from the occurrence of such event of default under the Subordinated Documents provided such event of default is still continuing at such time.

5. **Discharge of Subordinated Liens**

In the event Liens are granted to any Subordinated Creditor in connection with any Subordinated Indebtedness, each of the Subordinated Creditors expressly agrees, upon the written demand of the Administrative Agent and at the expense of the Subordinated Creditors, to execute and deliver all such instruments of release, discharge and cancellation of Liens and termination statements as the Administrative Agent consider necessary or desirable in order to discharge and cancel such Liens.

6. **Proceeds of Sale, etc.**

In the event that the assets and properties of any of the Restricted Credit Parties subject to Liens in favour of the Finance Parties, whether in whole or in part, are disposed of or are otherwise realized, or proceeds of insurance policies or expropriation awards are paid in respect thereof, the Secured Party Indebtedness shall be paid in full prior to the payment of any Subordinated Indebtedness.

7. **Prior Payment of Secured Party Indebtedness in Bankruptcy, etc.**

In the event of any proceeding relating to any one of the Restricted Credit Parties or its debts or assets, if the Secured Party Indebtedness has not been paid in full at such time, the Finance Parties and the Administrative Agent, for and on behalf of the Finance Parties, are hereby irrevocably authorized by each of the Subordinated Creditors in any such proceeding, to collect any assets or securities of any kind of such party distributed, divided or applied by way of dividend or payment or any such securities issued on account of any of the Subordinated Indebtedness and to apply the same, or the proceeds of any realization upon the same, as the Majority Lenders in their discretion elect, to the Secured Party Indebtedness until the Secured Party Indebtedness shall have been paid in full, rendering any surplus then remaining to the Persons entitled by Law to receive same. Furthermore, each of the Subordinated Creditors hereby covenants and agrees to do all such things and give all such instructions as the Administrative Agent, in its discretion, may deem necessary or desirable in order to instruct any receiver, trustee, liquidator or sequestrator appointed in connection with or as a result of any such proceeding, to make any payment or distribution or issue any securities to be made or issued in connection with such proceeding on account of such Subordinated Indebtedness to the Administrative Agent, for the benefit of the Finance Parties, until the Secured Party Indebtedness shall have been paid in full.

8. **Payments Held in Deposit**

In the event of any payment or distribution to any Subordinated Creditor made in breach of the terms of this Agreement, such a payment or distribution shall be held in trust for the Finance Parties and shall be paid to the Administrative Agent, for the benefit of the Finance Parties, forthwith following demand therefor by the Administrative Agent to the extent that the Finance Parties remain, on the date of any such payment, creditors of any of the Restricted Credit Parties.

9. **Scope of Subordination and Postponement**

The provisions of this Agreement are intended solely to define and establish the relative rights of the creditors of the Restricted Credit Parties who are parties hereto. Nothing in this Agreement or in any of the Liens in favour of the Finance Parties shall in any way impair, modify or affect, as between or among any Restricted Credit Party, on the one hand, and its creditors who are parties hereto, on the other hand, the obligations of such party to effect payment of principal, interest, costs, fees, royalties and other amounts, obligations and liabilities owing under or pursuant to the terms of such Liens and documents or affect the relative rights of the creditors of such Restricted Credit Party thereunder.

10. **Further Acts**

Each of the Subordinated Creditors hereby covenants and agrees to execute and deliver all such deeds, documents, applications for registration, notices and financing statements and to do all such things as are necessary in order to register and publish the subordinations contained in this Agreement wheresoever required by the Administrative Agent, the whole at the expense of the Subordinated Creditors.

For the purposes hereof:

Subordinated Creditor refers to [NOTE TO DRAFT: To be completed];

Subordinated Indebtedness refers to [NOTE TO DRAFT: To be completed];

SCHEDULE P

SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

Secured Party Indebtedness is the collective reference to all Indebtedness, present and future, of the Restricted Credit Parties to the Finance Parties or any one thereof under the Operative Documents, in principal, interest, fees and accessories and interest on arrears of interest, fees and accessories;

and all other capitalized terms and expressions shall have the same meaning as that ascribed to them in the seventh amended and restated credit agreement dated as of May 21, 2021, entered into among Kruger Products L.P., as borrower, the several lenders set forth in Schedule A thereto from time to time, as lenders, and National Bank of Canada, as administrative agent and collateral agent, as same may be further amended, supplemented, restated, replaced or otherwise modified from time to time.

