

**ONTARIO
SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST**

IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
THE CASH STORE FINANCIAL SERVICES INC., THE CASH STORE INC., TCS
CASH STORE INC., INSTALOANS INC., 7252331 CANADA INC., 5515433
MANITOBA INC., 1693926 ALBERTA LTD. DOING BUSINESS AS "THE TITLE
STORE"

APPLICANTS

**COMPENDIUM OF THE MOVING PARTY,
0678786 B.C. LTD. (FORMERLY THE MCCANN FAMILY
HOLDING CORPORATION)
(returnable June 11, 2014)**

Date: June 10, 2014

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TO: SERVICE LIST

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TAB 1

BROKER AGREEMENT

BETWEEN

McCANN FAMILY HOLDING CORPORATION

AND

THE CASH STORE INC.

June 19, 2012

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BROKER AGREEMENT

This Broker Agreement made as of the 19 day of June, 2012,

BETWEEN:

McCann Family Holding Corporation, a British Columbia corporation, extraprovincially registered in Alberta, with offices in the City of Calgary, Alberta (hereinafter referred to as "**Financier**")

- and -

THE CASH STORE INC., an Alberta corporation with offices in the City of Edmonton in the Province of Alberta (hereinafter referred to as "**Broker**")

WHEREAS the Broker is in the business of acting as a broker for its customers in obtaining short term loans for its customers;

AND WHEREAS Financier is prepared to consider providing loans to the Broker's customers;

AND WHEREAS Financier and the Broker have entered into the within agreement for the advancement of loans to the Broker's customers;

NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS HEREIN CONTAINED, THE PARTIES HERETO AGREE AS FOLLOWS:

ARTICLE 1 INTERPRETATION

1.1 DEFINITIONS

In this Agreement and in the Schedules hereto, unless the context otherwise requires:

- a. "Applicable Law" means all applicable provisions of laws, statutes, rules, regulations, ordinances, official directives, treaties and orders of all Governmental Bodies (including those of constitutional, federal, provincial, state, local, municipal, foreign, international, and multinational origins) and judgments, orders and decrees of all courts, arbitrators, commissions, administrative tribunals, or bodies exercising similar functions (including the principles of common law resulting therefrom);
- b. "Broker Customer" means a customer of Broker who retains Broker to find a lender for a loan to the customer;
- c. "Broker Fees" means the fees charged to Broker Customers by the Broker in consideration of arranging Loans to the Broker Customers.

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- d. "Broker Services" means all services to be provided by Broker to Financier as provided for in this Agreement, including without limitation, the satisfaction of Documentation & Funding Requirements, and the provision of Loan Services and Maintenance and Facilitation Services;
- e. "Business Day" means a day other than a day directed by the *Bills of Exchange Act* (Canada) to be observed as a legal holiday or non-judicial day;
- f. "Confidential Material" means all plans, specifications, drawings, sketches, models, samples, data, computer programs, documentation, and other technical and business information, in written, graphic or other form, relating to Financier's or Broker's business, plans or products;
- g. "Designated Broker Bank Account" means the bank account of Broker designated by Broker for the purposes of temporarily receiving funds from Financier (if loans are made by Financier way of cash advance) before they are advanced to a Broker Customer;
- h. "Designated Financier Bank Account" means, the bank branch and account designated by Financier from time to time where (and into which) deposits of cash and cheques received from Broker Customers, in respect of such Financier funded loans, are to be cleared (deposited) to from time to time;
- i. "Documentation & Funding Requirements" means Financier's requirements for: (i) collection (from or in respect of each Broker Customer and proposed loan) of documents and information, (ii) verification or the delivery and communication of such documents and information to Financier by Broker before any loan is advanced using Financier's funds or credit, the current requirements of Financier being set out in Schedule "B" (but which Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker), and (iii) the funding of the Loans;
- j. "Government Authorization" means any approval, consent, license, permit, waiver, or other authorization issued, granted, given, or otherwise made available by or under the authority of any Governmental Body or pursuant to any Applicable Law;
- k. "Governmental Body" means any (i) nation, province, state, county, city, town, village, district, or other jurisdiction of any nature; (ii) federal, provincial, state, local, municipal, foreign, or other government; (iii) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal); (iv) multi-national organization or body; or (v) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature;
- l. "Loan" means a loan made by Financier to a Broker Customer which has been facilitated by the Broker in accordance with this Agreement and includes, for greater certainty, a loan made through virtual or electronic locations accessed by Broker Customer's on line or through other electronic means;
- m. "Loan Facilitation Services" means assisting Broker's customers applying for loans, satisfying the Documentation and Funding Requirements and assisting Broker's Customers efforts in repaying any Loan;

- n. "Loan Services" means the services and activities for: (i) collection of principal and interest on Loans from Broker Customers in the normal course (and forwarding same to Financier for repayment of the principal and interest owing on Loans), (ii) the contacting of Broker Customers for reminder and other purposes, and (iii) the delivery of documents and information to Financier as established by Financier from time to time, the current requirements being set out in Schedule "C" (which Schedule may be amended from time to time only by mutual written agreement of Financier and Broker);
- o. "Loan Selection Criteria" means the criteria that Broker must assure any loan presented to Financier for consideration satisfies, the current criteria of Financier being set out in Schedule "A" (but which Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker);
- p. "Maintenance and Facilitation Services" means ongoing services of the Broker in the facilitation, improvement, and development of Brokers delivery of the Loan Services and and the provision thereof including, but not limited to, business form development, software development, web site hosting and development, policy development, product development, marketing, staff training and professional development, credit card and bank account services.
- q. "Party" means a party to this Agreement;
- r. "Person" means any individual, body corporate, partnership, trust, trustee, executor, administrator, legal representative, unincorporated organization, union, or Governmental Body;
- s. "Principal Contact" means each individual designated in writing by Financier who is authorized to make decisions and provide instructions on behalf of Financier from time to time, the current individual being set out in Schedule "A";
- t. "Records" means all agreements, documents, writings, papers, computer files, books of account and other paper or electronic records relating to or being records of any Loan or Loan application or relating to any Broker Customer including, without limitation, any computer programmes and software, text or data files, disks, tapes and related operator manuals containing or pertaining to those records;
- u. "Recorded Debt" means the amount of principal and accrued interest on a Loan (a) with all payments received from the corresponding Broker Customer in payment of such principal and interest deducted from the amount outstanding, (b) but adding back any such payments that have already been reversed at the time of calculation.
- v. "Regulated Jurisdiction" means a province that has been designated by the Governor in Council for the purposes of section 347.1 of the Criminal Code (Canada).
- w. "Representatives" means with respect to a Person all of such Person's directors, officers, employees, consultants, counsel, auditors, representatives, advisors or agents ("Insiders") and all of such Person's Affiliates and franchisees and their respective Insiders;
- x. "Term" means the period from the effective date of this Agreement until the earlier of: (i) the end of the later of the Initial Term, and, if applicable, the last of any Renewal Periods

as provided for in Section 6.2; and (ii) the date of any termination pursuant to Section 6.3;

"This Agreement", "herein", "hereto", "hereof" and similar expressions mean and refer to this Broker Agreement and any agreement amending this Broker Agreement;

1.2 HEADINGS

The expressions "Article", "Section", "Subsection", "Clause", "Subclause", "Paragraph" and "Schedule" followed by a number or letter or combination thereof mean and refer to the specified article, section, subsection, clause, subclause, paragraph and schedule of or to this Agreement.

1.3 INTERPRETATION NOT AFFECTED BY HEADINGS

The division of this Agreement into Articles, Sections, Subsections, Clauses, Subclauses and Paragraphs and the provision of headings for all or any thereof are for convenience and reference only and shall not affect the construction or interpretation of this Agreement.

1.4 PARTY DRAFTING AGREEMENT

The Parties hereto acknowledge that their respective legal counsel have reviewed and participated in settling the terms of this Agreement, and the Parties hereby agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting Party shall not be applicable in the interpretation of this Agreement.

1.5 GENDER AND NUMBER

When the context reasonably permits, words suggesting the singular shall be construed as suggesting the plural and vice versa, and words suggesting gender or gender neutrality shall be construed as suggesting the masculine, feminine and neutral genders.

1.6 SCHEDULES

There are appended to this Agreement the following Schedules pertaining to the following matters:

Schedule "A"	-	Loan Selection Criteria, et al.
Schedule "B"	-	Loan Documentation & Funding Requirements
Schedule "C"	-	Loan Services
Schedule "D"	-	Loan Management Policy & Procedure Manual

ARTICLE 2
LOAN AMOUNTS, SELECTION, DOCUMENTATION AND MANAGEMENT

2.1 FINANCIER AGREEMENT WITH BROKER

In consideration of the Financier providing Loans to Broker Customers as and when it elects to do so the Broker agrees to provide Broker Services under and subject to the terms hereof at and from such locations as Broker deems fit.

2.2 LOAN AMOUNT LIMIT(S)

Financier may determine the total amount that Financier is prepared to fund on an ongoing basis to the Broker Customers. This limit may be re-established by Financier upon 120 days written notice to the Broker.

