

**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

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**MOTION RECORD OF THE APPLICANTS**

(Motion Returnable November 21, 2014)

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November 18, 2014

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## **TABLE OF CONTENTS**

## TABLE OF CONTENTS

<b>Tab</b>	<b>Document</b>	<b>Page</b>
1	Notice of Motion, returnable November 21, 2014	1
2	Affidavit of William E. Aziz, sworn November 18, 2014	9
	Exhibit A - Third Amending Agreement to Amended and Restated Debtor-in-Possession Term Sheet	32
	Exhibit B - Sale Approval Order dated October 15, 2014	37
	Exhibit C - Letters to Payday Lending Regulators, dated October 22, 2014	55
	Exhibit D - Seventh Aziz Affidavit (without exhibits)	68
	Exhibit E - Amended and Restated Debtor-in-Possession Term Sheet, dated May 20, 2014	83
	Exhibit F - Amending Agreement to the Amended and Restated Debtor-in-Possession Term Sheet dated August 7, 2014	137
	Exhibit G - Amending and Waiver Agreement to the Amended and Restated Debtor-in-Possession Term Sheet dated September 29, 2014	144
	Exhibit H - Draft Email to the Service List	150
	Exhibit I - Litigation Counsel Retainer Agreement	152
3	Draft Order	170

**TAB 1**

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

**NOTICE OF MOTION**

**THE APPLICANTS**, The Cash Store Financial Services Inc. ("**Cash Store Financial**") and its affiliated companies The Cash Store Inc., TCS Cash Store Inc., Instalogs Inc., 7252331 Canada Inc., 5515433 Manitoba Inc., and 1693926 Alberta Ltd. doing business as "The Title Store" (collectively "**Cash Store**" or the "**Applicants**"), will make a motion to the Court, on November 21, 2014, at 8:30 a.m. or as soon after that time as the motion can be heard, at 361 University Avenue, Toronto, Ontario.

**PROPOSED METHOD OF HEARING:** The motion is to be heard orally.

**THE MOTION IS FOR:**

1. An Order:
  - (a) Abridging the time for service of this Notice of Motion and the supporting materials and dispensing with service on any person other than those served;
  - (b) Extending the stay of proceedings against the Applicants until February 27, 2015;

- (c) Approving the Third Amending Agreement as defined in the affidavit of William E. Aziz dated November 18, 2014 (the “**Tenth Aziz Affidavit**”) (the “**Third Amended DIP Facility**”) and granting certain related relief;
- (d) Approving the Litigation Counsel Retainer (as defined in the Tenth Aziz Affidavit);
- (e) Approving the Eleventh Report of the Monitor dated October 10, 2014, and the activities contained therein; and
- (f) Such further and other relief as this Honourable Court may deem just.

**THE GROUNDS FOR THE MOTION ARE:**

***Background***

1. The capitalized terms used herein and not otherwise defined have the meaning ascribed to them in the Tenth Aziz Affidavit;
2. The Amended and Restated Initial Order of Justice Morawetz dated April 15, 2014 (the “**Initial Order**”) declared that the Applicants are companies to which the CCAA applies and provided an initial stay of proceedings against the Applicants until May 14, 2014. The stay of proceedings was subsequently extended by this Honourable Court until November 28, 2014 (the “**Stay Period**”);

***Stay Extension***

3. The Applicants have been proceeding with good faith and due diligence to complete a restructuring under the CCAA;

4. On June 16, 2014, this Honourable Court granted an Order approving a sale process (the “**Sale Process Order**”);

5. On October 15, 2014, this Honourable Court granted an Order approving an Asset Purchase Agreement (the “**Asset Purchase Agreement**”) among the Applicants, as vendors, and National Money Mart Company (the “**Purchaser**”), as purchaser, made as of October 8, 2014 (the “**Sale Approval Order**”);