SCHEDULE Q
CREDIT PARTIES

A. RESTRICTED CREDIT PARTIES

1. Kruger Products L.P.

(a) Jurisdiction of incorporation or formation: Québec, Canada

(b) Information on Subsidiaries:

Subsidiaries	Owners of the issued Capital Stock	Options or rights to acquire any Capital Stock
Canadian Tissue Limited (Non-Material Credit Party)	Kruger Products L.P. (100%)	Nil
West Tree Farms Limited (Non-Material Credit Party)	Kruger Products L.P. (100%)	Nil
Westminster Paper Company Limited (Non-Material Credit Party)	Kruger Products L.P. (100%)	Nil
Aztec Investments Inc. (Non-Material Credit Party)	Kruger Products L.P. (100%)	Nil
K.T.G. (USA) Inc. (Unrestricted Credit Party)	TAD Luxembourg s.à.r.l.(100%)	Nil
White Swan Tissue Company (Non-Material Credit Party)	Aztec Investments Inc. (100%)	Nil
Kruger Products (USA) Inc.	Kruger Products L.P. (100%)	Nil
TAD Canco Inc. (Unrestricted Credit Party)	KP TAD Holdco Inc. (100%)	Nil
TAD Luxembourg s.à.r.l. (Unrestricted Credit Party)	TAD1 Canco II Inc. (100%)	Nil

SCHEDULE Q

SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

Subsidiaries	Owners of the issued Capital Stock	Options or rights to acquire any Capital Stock
Kruger Products Real Estate Holdings Inc. (formerly known as Kruger Products G.P. Inc.)	Kruger Products L.P. (100%)	Nil
8528365 Canada Inc. (Unrestricted Credit Party)	Kruger Products L.P. (100%)	Nil
1061021 Delaware Inc. (Unrestricted Credit Party)	Kruger Products L.P. (100%)	Nil
Kruger Products AFH G.P. Inc.	Kruger Products L.P. (100%)	Nil
Kruger Products AFH L.P.	Kruger Products L.P. (99.01%) Kruger Products AFH G.P. Inc. (0.99%)	Nil
KP TAD Holdco Inc. (Unrestricted Credit Party)	Kruger Products L.P. (100%)	Nil
TAD1 Canco I Inc. (Unrestricted Credit Party)	TAD Canco Inc. (100%)	Nil
TAD1 GP ULC (Unrestricted Credit Party)	TAD Canco 1 Inc. (100%)	Nil
TAD1 US LP (Unrestricted Credit Party)	TAD1 Canco I Inc. (99.99%) TAD1 GP ULC (0.01%)	Nil
TAD1 Canco II Inc. (Unrestricted Credit Party)	TAD1 US LP (100%)	Nil
TAD2 GP ULC (Unrestricted Credit Party)	KP TAD Holdco Inc. (100%)	Nil
TAD2 US LP (Unrestricted Credit Party)	KP TAD Holdco Inc. (99.99%) TAD2 GP ULC (0.01%)	Nil
Kruger Products Sherbooke Inc. (Unrestricted Credit Party)	TAD2 US LP (100%)	Nil
Community Benefit Partners LLC (Unrestricted Credit Party)	K.T.G. (USA) Inc.	Nil

SCHEDULE Q
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

Subsidiaries	Owners of the issued Capital Stock	Options or rights to acquire any Capital Stock
Kruger Products SB Inc. (Unrestricted Credit Party)	Kruger Products L.P. (100%)	Nil

(c) Information on owners of issued Capital Stock:

KPGP Inc.: 4,301 units representing approximately 0.01% of all of the issued and outstanding units

KP Tissue Inc.: 9,023,737 units representing approximately 14.61% of all of the issued and outstanding units

Kruger Inc.: 5,745,252 representing approximately 85.39% of all of the issued and outstanding units

2. Kruger Products Real Estate Holdings Inc.

(a) Jurisdiction of incorporation or formation: Canada

(b) Information on Subsidiaries:

Nil.

3. Kruger Products (USA) Inc.

(a) Jurisdiction of incorporation or formation: Delaware, United States of America

(b) Information on Subsidiaries:

Nil.

4. KPGP Inc.

(a) Jurisdiction of incorporation or formation: Canada

(b) Information on Subsidiaries:

Nil.

(c) Information on owners of issued Capital Stock:

Kruger Inc.: 100%

5. Kruger Products AFH G.P. Inc.

(a) Jurisdiction of incorporation or formation: Canada

(b) Information of Subsidiaries:

Nil.

6. Kruger Products AFH L.P.

(a) Jurisdiction of incorporation or formation: Ontario

(b) Information of Subsidiaries:

Nil.

B. NON-MATERIAL CREDIT PARTIES

1. Canadian Tissue Limited

(a) Jurisdiction of incorporation or formation: Canada

2. West Tree Farms Limited

(a) Jurisdiction of incorporation or formation: British Columbia, Canada

3. Westminster Paper Company Limited

(a) Jurisdiction of incorporation or formation: British Columbia, Canada

4. Aztec Investments Inc.

(a) Jurisdiction of incorporation or formation: Barbados

5. White Swan Tissue Company

(a) Jurisdiction of incorporation or formation: Delaware, United States of America

C. UNRESTRICTED CREDIT PARTIES

1. TAD Canco Inc.

(a) Jurisdiction of incorporation or formation: Canada

2. TAD Luxembourg s.à.r.l.

(a) Jurisdiction of incorporation or formation: Luxembourg

3. K.T.G. (USA) Inc.

(a) Jurisdiction of incorporation or formation: State of Delaware, United States

4. 1061021 Delaware Inc.