2.3 LOAN SELECTION

Broker shall not present to Financier any proposed loan unless such loan and such Broker Customer meets the Loan Selection Criteria but Financier shall, subject to Section 2.2, be deemed to have approved a loan to any Broker Customer meeting such criteria. For greater certainty, unless and until Broker has received written notice to the contrary any of Financier's funds then being held by the Broker as a "float" in anticipation of Loans may, where Financier approval is deemed to have been given hereunder, be advanced by Broker to Broker Customers on Financier's behalf in accordance with 2.5. When seeking to find a lender willing to lend to a Broker Customer, Broker shall not be under any obligation to present any loan to Financier but rather Broker reserves the right to select among all potential lenders available to the Broker. No loan shall be advanced to a Broker Customer using funds of Financier that does not meet the Loan Selection Criteria unless specifically approved by Financier. Financier's approval may be obtained by such methods and procedures as are established by Financier, and consented to by Broker, from time to time and may include (without limitation):

- a. by telecopy or email from Financier's Principal Contact;
- b. by application of formulas or scoring criteria approved and provided by Financier where Financier indicates that if certain thresholds or scores are met for a proposed loan then Financier approves the loan;
- c. by operation of software (either operated on Broker's computer system or operated on Financier's or Financier's agent's computer system with information input remotely by Broker) where, after Broker inputs all of the relevant data, the software automatically makes the decision to approve or disapprove on Financier's behalf;
- d. from a designated agent or service bureau of Financier designated for the purposes of this Agreement, using any of the foregoing methods;
- e. Other means as determined by Financier and consented to by Broker.

Financier shall be under no obligation to approve any particular loan or amount of loans.

2.4 LOAN DOCUMENTATION & FUNDING REQUIREMENTS

For each Loan that has been approved or deemed approved by Financier, Broker shall be responsible for obtaining and recording the documents and information included in the Documentation & Funding Requirements. Broker's obligation to satisfy the Documentation & Funding Requirements shall continue after the expiration of the Term with respect to Loans approved prior to the expiration of the Term. Broker shall be responsible for out of pocket expenses incurred by Broker in connection with performance of the Loan Documentation & Funding Requirements.

2.5 LOAN FUNDING BY FINANCIER

Once a Loan has been approved by Financier, Financier may fund the amount of the Loan in any of the following ways:

- a. by arranging for the amount of the Loan to be advanced by cheque or electronic funds drawn by Financier directly in favour of the Broker Customer (Financier will have up to 3 Business Days to arrange for issuance of a cheque or electronic funds transfer);
- b. by wire transfer of funds to the Designated Broker Bank Account (for redirection/payment to, or for the benefit of, the Broker Customer);
- c. by cheque drawn by Financier payable to Broker for deposit to the Designated Broker Bank Account (for redirection/payment to, or for the benefit of, the Broker Customer);
- d. by Financier arranging through Broker for delivery of a cash card or other value card for use by the Broker Customer with an advance limit equal to the authorized amount of the Loan.

Broker shall assure that Broker's systems accommodate the funding method described in paragraph (a) and shall assure that this option is made available to a Broker Customer. Financier, with the consent of the Broker, shall determine which (if any) of the funding methods described in (b), (c) and (d) shall also be made available to Broker Customers. The method of funding (as among the foregoing alternatives) shall be determined by the agreement entered into between Financier and the Broker Customer.

At the direction of Broker, Financier shall divide loan advances into two portions, one portion (the "Broker Portion") being equal to the Broker's Fees for that Broker Customer (as stipulated to Financier by Broker) for that Loan and Financier shall pay the Broker Portion in such of the above manners as Broker may direct. Broker warrants to Financiers that all necessary authorities from Broker Customers to advance funds in that fashion and to direct payment of that portion of the Loan to the Broker will have been obtained.

A Loan funded using the method described in (d) shall be deemed to be advanced (for purposes of disclosure documents with the Broker Customer) by Financier on the date that cash card or other value card has an advance limit added to it (i.e. the date the funds become usable by the Broker Customer).

2.6 LOAN SERVICES

For each Loan that has been approved and funded by Financier, Broker shall provide the Loan Services. Broker's obligation to provide the Loan Services shall continue after the expiration of the Term with respect to all Loans approved prior to the expiration of the Term. Broker shall be responsible for paying all expenses necessary in connection with performance of the Loan Services. Notwithstanding the foregoing, and for greater certainty, except as otherwise expressly provided hereunder the type and degree of Maintenance and Facilitation Services to be provided hereunder are as determined in the sole discretion of the Broker.

2.7 SYSTEM INTEGRITY

Broker covenants that during the Term (and after the Term in respect of Loans not yet collected in full before expiry of the Term) all of the Broker's equipment, software, practices and procedures utilized and applied on connection with the Broker Services shall be configured and operated in accordance with all reasonable procedures for assuring integrity of the security of the system including, without limitation, those dealing with (i) the notification of internet or web site passwords for access to information and (ii) dealing with the collection, entry and communication of Broker Customer information to Financier;

2.8 LOAN MANAGEMENT POLICY & PROCEDURES MANUAL

To provide further assistance to Broker's Customers in respect of Loans and to encourage Financier to consider making Loans to Broker's Customers, Broker agrees that it shall follow the procedures set out in the Loan Management Policy and Procedures manual established from time to time, the current agreed form of which is set out in Schedule "D". It is agreed that the Broker is authorized to amend or otherwise modify Schedule "D" from time to time provided the Broker will ensure that the manual, at a minimum, meets the requirements of this Agreement. However, to the extent that there is a direct conflict between the requirements set out in Schedule "D" and the other provisions of this Agreement (including the other schedules of this Agreement as amended from time to time), the provisions of this Agreement and the other schedules shall govern.

2.9 EXCHANGING LOANS BETWEEN LENDERS

Notwithstanding any other provision hereof, Broker may at any time and from time to time as attorney for and on behalf of the Financier (which said limited power of attorney Financier hereby grants), and in the normal course without notice to Financier, assign one or more Loans owed to the Financier (the "Exchanged Financier Loans") to one or more of Broker's other lenders or to the Broker itself ("Other Lenders") provided:

- (a) Broker has, in its capacity as attorney for the Other Lenders assigned to Financier (or has obtained from the Other Lenders an assignment or assignments to Financier) other loans owed to the Other Lenders from Broker Customers (the "Exchanged Other Lender Loans");

- (b) The Exchanged Other Lender Loans have a value, inclusive of accrued interest, that equals or exceeds the accrued value, inclusive of accrued interest, of the Exchanged Financier Loans (or to the extent that there is any material shortfall in that regard, that Other Lender receiving the assignment has been repaid a cash amount equal to such difference);
- (c) None of the Exchanged Other Lender Loans are then in default or, if any are in default, the aggregate amount of such loans in default do not exceed in amount the Exchanged Financier Loans then in default;
- (d) All Exchanged Other Lender Loans meet the Loan Selection Criteria; and,
- (e) Broker amends its records accordingly so that from and after such assignment all Exchanged Other Lender Loans and all receipts and dealings with Exchanged Other Lender Loans are accounted for, and in all other respects treated, as Loans made by Financier.

2.10 USAGE OF LOAN ADVANCES

For greater certainty, funds from time to time advanced to Broker from Financier are solely intended to be utilized for the purposes of making advances to Broker Customers on Financier's behalf as contemplated hereunder. Broker agrees that any funds not otherwise being held by the Broker as a "float" in anticipation of Loan approvals shall not, without the consent of Financier, be advanced or utilized for any other purpose.

2.11 Regulated Jurisdictions

- (a) In Regulated Jurisdictions, loans may be made to Broker Customers upon the following terms:
 - (i) Provided that the loans been done in compliance with the laws and regulations of the Regulated Jurisdiction, Broker may make loans to Broker Customers in a Regulated Jurisdiction and may fund such loans from the funds otherwise available for loans hereunder, including funds held by Broker as a "float" in anticipation of loan approvals.
 - (ii) Broker shall be the lender of record and shall in the first instance make the loan to the Broker Customer on Broker's own behalf as Lender on its own behalf and not as agent for Financier.
 - (iii) Broker shall promptly thereafter assign to Financier the entirety of the loan and the Broker's interest therein and shall thereafter deal with, collect, maintain and enforce such loan on Financier's behalf in all respects (subject to the provisions of this section 2.10 and subject to additional requirements or restrictions as may be imposed by any applicable laws and regulations of the Regulated Jurisdiction) as though it was any other loan made hereunder.

- (iv) Broker shall in respect of each such loan, pay to Financier a loan participation fee in an amount equal 59% per annum of the principal of all loans collected for the agreed term of the loan, (calculated, for greater certainty, before deduction therefrom of Brokers own fees to the Customer) or at such other rate as Broker and Financier may from time to time agree to within the reporting provided to the Financier on a monthly basis.
 - (v) In the absence of the execution of any formal assignment of the loan to Financier as contemplated hereunder, any such loan shall be deemed to have been assigned to Financier immediately after advance to the Broker Customer without the requirement of further documentation evidencing or affecting the same.
 - (vi) It is anticipated that variations to the within terms may be required from time to time to better facilitate the foregoing and/or to accommodate the rules and regulations of particular Regulated Jurisdictions in which event the same shall, at Broker's discretion, be included in the terms of section 2.10 provided that doing so has no material adverse impact upon, and imposes no additional liabilities or obligations upon Financier.
- (b) The provisions of this Agreement, including section 2.10, are subject to any further or additional agreements respecting loans in Regulated Jurisdictions as Broker and Financier may agree to from time to time.