6. The appeal period in respect of the Sale Approval Order has expired and the Sale Approval Order is final and binding;

7. To date, the Applicants, the CRO, and the Monitor have worked diligently to satisfy or obtain waivers of the conditions precedent to Closing in the Asset Purchase Agreement;

8. The extension of the Stay Period is requested to permit the Applicants, the CRO, the Monitor and the Purchaser, among other things, to work to satisfy the conditions precedent to Closing; to satisfy certain transition services obligations of the Applicants to the Purchaser in connection with the Asset Purchase Agreement; and to permit the Applicants to continue the Secondary Sale process described in the Tenth Aziz Affidavit. The length of the extension requested is based on the amount of time the Applicants, the CRO, the Monitor and the Purchaser anticipate requiring for these actions;

9. Without the extension of the Stay Period, Cash Store will be unable to continue going concern operations and attempt to complete the going concern sale transaction



contemplated by the Asset Purchase Agreement, as part of these proceedings to the benefit of its stakeholders;

10. It is necessary and in the best interests of the Applicants and their stakeholders that the Stay Period be extended so that the Applicants are afforded the “breathing space” provided by the CCAA as they attempt to restructure their affairs;

***Third Further Amended DIP Facility***

11. The Initial Order approved and authorized a Debtor-in-Possession (“**DIP**”) loan facility;

12. On May 17, 2014, this Honourable Court approved an amended and restated debtor-in-possession term sheet (the “**Amended DIP Facility**”);

13. On August 7, 2014, this Honourable Court approved an amendment to the Amended DIP Facility (the “**Further Amended DIP Facility**”);

14. On September 29, 2014, this Honourable Court approved a second further amended and restated debtor-in-possession term sheet (the “**Second Further Amended DIP Facility**”);

15. Cash Store does not possess adequate liquidity to fulfill current business objectives and maintain going concern operations without the Third Amended DIP Facility;

16. Subject to approval by this Honourable Court, the Applicants have negotiated the Third Amended DIP Facility with the DIP Lenders to provide urgent and necessary liquidity in order to continue going concern operations and continue the sale process in an effort to

maximize value for stakeholders. The Third Amended DIP Facility provides for, amongst other things, a “Fourth Extension Option” of \$7 million to be made available to the Applicants in accordance with its terms;

17. The lenders providing the Third Amended DIP Facility will only extend credit to Cash Store Financial if it is a borrower under the Third Amended DIP Facility and obtains an Order of this Honourable Court under the CCAA approving the Third Amended DIP Facility;

18. The additional funds advanced under the Third Amended DIP Facility are proposed to be secured by the same super-priority charge on all of the assets and property of Cash Store Financial as provided for in the Initial Order, as amended;

19. Without the Third Amended DIP Facility, Cash Store Financial will be unable to satisfy all of its ongoing obligations to its creditors, employees, landlords, and other stakeholders;

20. Should the Third Amended DIP Facility be approved by this Honourable Court and should the DIP Advances contemplated thereby be requested by the Applicants and provided by the DIP Lenders, it is forecast that the Applicants will have sufficient liquidity to continue operations during the proposed extended Stay Period;

***Litigation Counsel Retainer***

21. Cash Store Financial may have claims that can be advanced against certain former officers and/or directors, advisors, third party lenders and other parties. These potential claims are in addition to any transfer at undervalue or preference claims advanced by the Monitor. The CRO has therefore retained Thornton Grout Finnigan LLP and Voorheis & Co LLP to

investigate whether such claims have merit and to advance such claims on behalf of the Applicants. The Litigation Counsel Retainer will allow the Applicants to pursue these potential claims in a cost-efficient manner;

22. The provisions of the CCAA, including sections 11 and 11.02 thereof, and the inherent and equitable jurisdiction of this Honourable Court;

23. Rules 2.03, 3.02, and 16 of the Ontario *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended and section 106 of the Ontario *Courts of Justice Act*, R.S.O. 1990, c. C.43 as amended; and