(a) Jurisdiction of incorporation or formation: State of Delaware, United States

5. 8528365 Canada Inc.

(a) Jurisdiction of incorporation or formation: Canada

6. KP TAD Holdco Inc.

(a) Jurisdiction of incorporation or formation: Canada

7. TAD1 Canco I Inc.

(a) Jurisdiction of incorporation or formation: Canada

8. TAD1 GP ULC

(a) Jurisdiction of incorporation or formation: Alberta

9. TAD1 US LP

(a) Jurisdiction of incorporation or formation: State of Delaware, United States

10. TAD1 Canco II Inc.

(a) Jurisdiction of incorporation or formation: Canada

11. TAD2 GP ULC

(a) Jurisdiction of incorporation or formation: Alberta

12. TAD2 US LP

(a) Jurisdiction of incorporation or formation: State of Delaware, United States

13. Kruger Products Sherbrooke Inc.

(a) Jurisdiction of incorporation or formation: Canada

14. Community Benefit Partners LLC

(a) Jurisdiction of incorporation or formation: Tennessee, United States of America

15. Kruger Products SB Inc.

(a) Jurisdiction of incorporation or formation: Canada

SCHEDULE R

ENVIRONMENTAL DISCLOSURE

[Redacted – confidential information.]

SCHEDULE S

SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

SCHEDULE S

EMPLOYEE RELATIONS

[Redacted – confidential information.]

SCHEDULE T

SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

SCHEDULE T

EXISTING INVESTMENTS

[Redacted – confidential information.]

SCHEDULE U

ASSETS SECURING THE PROVINCE OF ONTARIO LOAN

[Redacted – confidential information.]

SCHEDULE V

BANK AND SECURITIES ACCOUNTS

[Redacted for confidentiality purposes.]

SCHEDULE W

LIST OF IMMOVABLE PROPERTIES AND PLACES OF BUSINESS

KRUGER PRODUCTS L.P.

1. Quebec

(a) Registered Office: 3285 Bedford Road, Montreal, QC, H3S 1G5 (owned)

(b) Lennoxville Plant: [REDACTED]

(c) Richelieu Plant: [REDACTED]
[REDACTED]

(d) Laurier Plant: [REDACTED]

(e) Crabtree Plant: [REDACTED]

(f) Crabtree Property: [REDACTED]

(g) Joliette Warehouse: [REDACTED]

(h) Dugas Warehouse: [REDACTED]

(i) Laval Sales Office and warehouse: [REDACTED]
[REDACTED]

(j) Laval des Rossignols warehouse: [REDACTED]

(k) Temporary Warehouse: [REDACTED]

(l) Warehouse: [REDACTED]

(m) Warehouse: [REDACTED]

(n) Warehouse: [REDACTED]

(o) Warehouse: [REDACTED]

2. Ontario

(a) Kruger Products' Main Office: Suite 500, #2 Prologis Blvd., Mississauga, ON L5W 0G8 (leased)

(b) AFH Oshawa warehouse: [REDACTED]

(c) AFH Trenton plant: [REDACTED]

(d) AFH Scarborough plant: [REDACTED]

(e) AFH Whitby Warehouse: [REDACTED]

SCHEDULE W
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

(f) AFH Whitby Warehouse: [REDACTED]

(g) Temporary Warehouse Prescott: [REDACTED]

For warehouse, handling & delivery to KPLP Gatineau (Richelieu mill)

(h) Temporary Warehouse Hawkesbury: [REDACTED]

(i) Temporary Warehouse Oshawa: [REDACTED]

(j) Temporary Warehouse Mississauga: [REDACTED]

3. British Columbia

(a) Plant: [REDACTED]

(b) Warehouse: [REDACTED]

(c) Temporary Warehouse: [REDACTED]

(d) Temporary Warehouse: [REDACTED]

KRUGER PRODUCTS (USA) INC.

Sales Office: [REDACTED]

Sales Office: [REDACTED]

KRUGER PRODUCTS AFH G.P.INC.

(a) Registered Office:.. Suite 500, #2 Prologis Blvd., Mississauga, ON L5W 0G8 (leased)

KRUGER PRODUCTS REAL ESTATE HOLDINGS INC.

(a) Registered Office:.. 3285 Bedford Road, Montreal, QC, H3S 1G5

SCHEDULE X
SEVENTH AMENDED AND RESTATED CREDIT AGREEMENT

SCHEDULE X

AMENDMENT TO
AMENDED AND RESTATED INTERCREDITOR AND COLLATERAL AGENCY AGREEMENT