ARTICLE 3

REPRESENTATIONS AND WARRANTIES

3.1 REPRESENTATIONS AND WARRANTIES OF BROKER

Broker makes the following representations and warranties to Financier (which representations are provided as a material inducement for Financier entering into this Agreement and may be relied upon by Financier):

a. Broker is a corporation duly incorporated, organized and validly existing under the laws of the jurisdiction of its incorporation, is authorized to carry on business in all jurisdictions in which the Broker Services are provided and has all necessary corporate power to carry on its business as such business is now being conducted;

b. Broker is not an insolvent person within the meaning of the *Bankruptcy and Insolvency Act* (Canada);

c. Broker has not initiated proceedings with respect to compromise or arrangement with its creditors or for its winding up, liquidation or dissolution and no receiver has been appointed in respect of Broker or any of Broker's assets and no execution or distress has been levied against any of Broker's assets;

d. the execution, delivery and performance of this Agreement by Broker has been duly and validly authorized by any and all requisite corporate, shareholders' and directors' actions;

e. the execution, delivery and performance of this Agreement by Broker will not (directly or indirectly or with or without notice or lapse of time) result in any violation of, be in conflict with, contravene, or constitute a default under (i) any organizational document of Broker, or (ii) any resolution adopted by the board of directors or the shareholders of Broker;

f. the execution, delivery and performance of this Agreement will not (directly or indirectly or with or without notice or lapse of time) result in any violation or breach of, be in conflict with, contravene, constitute a default under, give any Person the right to declare a default or to exercise any remedy or to accelerate the maturity or performance of, or to cancel, terminate or modify, any agreement or document to which Broker is party or by which Broker is bound;

g. this Agreement and any other agreements delivered in connection herewith constitute valid and binding obligations of Broker enforceable against Broker in accordance with their terms;

h. Broker is not under any obligation, contractual or otherwise, to request or obtain the consent or other action of any person, and no Government Authorizations or notifications to any Governmental Body are required to be obtained by Broker in connection with the execution, delivery or performance by Broker of this Agreement or the completion of any of the transactions contemplated herein; and,

i. Broker, if required, is a registrant for the purposes of the goods and services tax provided for under the Excise Tax Act (Canada).

j. Broker acknowledges that Financier has entered into this Agreement in full reliance on these representations and warranties. These representations shall be deemed to be made again each time a new Loan proposed by Broker is funded by Financier. Any investigations made at any time by or on behalf of Financier shall not diminish in any respect whatsoever Financier's right to rely on the representations and warranties of this Agreement.

3.2 REPRESENTATIONS AND WARRANTIES OF FINANCIER

Financier makes the following representations and warranties to Broker (which representations are provided as a material inducement for Broker entering into this Agreement and are intended to be relied upon by Broker):

a. Financier is a corporation duly organized and validly existing under the laws of the jurisdiction its incorporation, is authorized to carry on business in Alberta and British Columbia and has all necessary corporate power to carry on its business as such business is now being conducted;

b. Financier is not an insolvent person within the meaning of the Bankruptcy and Insolvency Act (Canada);

c. Financier has not initiated proceedings with respect to compromise or arrangement with its creditors or for its winding up, liquidation or dissolution and no receiver has been

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appointed in respect of Financier or any of Financier's assets and no execution or distress has been levied against any of Financier's assets;

d. the execution, delivery and performance of this Agreement by Financier has been duly and validly authorized by any and all requisite corporate, shareholders' and directors' actions;

e. the execution, delivery and performance of this Agreement by Financier will not (directly or indirectly or with or without notice or lapse of time) result in any violation of, be in conflict with, contravene, or constitute a default under (i) any organizational document of Financier, or (ii) any resolution adopted by the board of directors or the shareholders of Financier;

f. the execution, delivery and performance of this Agreement will not (directly or indirectly or with or without notice or lapse of time) result in any violation or breach of, be in conflict with, contravene, constitute a default under, give any Person the right to declare a default or to exercise any remedy or to accelerate the maturity or performance of, or to cancel, terminate or modify, any agreement or document to which Financier is party or by which Financier is bound;

g. this Agreement and any other agreements delivered in connection herewith constitute valid and binding obligations of Financier enforceable against Financier in accordance with their terms; and,

h. Financier is not a registrant for the purposes of the goods and services tax provided for under the Excise Tax Act (Canada).

Financier acknowledges that Broker has entered into this Agreement in full reliance on these representations and warranties. These representations shall be deemed to be made again each time a new Loan proposed by Broker is funded by Financier. Any investigations made at any time by or on behalf of Broker shall not diminish in any respect whatsoever Broker's right to rely on the representations and warranties of this Agreement.

ARTICLE 4 **CONFIDENTIALITY PROVISIONS**

4.1 PROTECTION OF INFORMATION

All Confidential Material and information respecting each Party shall be retained in confidence by the other Party and used only for the purposes of this Agreement. However, the restrictions on disclosure and use of information in this Agreement shall not apply to Confidential Material or information to the extent it:

- a. is or becomes publicly available through no act or omission of the other Party or the other Party's Representatives;
- b. is subsequently obtained lawfully from a third party, which, after reasonable inquiry, the other Party does not know to be bound to the first Party to restrict the use or disclosure of such information;
- c. is already in the Other Party's possession at the time of disclosure, without restriction on disclosure; or

- d. Is required to be disclosed pursuant to any Applicable Laws or as a result of the direction of any court or regulatory authority having jurisdiction provided that reasonable advance notice of disclosure is provided to the first Party prior to other Party complying with the disclosure requirements.

The obligations of the Parties pursuant to this Article are in addition to and not in substitution for the obligations of the Parties under: (i) any confidentiality agreement made between them or (ii) otherwise implied by Applicable Laws.

ARTICLE 5 INSPECTIONS & AUDITS

5.1 INSPECTIONS & AUDITS

Financier shall have the right, at any time upon written demand made by Financier to Broker, to inspect, during normal business hours, all Records (wherever located). Qualified third party consultants, as determined by Financier at Financier's sole discretion, may be employed by Financier for the purpose of any such inspection. Broker shall have the right, as a condition of such inspection, to require any such consultants to execute such form of confidentiality agreement as Broker may reasonably require and in any event such consultants shall be deemed to acting as agents for and on behalf of Financier for purposes of Article 4 hereof. The cost of any such inspection shall be the sole responsibility of Financier and any such consultant so employed will be required to create reports, which are accessible only to Financier and if permitted by Financier, Broker.

ARTICLE 6 TERM OF AGREEMENT

6.1 INITIAL TERM

Unless terminated earlier pursuant to the provisions of this Agreement, the initial term of this Agreement will be for the period commencing on the date of this Agreement (June 19, 2012) and ending one year thereafter on June 19, 2013 (the "Initial Term").

6.2 RENEWAL OF TERM

Unless one Party has provided a written termination notice to the other Parties pursuant to the next Section, the term of this Agreement shall be automatically extended for a further one year period (a "Renewal Period") after the end of the Initial Term or current Renewal Period (as applicable) without any further action or confirmation required from either Party.

6.3 TERMINATION NOTICE AT END OF CURRENT TERM

Either Party may notify the other Party that the Term of this Agreement will not be automatically extended at the end of the then current Initial Term or Renewal Period but will terminate at the end of such period, by delivering an unconditional written notice to the other

Party not less than 60 days before the end of such period stating that the Party is irrevocably electing to not renew the term of this Agreement.

6.4 OBLIGATIONS OF BROKER AT END OF TERM

Upon the ending of the Term:

a. Unless Financier determines to appoint a new broker (as contemplated by Subsection 6.4(b)), Broker shall continue to provide the Broker Services with respect to all Loans still outstanding as at the end of the Term;

b. If Financier notifies Broker that Financier is designating a new broker to handle the Loan portfolio (or Financier is going to administer the Loan portfolio directly or sell the Loan portfolio) and demands that Broker deliver the Records related to the Loan portfolio, Broker shall, unless and to the extent that the Broker elects to otherwise transfer the same under Section 2.10, immediately deliver to Financier (or the new broker or owner designated by Financier) all original Records related to all Loans and copies of all electronic files containing information relating to the Loans. Financier (or any new broker or owner) shall be entitled to contact and carry out such realization actions against the borrowers of the Loans which Financier (or any new broker or owner) determines in its complete discretion. The exercise by Financier of this right shall not diminish Financier's right to recover from Broker as a result of breaches of this Agreement by Broker and to recover from Broker under the indemnities set out in Article 7 (if applicable)

Notwithstanding that the Term of this Agreement expires or ends pursuant to this Section, Financier and Broker shall continue to be liable for all duties, obligations, and responsibilities respectively incurred by each of them pursuant to this Agreement which are not specifically indicated to (i) only be effective during the Term or (ii) terminate upon expiry of the Term.

6.5 OBLIGATION OF FINANCIER AT END OF TERM

Upon the ending of the Term, Financier shall continue to communicate with the Broker in the normal course in order to facilitate Broker continuing to provide the Broker Services in respect of Loans still outstanding as of the end of the Term.

ARTICLE 7 **BROKER INDEMNITY PROVISIONS & SUBORDINATION**

7.1 INDEMNITY OF FINANCIER BY BROKER

Broker shall indemnify and save harmless Financier and its officers and directors from and against all liabilities, losses, claims, damages, penalties, actions, suits, demands, levies, costs, expenses and disbursements including any and all reasonable legal and advisor fees and

disbursements of whatever kind or nature (referred to herein as a "Loss") which may at any time be suffered by, imposed on, incurred by or asserted against Financier or its said officers and directors by reason of or arising from any breach by the Broker of its obligations hereunder provided, however, that such liability to and indemnification of Financier shall not extend to include any part of the Loss, if any, directly arising from or caused or contributed to by the negligence or other wrongful acts of Financier, Financier's Representatives or by any breach of this Agreement by Financier. For greater certainty, Broker shall not be required to indemnify Financier for losses Financier may suffer on account of the default in payment (in whole or part) of a Loan made to a Broker Customer provided that: (i) in causing the Loan to be made, the Broker complied with the Loan Selection Criteria, and (ii) the default in payment did not arise out of the Broker improperly performing the Broker Services.