24. Such further and other grounds as counsel may advise and this Honourable Court may permit.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the motion:

1. Affidavit of William E. Aziz dated November 18, 2014 and attached exhibits;
2. The Twelfth Report of the Monitor; and

3. Such further and other materials as counsel may advise and this Honourable Court may permit.

November 18, 2014

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of the Applicants

**TO: SERVICE LIST**

**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

**NOTICE OF MOTION**

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**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

**AFFIDAVIT OF WILLIAM E. AZIZ**

(Sworn November 18, 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 against the Applicants until February 27, 2015; and (ii) approving the third Amending Agreement to Amended and Restated Debtor-in-Possession Term Sheet (the "**Third Amending Agreement**"), substantially in the form attached as Exhibit "A" to this affidavit, and certain related relief.

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, which was subsequently amended by a letter dated July 17, 2014. 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**”) made in respect of the Applicants’ proceedings under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”).

3. As Cash Store’s CRO, 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 officers, advisors and/or employees of Cash Store as well as the Monitor, as necessary, and where I have relied on information from such discussions, I believe such information to be true.

The information in this affidavit is arranged under the following headings:

Update Regarding Transaction .....	3
Approval of the Transaction pursuant to the <i>Competition Act</i> .....	4
Discussions with Payday Loan Regulators .....	5
Transfer of Assigned Contracts, including Leases for Acquired Locations .....	5
Transfer of Agreement with Echelon.....	7
DirectCash Agreements .....	7
Transition Services Agreement.....	8
The Need for Further DIP Financing .....	9
Description of the Third Further Amended DIP Facility .....	11
Other Amendments to the DIP Facility .....	14
Distribution to DIP Lenders on Closing .....	14
Update Regarding Ontario Collections Issues .....	15
Approval of Litigation Counsel Retainer on Behalf of Cash Store .....	17
Insolvency Proceedings of RTF Financial Holdings Inc. ....	18
Update Regarding Secondary Sale Process .....	19
Stay Extension .....	20



## ***Update Regarding Transaction***

4. On October 15, 2014, this Honourable Court granted an Order (the “**Sale Approval Order**”) approving the proposed sale transaction (the “**Transaction**”) contemplated by the Asset Purchase Agreement (the “**Asset Purchase Agreement**”) among the Applicants, as vendors, and National Money Mart Company (the “**Purchaser**”), as purchaser, made as of October 8, 2014. The appeal period in respect of the Sale Approval Order has expired without any motions for leave to appeal, and the Sale Approval Order is final and binding. Capitalized terms used in this section of my affidavit not otherwise defined herein have the meaning ascribed to them in the Asset Purchase Agreement. A copy of the Sale Approval Order is attached as Exhibit “B” hereto.

5. As reported in the Eleventh Report of the Monitor and my affidavit dated October 8, 2014 (the “**Aziz Sale Approval Affidavit**”), filed in support of the motion seeking the Sale Approval Order,<sup>1</sup> the Asset Purchase Agreement has a Closing Date that is two business days from the date on which all conditions to the purchase of the Purchased Assets set out in the Asset Purchase Agreement have been satisfied or waived, unless a Timing Commitment is made to permit the Commissioner of Competition additional time to assess the Transaction, in which case the Closing Date is two business days after the expiration of the Timing Commitment.

6. In the Aziz Sale Approval Affidavit, I stated that, based on the information available on October 8, 2014, if the Government Authorizations (including Competition Act Approval) were obtained in the ordinary course, I anticipated that the Closing Date would be in late 2014 or early 2015. As of the date of this affidavit, and for the reasons set out below, I continue to anticipate that the Closing Date will be in late 2014 or early 2015.

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<sup>1</sup> Copies of the Eleventh Report and the Aziz Sale Approval Affidavit are available on the Monitor’s website and from CRO’s counsel on request.

7. The Applicants, and the CRO, in consultation with the Monitor, have worked diligently to satisfy or obtain waivers of the conditions precedent to Closing in the Asset Purchase Agreement, as set out in the paragraphs below.

**Approval of the Transaction pursuant to the *Competition Act***

8. It is a condition precedent to Closing that Cash Store obtain all required Governmental Authorizations including Competition Act Approval. The Applicants, at my direction and in consultation with the Monitor, have been working diligently to assist the Purchaser in satisfying the Competition Act Approval condition. In accordance with the timelines set out in the Asset Purchase Agreement, the following steps have been taken:

- (a) A request was made for an advanced ruling certificate under section 102 of the *Competition Act* in accordance with the APA;
- (b) the Applicants and the Purchaser submitted notices of the Transaction to the Competition Bureau pursuant to section 114 of the *Competition Act* in accordance with the APA; and
- (c) The Applicants and the Purchaser, through their respective counsel, have engaged in multiple discussions with representatives of the Competition Bureau and have responded to written requests for information to assist the Competition Bureau in assessing the Transaction.

9. Competition Act Approval is satisfied by issuance by the Commissioner of an advance ruling certificate under section 102 of the *Competition Act*, or expiry or termination of the waiting period under section 123 of the *Competition Act*, unless the Commissioner applies for or

obtains a preliminary or permanent injunction from the Competition Tribunal in respect of the Transaction. Closing could be delayed beyond the expiry of waiting period under section 123 of the *Competition Act* if the Commissioner issues a supplementary information request in connection with the Transaction pursuant to section 114(2) of the *Competition Act* or if the Commissioner requests that the Purchaser provide a Timing Commitment to allow the Commissioner additional time to review the Transaction.

#### **Discussions with Payday Loan Regulators**

10. On October 22, 2014, I sent a letter to representatives of each of the various provincial payday loan regulators that regulate the Cash Store business to notify them of the Transaction and Sale Approval Order and enclosed a copy of the Sale Approval Order. Copies of the letters, without enclosures, are attached hereto as Exhibit "C".

11. I also engaged in discussions about the Transaction with representatives of Consumer Protection BC, the Manitoba Consumer Protection Office and Service Nova Scotia and Municipal Relations.

12. In addition, I met with a representative of the Ontario Attorney General and the Ontario Registrar appointed under the *Payday Loans Act, 2008* (the "**Ontario Registrar**") on November 12, 2014 to discuss the Transaction and certain other matters relating to the Applicants' business and collection activities in Ontario. Further details regarding this meeting are set out below.

#### **Transfer of Assigned Contracts, including Leases for Acquired Locations**

13. It is a condition precedent to Closing that the leases or other rights of occupation for a minimum threshold of the Acquired Locations be assigned to the Purchaser. The Asset Purchase

Agreement contemplates the assignment of certain Assigned Contracts on consent or, if consent is not provided, pursuant to Section 11.3 of the CCAA.

14. The Sale Approval Order approved a process pursuant to which the Purchaser and the Applicants would seek the consent of the counterparties to Assigned Contracts to the assignment of such Contracts. If the Monitor approves the assignment, but the counterparty refuses to consent, then the non-consenting party will be served with an Assigned Contract Notice. Such non-consenting parties will then have 14 calendar days to serve their responding motion record setting out their objection to the assignment of the Assigned Contract. Failure to serve a responding motion record in time will result in the assignment of such Assigned Contract set out in the Sale Approval Order becoming effective on the date of the Monitor's Certificate, without further right of comeback.

15. The Transaction contemplates the assignment of a large number of Assigned Contracts. I have worked with my counsel and management at Cash Store to compile a list of the counterparties to these proposed Assigned Contracts. Discussions with counterparties to Assigned Contracts have commenced.