Notwithstanding the foregoing, if: (i) any Loan is not paid in full to Financier and (ii) it is determined that the reason for the Loan not being paid in full is failure of Broker to properly perform the Broker Services for such Loan in the manner described herein, Broker shall (if it has not already purchased such Loan under Section 2.10 hereof, in which event the associated Loss shall be deemed to be nil) pay to Financier the full amount of the original principal amount of the Loan which then remains outstanding, as full and final compensation hereunder for failure of Broker to provide Broker Services as agreed to within this Agreement provided further however that, upon payment of such compensation Financier shall be deemed to have assigned such Loan to Broker.

Broker is responsible for implementing and exercising security precautions to control access to the systems used to provide the Broker Services including the handling of all funds received from or payable to Financier.

Notwithstanding any other provision hereof, the Parties acknowledge that uncertainties in the law applicable to Loans exist and arise from time to time and it is consequently acknowledged and agreed that no liability shall attach to the Broker under this Section 7.1 or elsewhere under this Agreement in respect of any Loss where the same has arisen in consequence of any act or omission of the Broker in reliance upon any bona fide interpretation of Applicable Law or upon the advice of legal counsel.

7.2 SUBORDINATION BY BROKER IN FAVOUR OF FINANCIER

If a Broker Customer defaults in a payment to Financier in respect of a Loan and if the Broker collected or collects any amounts from the Broker Customer ("**Realization Proceeds**") then the Broker shall be entitled to retain out of such proceeds the lesser of: (a) 30% of the Realization Proceeds, or (b) the actual outstanding amount owing to the Broker for Broker's fees and charges from that Broker Customer in respect of that particular Loan. The remaining 70% of the proceeds shall be held by Broker for Financier and remitted to Financier. The Broker will continue to attempt collection of any outstanding Broker Customer balance until such time as the account is paid in full or the account is turned over to a Third Party Collection Agency.

ARTICLE 8 **GENERAL**

8.1 FURTHER ASSURANCES

Each Party will, from time to time, without further consideration, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this Agreement.

8.2 ENTIRE AGREEMENT

The provisions contained in any and all documents and agreements collateral hereto shall at all times be read subject to the provisions of this Agreement and, in the event of conflict, the provisions of this Agreement shall prevail. This Agreement supersedes all other agreements, documents, writings and verbal understandings between the Parties relating to the subject matter hereof and expresses the entire agreement of the Parties with respect to the subject matter hereof.

8.3 GOVERNING LAW

Financier recognizes that while Loans and their associated agreements may be made in, be entered into, or be governed by, the laws of other jurisdictions, the majority of Broker Services and other services provided by Broker to Financier will necessarily be performed at or from Broker's offices in the Province of Alberta and that accordingly the appropriate law most appropriate to this Agreement shall be the law of the Province of Alberta. This Agreement shall, in all respects, be subject to, interpreted, construed and enforced in accordance with and under the laws of the Province of Alberta and the laws of Canada applicable therein and shall be treated as a contract made in the Province of Alberta. The Parties irrevocably attorn and submit to the jurisdiction of the courts of the Province of Alberta and courts of appeal therefrom in respect of all matters arising out of this Agreement.

8.4 ASSIGNMENTS & ENUREMENT

This Agreement may not be assigned by either Party without the prior written consent of the other Party. However, Financier may assign/sell all (or parts) of Financier's rights in respect of the Loan portfolio (and related Records) to such Person(s) and for such price as determined by Financier with the prior written consent of Broker. This Agreement shall be binding upon and shall endure to the benefit of the Parties and their respective administrators, trustees, receivers, successors and permitted assigns.

8.5 RELATIONSHIP OF PARTIES

Nothing contained in this Agreement shall be deemed or construed by the Parties, or any other third party, to create the relationship of partnership, agency, or joint venture or an association for profit between Financier and Broker, it being understood and agreed that neither the method of computing compensation nor any other provision contained herein shall be deemed to create any relationship between the Parties other than the relationship of independent parties contracting for services. Except as expressly provided in the Agreement,

neither Party has, nor held itself out as having, any authority to enter into any contract or create any obligation or liability on behalf of, in the name of, or binding upon the other Party.

Broker is not authorized to execute any document or agreement on behalf of Financier under this Agreement or in connection with the provision of the Broker Services.

8.6 TIME OF ESSENCE

Time shall be of the essence in this Agreement.

8.7 NOTICES

Any notice required to be given by either Party to the other must be in writing, and must be delivered by hand delivery, courier, mail, telecopy, email, or other means of electronic communication to the respective address (or telecopy number or email address) as set out below. Any such notice will be deemed to have been delivered:

- on the date of hand delivery or courier, if delivered personally or by courier;
 - a. 5 Business Days after delivery thereof if delivered by regular mail (if mailed within Canada); or
 - b. twenty-four (24) hours after delivery thereof if delivered by telecopy or email.

Any notice of change of address or facsimile number may be given in the same manner.

Financier - #205, 6223 – 2nd Street SE
 Calgary, AB
 T2H 1J5
 Attention: J. Murray McCann
 Fax: 1-866-825-8267

Broker - 17631—103rd Avenue
 Edmonton, Alberta
 T5S 1N8
 Attention: Gordon J. Reykdal
 Fax: (780) 443-2653

8.8 INVALIDITY OF PROVISIONS

In case any of the provisions of this Agreement should be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

8.9 WAIVER & APPROVALS

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in

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equity or by statute or otherwise conferred. No waiver of any provision of this Agreement (other than deemed waivers pursuant to the specific terms of this Agreement), including without limitation, this Section shall be effective otherwise than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of the Party making such waiver. For greater certainty, any waiver, consent, variation, approval or amendment from any Party shall be deemed sufficiently given in writing if such writing is in the form of electronic mail, electronic messaging or other electronic means that is capable of being retained by the recipient thereof.

8.10 AMENDMENT

This Agreement shall not be varied in its terms or amended by oral agreement or by representations or otherwise other than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of each Party except for unilateral amendments by Financier to contents of certain schedules attached hereto where such unilateral amendment is specifically permitted in the body of this Agreement.

8.11 PUBLIC ANNOUNCEMENTS

Each Party shall not release any information concerning this Agreement and the transactions herein provided for, without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Nothing contained herein shall prevent a Party at any time from furnishing information to any Governmental Body or to the public if required by Applicable Law, provided that the Parties shall advise each other in advance of any public statement which they propose to make. Broker covenants and agrees that Financier's name will not be used or disclosed in any public disclosures made by Broker or Broker's parent corporation.

8.12 COUNTERPART EXECUTION

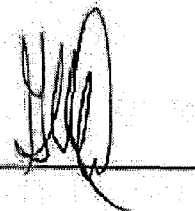
This Agreement may be executed in counterpart, no one copy of which need be executed by Financier and Broker. A valid and binding contract shall arise if and when counterpart execution pages are executed and delivered by each of the Parties.

IN WITNESS WHEREOF the Parties have executed and delivered this Agreement as of the date first above written.

FINANCIER
Per: _____

J. MURRAY McCANN
PRESIDENT
McCANN FAMILY HOLDINGS
CORPORATION

THE CASH STORE INC.
Per: _____



**THIS PAGE COMPRISES SCHEDULE "A" ATTACHED TO AND FORMING PART OF A
BROKER AGREEMENT**

LOAN SELECTION CRITERIA, ET. AL.

**(Note: The contents of this Schedule may be changed, subject to Broker's consent, by
Financier from time to time on 30 days written notice to Broker.)**

**(Amendments to this Schedule only take effect with respect to Loans initiated after the
amendment to the Schedule)**

Loan Selection Criteria for Most Loans

1. A Loan shall not be made if after making the Loan the aggregate Recorded Debt for Loans would exceed the applicable maximums specified in this Schedule "A".
2. The interest rate charged on the loan shall be 59% per annum (or such other amount as may be agreed to by the Parties from time to time) or as determined by provincial regulations calculated excluding date of funding until accrued debt is paid in full, has been identified as an insurance claim, is written-off, has been placed with a credit counselling agency or is otherwise governed by applicable law.
3. The gross amount of the loan shall not be more than seventy per cent (70%) of the Broker Customer's net take home pay after all deductions as determined from the most recent pay stub or bank statement provided by the Broker Customer. (Note: This criterion is not applicable to loans secured against vehicles.)
4. The term of the loan (i.e. the time between funding and the due date) shall not be more than the lesser of the Broker Customer's next pay date and 18 days. (Note: This criterion is not applicable to loans secured against vehicles or Signature Loans.)
5. The Broker Customer must be an individual (i.e. not a corporation or other legal entity). (Note: This criterion is not applicable to loans secured against vehicles).
6. The Broker Customer must be at least 18 years old and the legal age for contracting purposes in the jurisdiction in which the Broker Customer is resident.
7. The Broker Customer must have evidence of employment or other income immediately preceding the date of application or in the case of signature loans please see below.
8. The Broker Customer must have evidence that the Broker Customer has an active bank account with a branch of a financial institution located within Canada. (Note: This criterion is not applicable to loans secured against vehicles.)
9. If the Broker Customer has indicated employment income is direct deposited then, the account statements provided by the Broker Customer should indicate that the payments being received from the current employer are being deposited to the bank account.

Broker shall be responsible for monitoring and assuring that the foregoing criteria are satisfied.

Additional/Special Requirements for Title Advance Loans to Be Secured Against a Motor Vehicle:

1. The amount of the loan shall not be more than 25% of the motor vehicle's "black book rough value" as indicated on the CanadianBlackBook.com website. Vehicles not listed on such web site may be used as collateral only if alternative resources such as such as Trader.ca, ebay, Adesa online are used. Industry contacts may be used only if the contact will provide written appraisal of the value of the collateral.
2. The term of the loan (i.e. the time between funding and the due date) shall not be more than 35 days.
3. A registration history search (i.e. vehicle information report) or another valid vehicle registration document against the Vehicle Identification Number must indicate that the vehicle has been registered within the province where the vehicle is located for not less than 14 days and confirm that the Broker Customer is the last registered owner indicated in the records.
4. The vehicle must be insured within provincial law; including collision and comprehensive coverage (glass coverage may be excluded).
5. The PPSA searches against both (1) the Vehicle Identification Number and (2) the full legal name of the Broker Customer (including all inexact matches which should be selected and printed as part of the search result) do not disclose any registration of any type other than:
 - (a) registrations which are clearly against a person who is not the Broker Customer (Broker shall bear the responsibility for making this determination and shall indemnify Financier if Broker incorrectly concludes that a registration does not apply to the Broker Customer);
 - (b) registrations which are against specific items of household furniture or equipment (and proceeds of same) and claim no other interests in other collateral; and
 - (c) registrations which are clearly against a vehicle which is not the Broker Customer's vehicle and does not include a claim for any form of "proceeds" (Broker shall bear the responsibility for making this determination and shall indemnify Financier if Broker incorrectly concludes that a registration does not apply to the vehicle).

The vehicle identification number for the purposes of carrying out the search shall be established using the original current provincial registration and shall be confirmed by a physical inspection of the vehicle by Broker's employees. The legal name of the Broker Customer for the purposes of carrying out the search shall be established using the applicable identification mandated by Section 20(7) of the Alberta PPSA regulations or applicable equivalent regulations in another province or territory.

6. The vehicle must be brought to a representative of the Broker at the time of the loan application or when funds are advanced.

Broker shall be responsible for monitoring and assuring that the foregoing criteria are satisfied.

Additional/Special Requirements for Signature Loans:

1. A Signature Loan is a loan to a customer who is generally but not limited to someone on a fixed monthly income. Examples include, but are not limited to, Family Allowance, Widow's Allowance, Canada Pension, Old Age Security, Worker's Compensation, Disability Pension or Social Assistance.
2. The gross amount of the loan shall not be more than 70% of the Broker Customer's fixed income pay (as determined from the most recent cheque provided by the Broker Customer), subject to any applicable federal or provincial legislation.
3. The term of the loan shall not be more than 35 days.
4. The Broker Customer must have evidence of continuous payments of fixed monthly income for one (1) month immediately preceding the date of application.

THIS PAGE COMPRISES SCHEDULE "B" ATTACHED TO AND FORMING PART OF A
BROKER AGREEMENT

LOAN DOCUMENTATION & FUNDING REQUIREMENTS

**(Note: The contents of this Schedule may be changed, subject to Broker's consent, by
Financier from time to time on 30 days written notice to Broker.)**

**(Amendments to this Schedule only take effect with respect to Loans initiated after the
amendment to the Schedule)**

The following documents (and requirements related to those documents) should be obtained by Broker for each Loan that Financier approves to the extent only however that Broker determines is economic and practical. Most of these requirements must be satisfied before funds are requested from Financier and before the loan is funded. If Broker is unable to satisfy most of the following requirements (although, for greater certainty, not all are required) then the loan must not be presented to Financier (even if the Loan Selection Criteria were otherwise satisfied).

Documentation Requirements for All Loans:

1. A Broker Retainer Agreement signed by the Broker Customer evidencing Broker Customer's retainer of Broker to find and select a lender for Broker Customer and to provide the Loan Facilitation Services for the Broker Customer.
2. A Loan Application Form in form reasonably satisfactory to (or otherwise previously approved by) Financier signed by the Broker Customer. The Loan Application Form must be fully executed.
3. A Disclosure Document in form(s) satisfactory to (or otherwise previously approved by) Financier, setting out for the proposed loan all payments that will be required to be made by the Broker Customer including the repayment of principal and interest. This document(s) will include the names of both Financier and Broker identifying which payments are made to Financier and which are made to the Broker. Broker shall assure that this document(s) includes all required disclosures under Applicable Law (including without limitation under federal interest laws and provincial cost of credit legislation).
4. A photocopy of one piece of identification which could include at least one government issued photo identification. The Broker Customer's photo identification may include a current or expired passport or a current driver's license or a current provincial picture identification card or a current Canadian Department of National Defence (DND) picture identification card or any other current provincial or federally recognized picture identification. Other acceptable identification, where photo identification is not available, includes a current version of a provincial health insurance card, social insurance number card, birth certificate, native or Métis status card, citizenship card, employment picture identification (current employer only), or subsidiary issued card, other competitor payday loan card, store credit card, other credit card, union card, or current Canadian VISA.
5. A photocopy of a recent vehicle registration, utility, telephone, or cable TV bill issued in the Broker Customer's name (or legal spouse or roommate) with an address that conforms to the residential address provided by the Broker Customer (billing period of statement must end not more than 40 days before the date the loan application is made)

must be supplied by all new customers. Current or previous customers requesting a new Loan must provide updated information at least every six months.

6. Photocopy of pay stub evidencing a source of income.
7. Photocopy of most recent bank statement of one the following types:
 - (a) a mailed out account statement with an end of period cut-off date not more than 45 days before the date the loan application is made and must include Broker Customer's name and the corresponding bank account identification number;
 - (b) an ATM generated account statement with an end of period cut-off date not more than 5 days before the date the loan application is made and must be for at least a 14 day period and must include Broker Customer's bank account identification number;
 - (c) a personal computer (internet) generated account statement with an end of period cut-off date not more than 5 days before the date the loan application is made and must be for at least a 30 day period and must include Broker Customer's name and the corresponding bank account identification number; evidencing that Broker Customer has an active chequing account.
8. Promissory Note in form satisfactory to (or otherwise previously approved by) Financier, where provincial or federal legislation will allow.
9. Security Agreement in form satisfactory to (or otherwise previously approved by) Financier.
10. Receipt signed by Broker Customer for funds advanced to Broker Customer (or for cheque delivered to Broker Customer if Broker Customer elects to receive funds by way of subsequently delivered cheque).
11. Optional Payment Plan, if any, in form satisfactory to Financier and Broker. This collection measure is only to be used where allowable by provincial and/or federal legislation.
12. An alternative means of payment should the Broker Customer neglect to make the required payment in one or both, if available, of the following forms:
 - (a) Pre-Authorized Debit Agreement made out to Broker and signed by Broker Customer for amount of interest and principal in form satisfactory to Financier.
 - (b) Personalized cheque made out to Broker and signed by Broker Customer for amount of principal and interest. Cheque must be drawn against the account that corresponds to the account statements received. ^(a)
13. Broker Customer Receipt including summary of amounts due on maturity of loan and due dates in form satisfactory to Financier

Notes:

- ^(a) These cheques immediately upon delivery by the Broker Customer to Broker shall be endorsed on the back with the following endorsement using an ink stamp: "For deposit only to the credit of "The Cash Store" or "Instaloans".

Additional Documentation Requirements for Title Advance Loans to Be Secured Against a Motor Vehicle:

16. A registration history search against the Vehicle Identification Number.
17. A vehicle PPSA Security Agreement (in form satisfactory to Financier) executed by the Broker Customer.
18. Evidence that a PPSA registration against the Customer's name (with Financier as secured party) and the VIN of the vehicle has been registered in the PPSA registry.
19. A copy of the valuation (i.e. print off of the web pages) indicated on www.canadablackbook.com for the vehicle or similar as identified above.
20. A PPSA current search against (a) the Vehicle Identification Number for the vehicle and (b) the Customer's name, showing no other competing registrations other than the PPSA registrations in favour of Financier carried out forthwith after the registration referred to in paragraph 19 above.
21. A vehicle condition report (in form satisfactory to Financier) fully completed by employees of Broker at the time of application.
22. A photocopy of the Broker Customer's vehicle registration and insurance documents for the vehicle.
23. An electronic (or Polaroid) photograph of the vehicle (need not be printed but must be electronically stored so that it can be printed).

**THIS PAGE COMPRISES SCHEDULE "C" ATTACHED TO AND FORMING PART OF A
BROKER AGREEMENT**

LOAN SERVICES

**(Note: The contents of this Schedule may be amended only by the written agreement of
both Financier and Broker)**

Services to be Provided by and Responsibilities of Broker

Broker is responsible for providing the following services for all Loans funded by Financier:

1. Broker shall record applications by Broker Customers to receive loans and communicate those applications which meet the Loan Selection Criteria of Financier.
2. Broker shall verify the following information from the Loan Application Form for a Broker Customer:
 - (a) source of income;
 - (b) picture ID is accurate;
 - (c) banking information matches;

and ensure that a personalized cheque and/or a Pre-authorized Debit Form are made out for the amount of the principal and interest owing.
3. Where applicable pursuant to the Loan Selection Criteria established by Financier, Broker shall apply pre-set loan evaluation and limiting criteria to the loan applications to determine whether the proposed loan meets Financier's pre-set criteria.
4. Broker shall maintain a database of information concerning Broker Customers with such information as Broker, acting with commercial reasonableness, deems appropriate and practical.
5. Broker shall verify the status of any electronic communication made by Broker and shall establish and maintain a back-up procedure for the reconstruction of any such lost or damaged electronic communication that is to be or has been transmitted.
6. Where applicable, Broker shall review confirmation screens before transmitting any information to Financier (or Financier's agent(s) or service bureau(s)) and shall verify that the information gathered in accordance with this Agreement is accurately recorded from the information provided to Broker before providing or transmitting it.
7. Broker shall to the extent it deems it economic and practical, send and receive batch file information to/from other databases and systems (for example, but without limitation, bank account activity, service bureau activity and cash card facility information) necessary for Broker to integrate into Broker's data base in order to accumulate and report information required by this Agreement.
8. Broker shall to the extent it deems it economic and practical, collect most documents necessary to satisfy the Documentation & Funding Requirements for each Loan.

9. Broker shall, if requested by Financier, deliver to Financier those documents, or portions thereof, where required by the Loan Selection Criteria and Documentation & Funding Requirements.
10. Broker shall track and calculate all interest accruing due from the Broker Customer to Financier.
11. Broker shall track all payments received from Broker Customers on Loans and for each such payment record (a) the date the payment was received by Broker (if the payment is handled by Broker before delivery to Financier), (b) the date of deposit of the payment into the Designated Financier Bank Account and (c) where cheques are returned NSF or Pre-authorized debits are later reversed, the date that the reversal occurred;
12. Broker shall, as allowed by applicable provincial and/or federal collection legislation, provide a phone call reminder to each Broker Customer before a payment is due of the date and amounts owing. The reminder may be provided by direct call to the Broker Customer or by leaving a message with the person answering the phone or on answering machine for such phone number.
13. Broker shall on an ongoing basis provide such additional Maintenance and Facilitation Services as Broker deems appropriate to enhance the quality of its services and its competitiveness.
14. Where payment by a Broker Customer is to be made by any means other than cash or Broker debit terminal, the Broker will, to reduce dishonoured item charges, to the extent it deems it economic and practical, use all reasonable and available means to verify funds before attempting any cheque or electronic deposits. Every attempt will be made to have the Broker Customer pay by cash or debit.
15. Broker shall prepare such weekly and monthly reports concerning all activities related to the Loans as Broker may deem reasonably necessary from time to time.
16. For loans secured against vehicles, Broker shall verify the name of the Broker Customer, the name indicated as the registered owner on the provincial license registration and the insured's name on the evidence of insurance all indicate the same name which corresponds to the Broker Customer's other identification;

Default Realization Services Provided by the Broker:

"Default Realization Services" means the services and activities for the collection of payment of principal, interest and other costs after a default in payment of a Loan occurs.

The Default Realization Services are subject to the applicable federal and provincial collection laws and regulations.

In the event, Broker Customer does not pay in full when due (with respect to interest or principal), Broker shall begin Default Realization Services but only to the extent that Broker, acting with commercial reasonableness, deems the same to be practical and economic. Broker shall be responsible for all expenses necessary or desirable in connection with performance of the collection process including hiring and administering outside "Third Party Collection Agencies" (excluding portions of the Loan retained by or paid to Broker under Section 7.2 hereof

and amounts paid to Third Party Collection Agencies as their fee for successful collection), staff costs, legal costs, court filing costs, registration costs, bailiff/civil enforcement agency costs, sales costs/commissions in relation to sales of realized collateral, provided that if a particular realization results in costs or other proceeds being obtained in addition to the principal and interest owing to Financier (i.e. an award for costs) any collected amounts may first be applied by Broker to reimburse Broker for the out of pocket expenses of Broker incurred during the realization with the balance to be applied in repayment of the Loan.

The Default Realization Services to be provided by Broker may include but are not limited to:

- 1) Contacting customer by home phone, cellular phone, work phone, landlord, references, e-mail, letters, or home visit. These attempts will continue until the Loan is paid in full or it is determined that a third party collection agency should be retained to attempt collection of amounts owing.
- 2) Presenting Optional Payment Plan form to employer, where allowed by applicable federal or provincial collection legislation.
- 3) Attempt on or around the customer payday, spouse's payday or government cheque days to certify any cheques on file or process any Pre-authorized Debit.
- 4) If at anytime during the collection process it is determined that the customer is no longer employed or is no longer at the listed residence, intensified skip tracing efforts will begin.
- 5) At or around 30 days past due, send a letter notifying the customer of possible legal proceedings and/or third party collection activities, should the account not be paid in full right away.
- 6) At or around 60 days past due, if there is still dialogue with the customer, send the customer a one time "amnesty letter" offering a structured payout of the loan over a set period of time. The customer would be required to pay interest and a portion of principal on each payment until the account is paid in full. Interest would continue to accrue daily on the remaining principal outstanding.
- 7) If still unpaid at 90 days past due, and no payment has been made in the past 30 days, send a final letter to the customer advising the account must be paid in full within 10 business days or it will be turned over to a third party collection agency.
- 8) At or around 120 days past due and no payment received in the past 30 days, the account is then turned over to the Broker's internal collection department and they will attempt collection for a period of 60 days.

If the internal collection department is unsuccessful the account is then turned over to a Third Party Collection Agency. The account may be turned over to a Third Party Collection Agency anytime during the collection process if it is determined by Broker that this is the most effective method for collection. The Third Party Collection Agency will follow its own procedures for obtaining payment. Any funds collected by the Third Party Collection Agency, less the portion of the collected amount retained by the Third Party Collection Agency for their fee for successful collection, will be applied to amounts owing to Financier.

- 9) All reasonable and lawful collection and communication methods, within a cost effective structure, may be used to attempt collection of the account.
 - 10) Files will continue to be worked diligently by Broker until it has been determined that the Loan should be given to a third party collection agency.
 - 11) All realization activities will cease upon notification of bankruptcy of Broker Customer. "Proof of Claim" as secured creditor, unsecured creditor or both to be filed with bankruptcy trustee.
- For greater certainty Broker, acting with commercial reasonableness, is authorized on the Financier's behalf to settle or compromise any Loans in default and to accept part payment of any Loan in full satisfaction thereof.

Additional Realization Requirements for Title Loans to Be Secured Against a Motor Vehicle:

- 1) If payment is not received before the 30th day past due, or sooner, instruct a seizure of the vehicle to be carried out.
- 2) For each seized vehicle arrange for storage of vehicle for necessary time under provincial legislation.
- 3) For each seized vehicle provide such notices to the vehicle owner (and other creditors, if required under applicable law) of the seizure, planned sale method and other information required by provincial legislation.
- 4) For each seized vehicle instruct the sale of the vehicle at the earliest time permitted by provincial legislation in the manner permitted by the legislation.
- 5) Distribute proceeds in accordance with applicable law and this Agreement.

Retention of Records:

Broker shall retain Records and documents required to be obtained in connection with each Loan (other than those that are required to be delivered and are delivered to Financier) for a period of not less than (a) 3 years after the Loan is repaid in full along with all interest, (b) 4 years after the Loan was originally made in the case of Loans which are not repaid in full or (c) as required by law.

THIS PAGE COMPRISES SCHEDULE "D" ATTACHED TO AND FORMING PART OF A
BROKER AGREEMENT

LOAN MANAGEMENT POLICY & PROCEDURE MANUAL

(Note: The contents of this Schedule may be amended by Broker from time to time)

See Attached

TAB 2

Court File No. CV-14-10518-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF THE
CASH STORE FINANCIAL SERVICES INC., THE CASH STORE INC., TCS CASH STORE
INC., INSTALOANS INC., 7252331 CANADA INC., 5515433 MANITOBA INC., 1693926
ALBERTA LTD. DOING BUSINESS AS "THE TITLE STORE"

APPLICANTS

SECOND AFFIDAVIT OF WILLIAM E. AZIZ

(Sworn May 9, 2014)

I, William E. Aziz, of the Town of Oakville, in the Province of Ontario, MAKE
OATH AND SAY:

Introduction

1. This Affidavit is made in support of a motion by The Cash Store Financial Services, Inc. ("Cash Store Financial") and its affiliated companies The Cash Store Inc., TCS - Cash Store Inc., Instaloans Inc., 7252331 Canada Inc., 5515433 Manitoba Inc., and 1693926 Alberta Ltd. doing business as "The Title Store" (collectively "Cash Store" or the "Applicants") for an Order (i) extending the stay of proceedings until June 17, 2014; (ii) authorizing the Applicants to implement a Key Employee Retention Plan (the "KERP") for certain critical staff

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and granting a related charge; (iii) approving the cessation of Cash Store's brokered loan business in all jurisdictions in which it is currently carried on, and authorizing the CRO, in consultation with the Monitor, to take all steps to conduct an orderly cessation of such business; (iv) authorizing Cash Store to take all reasonable steps to effect the repayment of outstanding brokered loan receivables; and (v) directing that all amounts received with respect to outstanding brokered loans be held in a segregated account until further Order of this Court, after a determination of the rights of interested parties to such amounts.

2. I am the President of BlueTree Advisors Inc. ("BlueTree"), which has been retained by Cash Store Financial to provide my services as Chief Restructuring Officer ("CRO") to Cash Store. I was retained pursuant to an Engagement Letter dated April 14, 2014.

3. BlueTree was appointed as CRO of the Applicants pursuant to paragraph 23 of the Amended and Restated Initial Order of Justice Morawetz dated April 15, 2014 (the "Initial Order").

4. As Cash Store's CRO, and in accordance with the Initial Order, I have the authority to direct the operations and management of Cash Store and its restructuring, and Cash Store's officers (including its executive management team) report to me. As such, I have personal knowledge of the matters deposed to herein, except where otherwise stated. I have spoken with certain of the directors, officers, advisors and/or employees of Cash Store, as necessary, and where I have relied on information from such discussions, I believe such information to be true.

DIP Facility

5. As detailed in my affidavit sworn on April 28, 2014 (the "First Aziz Affidavit"),

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upon my appointment as CRO, I consulted with FTI Consulting Canada, Inc. (the "Monitor") and Rothschild Inc. ("Rothschild") to become fully apprised of the current state of Cash Store's affairs and to plan the immediate steps necessary to stabilize Cash Store's liquidity position while it pursues a going concern sale transaction. I promptly engaged with Rothschild and the Monitor to develop a process to solicit bids for a new Debtor-in-Possession loan facility. A copy of the First Aziz Affidavit without Exhibits is attached as Exhibit "A".

6. On April 24, 2014, an agreement in principle was reached with Coliseum Capital Partners, LP, Coliseum Capital Partners II, LP and Blackwell Partners, LLC (collectively, "Coliseum"), Alta Fundamental Advisers, LLC, (collectively with Coliseum, the "Initial DIP Lenders") and the *Ad Hoc* Committee of Noteholders (the "Ad Hoc Committee") to provide jointly funded and governed debtor-in-possession financing (the "Amended DIP Facility") to the Applicants. Each of these parties had previously provided DIP financing proposals and are two of the Applicants' most significant stakeholders.

7. On April 25, 2014, Cash Store received a tax refund of approximately \$2.6 million. On May 2, 2014, Cash Store received a further tax refund of approximately \$5.9 million. Pursuant to the mandatory prepayment provisions of the initial Debtor-in-Possession loan facility (the "Initial DIP Facility") entered into with the Initial DIP Lenders, the \$5.9 million tax refund has been paid to the Initial DIP Lenders as a partial repayment of the Initial DIP Facility. The \$2.6 million tax refund is currently being held in a segregated Cash Store account, subject to only my signature to withdraw funds. This amount will be transferred to the Initial DIP Lenders on May 9, 2014.

8. The Initial DIP Facility provided for borrowings of \$8.5 million. The cash flow projections attached to the affidavit of Steven Carlstrom, sworn April 14, 2014 (the "Carlstrom

Affidavit”), forecasted that Cash Store would need more liquidity than was available under the Initial DIP Facility by May 2, 2014. After the agreement in principle between the Initial DIP Lenders and the Ad Hoc Committee was reached on April 24, 2014 and, in light of the receipt of tax refunds and cash previously being held back by DC Bank, the Applicants, in consultation with the Monitor, determined that they could manage their cash to allow the parties to document the Amended DIP Facility and seek court-approval of same on May 13, 2014. The term sheet for the Amended DIP Facility continued to be negotiated and documented.

9. In the afternoon of May 8, 2014, the President and CEO of DirectCash Payments Inc. (“DCPI”) sent a proposed debtor-in-possession (the “New DIP Facility”) term sheet to me and the Monitor. As stated in the Carlstrom Affidavit, DCPI is a third party service provider to Cash Store with respect to prepaid debit and credit cards. I understand that DCPI is related to DC Bank, which offers bank accounts to Cash Store’s customers and receives and processes the repayment of loans from certain of Cash Store’s customers. In consultation with my legal and financial advisors and the Monitor, I am evaluating the New DIP Facility.

10. The Amended DIP Facility and the New DIP Facility both provide liquidity in an amount that should be sufficient to allow Cash Store to operate during the proposed extended Stay Period. Cash Store will require further DIP financing in order to run a sale process in an effort to maximize enterprise value for stakeholders. Based on current cash flow projections, Cash Store does not require additional DIP financing until at least May 16, 2014. Absent an injection of cash, Cash Store will be forced to shut down its operations, with a significant loss of employment and disruption to those who rely on its services. Cash Store intends to seek approval of additional DIP financing in the near term.

Key Employee Retention Plan

11. In an effort to preserve enterprise value and ensure the continued participation of certain of Cash Store's key employees in the business and the restructuring, Cash Store is developing a KERF in consultation with the Monitor. The purpose of the KERF is to provide the participants thereunder (the "KERF Participants") with payments as incentives to continue their employment with Cash Store during the CCAA proceeding.

12. The terms and details of the KERF are still being finalized; however, the intention is that Cash Store's key employees in Finance, Human Resources, Marketing, and other aspects of Cash Store's business which require unique skill sets will be KERF Participants. All of the KERF Participants which are being considered either possess specialized expertise with respect to Cash Store's business operations or are critical for a successful restructuring of Cash Store's business, including initiatives taken to date.

13. In light of the insolvency filing made by Cash Store, it is likely that the anticipated KERF Participants will consider other employment options if the proposed KERF is not granted and secured by the KERF Charge (discussed below). Doing so will undoubtedly distract from the restructuring process that is underway. It would be extremely difficult at this stage of the restructuring process to find adequate replacements for these employees.

14. KERF payments for all KERF Participants would be payable upon the completion of a Plan of Arrangement, 30 days after the sale of Cash Store's business, or in respect of an assignment in bankruptcy or the appointment of a receiver by Cash Store. The

maximum amount of the KERP would not exceed \$400,000. Cash Store is seeking a charge over Cash Store's Property (the "KERP Charge") to secure the amounts that will be payable under the KERP. Such charge would have priority over all other security interests, charges and liens other than the Administration Charge, up to a maximum of \$1.25 million of the Director's Charge, the DIP Priority Charge and the TPL Charge (as defined in the Initial Order).

15. It is my belief that the KERP will provide appropriate incentives for the KERP Participants to remain in their current positions and will also ensure that they are properly compensated for their assistance in the restructuring process.

Stay Extension

16. The Applicants were granted protection from their creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), pursuant to the Initial Order. The Initial Order granted, *inter alia*, a stay of proceedings (the "Stay Period") until May 14, 2014, or such later date as this Honourable Court may order.

17. The Applicants have been proceeding in good faith and with due diligence to effect a restructuring under the CCAA, and in particular a going concern sale transaction. In addition to the steps outlined in the First Aziz Affidavit, I have:

- (a) Participated in further negotiations with the Ad Hoc Committee and the Initial DIP Lenders regarding the Amended DIP Facility, including meeting with representatives of these groups to provide an overview of my initial review of the business;
- (b) Attended additional management meetings in Edmonton;

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- (c) Participated in comprehensive discussions regarding Cash Store's business and its cash flows with members of senior management and its financial advisors;
- (d) Worked with Rothschild to develop a sales process for the business;
- (e) Met with the Manitoba regulator to discuss Cash Store's business in Manitoba;
- (f) Instructed the Chief Compliance and Regulatory Officer to contact regulators in Ontario, Nova Scotia, British Columbia, Saskatchewan and Alberta to arrange meetings as soon as possible to discuss the business of the Cash Store in each jurisdiction;
- (g) Participated in in-depth discussions regarding the legal and economic viability of Cash Store's brokered loan business in unregulated jurisdictions with the Chief Compliance and Regulatory Officer, the Monitor, its counsel and my counsel; and
- (h) Consulted with the Monitor to plan the future path of Cash Store's business.

18. On April 29, 2014, Rothschild sent a letter to interested parties requesting non-binding offers for the sale of Cash Store by May 23, 2014. Pursuant to paragraph 11(d) of the Initial Order, the Monitor consented to the extension of the date to receive initial offers from May 15, 2014 to May 23, 2014. The initial sales process letter is attached as Exhibit "B".

19. It is my belief that it is appropriate to extend the stay period to June 17, 2014 and that the Applicants have acted and continue to act in good faith and with due diligence in these CCAA Proceedings. Should one of the potential DIP Facilities be agreed to by the Applicants and ultimately approved by the Court, it is forecast that the Applicants will have sufficient liquidity to continue operations during the proposed stay extension period. To the extent that

one of the DIP Facilities has not been finalized prior to the return date of this motion, the Applicants anticipate seeking a shorter extension of the Stay Period at that time.

20. Extending the Stay Period will allow the Applicants to continue to work toward the sale of the business. An extension of the Stay Period will also allow the Applicants to continue to deal with other matters inherent in the proposed restructuring, all in consultation with the Monitor, with the objective of obtaining the best possible result for a restructuring for the benefit of all stakeholders. It is my understanding that the extension of the Stay Period to June 17, 2014 is supported by the Ad Hoc Committee, the Initial DIP Lenders, and the Monitor.

The Cessation of Cash Store's Brokered Loan Business

(a) Cash Store's Direct and Brokered Lending Business

21. As is explained in greater detail in the Carlstrom Affidavit, Cash Store currently operates under two major business models: the direct lending business and the brokered lending business.

22. Cash Store acts as a direct payday lender (as opposed to a broker) in Alberta, British Columbia, Nova Scotia, and Saskatchewan (the "Direct Lending Provinces"). These provinces have payday loan legislation which allows for licensed payday lenders to make loans to customers without being subject to criminal interest rate legislation.

23. In New Brunswick, Newfoundland, Northwest Territories, Prince Edward Island and the Yukon Territory (the "Unregulated Provinces"), where payday loan legislation has not yet been enacted, Cash Store acts as a broker or intermediary on behalf of its customers, with third party lenders ("TPLs") acting as lenders. If a customer's eligibility for a loan is established,

the customer completes the TPL loan documentation and Cash Store makes the advance. Cash Store earns fees on brokered loan transactions.

24. Cash Store previously operated under the brokered loan model in Ontario and currently operates under the brokered loan model in Manitoba. Both of these provinces have enacted payday loan legislation. TPLs provided funds to Cash Store to support the brokered line of credit products offered in these provinces, which are then arranged by Cash Store in exchange for fees. Cash Store has previously taken the position that the brokered line of credit product offered in these provinces was not subject to provincial payday loan regulations.

25. As set out in the Carlstrom Affidavit, on February 12, 2014, the Ontario Superior Court of Justice concluded that Cash Store's basic line of credit product is subject to the *Payday Loans Act (Ontario)* and ordered that Cash Store be prohibited from acting as a loan broker in respect of such products without a broker's licence. Cash Store subsequently appealed this decision. After consultation with Cash Store's Chief Regulatory and Compliance Officer and Cash Store's litigation counsel, I instructed counsel to abandon the appeal of the decision.

26. As of February 12, 2014, the brokered line of credit product was discontinued in Ontario and no lending activity is currently occurring in Ontario due to issues regarding compliance with regulatory requirements (as discussed in detail in the Carlstrom Affidavit). I am advised by the Chief Compliance and Regulatory Officer and believe that the Ontario regulator has taken the position that Cash Store may not actively take steps to request, require or suggest that customers pay amounts owing under the brokered line of credit products until the maturity date of the line of credit. I am advised by the Chief Compliance and Regulatory Officer and believe that the Ontario regulator's statements would apply equally to a TPL or third party collection agency seeking to collect amounts owing under the brokered line of credit

products. As such, Cash Store's locations in Ontario remain open to receive brokered loan receivables but its ability to collect on Ontario brokered loans has been curtailed.

27. Additionally, new legislation in Manitoba will take effect in late 2014 or early 2015 that will prevent Cash Store from operating its current form of brokered loan business in Manitoba.

28. The chart below sets out the approximate percentage of Cash Store's (i) total revenue in Canada in FY 2013 and (ii) current number of branches in Canada, for Ontario, Manitoba, the Unregulated Provinces, and the Direct Lending Provinces.

Province	Total Revenue as % of Total	Number of Braches as % of Total
Ontario	33%	35%
Manitoba	6%	5%
Unregulated Provinces	7%	6%
Direct Lending Provinces	54%	54%

(b) **Decision to Discontinue Brokered Loan Business**

29. I have determined, in consultation with the Monitor, that it is necessary and appropriate to implement an orderly cessation of the brokered loan business and cease brokering new loans. I consulted extensively with the Chief Regulatory and Compliance Officer, my legal and financial advisors, Cash Store's senior management, and the Monitor in coming to this conclusion.

30. The reasons for discontinuing the brokered loan business include the following:
- (a) Cash Store has stopped offering the brokered loan line of credit in Ontario and Cash Store cannot be compliant with the anticipated Manitoba legislation by year end based on its current operating model in brokered loans. The remaining brokered loan business in Unregulated Provinces will be small (approximately \$110,000 in profit per month before corporate overhead). It remains Cash Store's intention to take steps to attempt to obtain a payday lending license in Ontario and to transition the Manitoba operations from a brokered loan model to a payday lending model. We are discussing this with regulators.
 - (b) Certain of Cash Store's secured creditors have indicated that they do not support Cash Store continuing to make voluntary retention payments to the TPLs.
 - (c) I am advised by my counsel and believe that there is a material risk that the brokered loan model is not legally defensible under the criminal interest rate provisions of the Criminal Code.
 - (d) Continuation of the brokered loan business requires funding. The provider of the substantial majority of the funds being deployed in the provinces where this business is still being conducted, Trimor, is seeking the return of funds invested by it and appears to be unwilling to support the brokered loan business.
 - (e) Cash Store is expending, and will likely need to keep expending, a great deal of management and advisor time and incurring significant costs in dealing with its inability to use the TPL investment to make brokered loans. This time and cost is disproportionate to the future value of the brokered loan business.

31. On May 6, 2014, communications were made to the Ad Hoc Committee and the Initial DIP Lenders and their counsel that I, in consultation with the Monitor, had determined that Cash Store should immediately cease to make new brokered loans in all jurisdictions. The Ad Hoc Committee and the Initial DIP Lenders through their counsel subsequently advised that they do not oppose this decision.

32. On May 8, 2014, the Monitor and I discussed the cessation of the brokered loan business with Cash Store's CEO. I instructed the CEO to prepare plans for the immediate cessation of the brokered lending business of Cash Store in all jurisdictions where it is currently carried on by Cash Store.

33. Under my direction, and in consultation with the Monitor, Cash Store will begin to implement an orderly cessation of the brokered loan business and cease offering new brokered loans.

(c) Funds Received from Brokered Loans will be Segregated

34. As a result of discussions that I or my advisors have had with the Ad Hoc Committee, the Initial DIP Lenders, Trimor, McCann (defined below) and others or their advisors, I understand that many parties may assert legal entitlements, including proprietary entitlements, to the outstanding brokered loans and any amounts received with respect to these brokered loans. I have read Trimor's Notice of Motion dated May 5, 2014 and understand that Trimor wishes to transfer the administration of its loan portfolio to another service provider. I have also read the notice of motion of 0678786 B.C. Ltd. (formerly the McCann Family Holding Corporation) ("McCann"), dated May 7, 2014, which also seeks this relief. However,

pursuant to section 6.4(b) of Trimor and McCann's Broker Agreements (Exhibits "G" and "H" to the Carlstrom Affidavit), Cash Store is only required to effect such a transfer upon the end of the Term of the Broker Agreement.

35. Furthermore, I am advised by Rothschild and believe that the Cash Store customer list is a valuable asset of Cash Store and that allowing a TPL to transfer the administration of its loan portfolio would erode the value of Cash Store's saleable assets. As CRO, it is my belief that allowing a TPL to transfer the administration of its loan portfolio to another service provider could materially impair the potential value of a going concern transaction to Cash Store and could cause material prejudice to Cash Store and its stakeholders.

36. Given the above considerations, it is intended that Cash Store will continue to receive payments from customers of the principal and interest as outstanding brokered loans come due in Manitoba and the Unregulated Provinces. In Ontario, Cash Store's operations will continue and the company will continue to receive any payments made by customers of the principal on outstanding brokered loans. However, Cash Store will not make any active efforts to collect brokered loans in Ontario until after they mature in order to comply with the Ontario Regulator's position on this issue. In Manitoba and the Unregulated Provinces, it is proposed that Cash Store will take reasonable steps to collect all brokered loans as they come due and past due brokered loans.

37. It is proposed that Cash Store will deposit all funds received from brokered loan receivables in a segregated Cash Store bank account. Cash Store will not use these funds for any purpose, but will maintain them in this separate account until various stakeholders' legal entitlement to these funds is determined upon further Order of the Court. This process would be undertaken under the continued supervision of myself and the Monitor.

38. As Cash Store is not a registered collections agency, it was previously Cash Store's practice to purchase brokered loans (in a non-cash transaction) that were past due from TPLs in order to be able to collect outstanding amounts in Ontario and Manitoba. It is proposed that Cash Store be authorized, under my supervision and the supervision of the Monitor, to take all reasonable steps to effect the receipt of outstanding brokered loan receivables in a manner that preserves, to the extent possible, the value of the receivables and the goodwill of the business. In addition, allowing Trimor or McCann to appoint an agent to collect its receivables would pre-determine the ultimate dispute between the company's stakeholders as to who is entitled to receive the receivables generated from the brokered loans. It is my view as CRO that Cash Store must be allowed to continue to receive the brokered loans and to then segregate them pending the ultimate determination of rights by the Court. As Cash Store is in the process of implementing an orderly cessation of its brokered loan business, none of the TPL Funds will be used to broker new loans or for any other purpose.

(d) **Cost of Collection**

39. Cash Store continues to incur costs to run branches in Ontario for the sole purpose of receiving amounts in respect of outstanding brokered loans. It will also incur similar costs in Manitoba (during the anticipated transition period to a payday lending business) and in the Unregulated Provinces without the benefit of obtaining revenue from additional brokered loans.

40. I am advised by Cash Store's financial advisor and I believe that the below chart sets out the total branch expenses for the brokered loan provinces (Ontario, Manitoba, and the Unregulated Provinces) for the months of March and April 2014.

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	March 2014	April 2014
Salaries & Benefits	\$ 1,794,492	\$ 1,165,779
Selling, General & Administrative	\$ 784,914	\$ 784,914
Rent	\$ 634,123	\$ 634,123
Depreciation of Assets	\$ 252,437	\$ 252,437
Total Branch Expenses	\$ 3,465,965	\$ 2,837,252

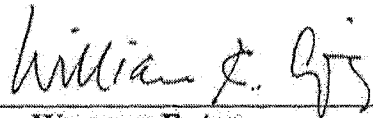
41. The decrease in branch expenses from March to April is due to the temporary layoff of approximately 250 Ontario employees. The above branch expenses do not include any indirect costs such as salary or overhead costs for regional managers. They also do not include regional selling, general, and administrative ("SG&A") costs as well as any corporate overhead costs.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario this 9th day of May, 2014.



COMMISSIONER FOR TAKING AFFIDAVITS

Kevin Sachar



WILLIAM E. AZIZ

IN THE MATTER OF the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended

Court File No: CV-14-10518-00CL

AND IN THE MATTER OF a plan of compromise or arrangement of The Cash Store Financial Services Inc., The Cash Store Inc., TCS Cash Store Inc., Instalogs Inc., 7252331 Canada Inc., 5515433 Manitoba Inc., 1693926 Alberta Ltd. doing business as "The Title Store"

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

SECOND AFFIDAVIT OF WILLIAM E. AZIZ
sworn May 9, 2014

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IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

Court File No. CV-14-10518-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF THE CASH STORE
FINANCIAL SERVICES INC., THE CASH STORE INC., TCS CASH STORE INC., INSTALOANS INC., 7252331
CANADA INC., 5515433 MANITOBA INC., 1693926 ALBERTA LTD DOING BUSINESS AS "THE TITLE
STORE"

**ONTARIO
SUPERIOR COURT OF JUSTICE -
COMMERCIAL LIST**

Proceeding commenced at Toronto

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