16. In addition, the Applicants and the Purchaser have been negotiating with landlords of Acquired Locations where the lease for such Acquired Location has already expired or is about to expire. To date, the Applicants have negotiated temporary lease extensions with approximately six landlords and intend to execute agreements memorializing these temporary lease extensions in the upcoming weeks. In addition, the Applicants have granted permission to an agent of the Purchaser to negotiate, on the Purchaser's behalf, certain extensions or other amendments to leases of Acquired Locations provided that such amendments cannot bind the

Applicants, I will have an opportunity to review the amendment prior to execution and any amendments are conditional upon and not effective until Closing of the Transaction has occurred.

### **Transfer of Agreement with Echelon**

17. Cash Store has entered into an agreement with Echelon General Insurance Company (“Echelon”), pursuant to which Echelon offers a payment protection plan to Cash Store’s customers in exchange for a premium equal to a percentage of their outstanding balance. It is a condition precedent to Closing that this agreement be assigned to the Purchaser. Discussions with Echelon have commenced.

### **DirectCash Agreements**

18. DirectCash Management Inc. and its affiliates and related companies, including DirectCash Payments Inc., DirectCash ATM Processing Partnership and DirectCash ATM Management Partnership, as well as DirectCash Bank and its affiliates and related companies (all collectively “DirectCash”) provide services to Cash Store that are integral to Cash Store’s operations. It is a condition precedent to Closing that either:

- (a) the Purchaser shall have entered into one or more agreements with DirectCash (on terms and conditions reasonably satisfactory to the Purchaser) that allow the Purchaser to continue to operate the Business, as it was conducted prior to Closing, at each of the Acquired Locations; or
- (b) (i) a critical supplier order be granted that requires DirectCash to continue to perform under its contracts with the Applicants for such period as is required in

the Transition Services Agreement at each of the Acquired Locations, and (ii) the Purchaser and the Applicants shall have entered into the Transition Services Agreement (which shall be mutually satisfactory), whereby the Purchaser shall have the benefit of the Applicants' agreements with DirectCash in accordance with the terms of such Transition Services Agreement, to allow the Purchaser to continue to operate the Business, as it was conducted prior to Closing, at each of the Acquired Locations.

19. On November 6, 2014, my counsel and I met with the CEO of DirectCash, and his counsel. We discussed arrangements to facilitate the transition of the Purchased Assets to the Purchaser. We also discussed the possibility of DirectCash entering into arrangements directly with the Purchaser.

20. Through discussions with the CFO of the Purchaser and the CEO of DirectCash, I was able to arrange a meeting between the Purchaser and DirectCash on November 17, 2014. I did not attend the meeting in order to allow the parties to discuss transition arrangements and a possible longer term business relationship. I am advised by both parties that the meeting was positive and that a constructive dialogue occurred.

#### **Transition Services Agreement**

21. It is a condition precedent to Closing that the Purchaser and the Applicants shall have entered into a transition services agreement pursuant to which Cash Store will assist with the management of the in store point of sale system, record keeping related to all Accounts Receivable and certain other matters. The objective of the Transition Services Agreement is to provide essential operational and back office support post-Closing to enable a smooth transition

to the Purchaser. Pursuant to the proposed Transition Services Agreement, Cash Store will provide the Purchaser with services to facilitate the uninterrupted transfer and continued operation of the Acquired Locations. These services include services related to human resources and payroll functions, accounting processes, and information technology requirements in Acquired Locations until they are migrated onto the Purchaser's systems. A form of the Transition Services Agreement was approved by this Honourable Court as part of its approval of the Transaction in the Sale Approval Order.

22. Since the date of the Sale Approval Order, the Applicants and the Purchaser have engaged in a number of discussions regarding the scope of transition services that will be required and the pricing of such transition services. I anticipate that the Transition Services Agreement will be executed in the near term. In addition, the Applicants and the Purchaser have scheduled weekly conference calls to discuss transition issues.

### ***The Need for Further DIP Financing***

23. As I reported in my affidavit dated September 24, 2014 (the "**Seventh Aziz Affidavit**"), upon my appointment as CRO, I consulted with the Monitor and Rothschild Inc. ("**Rothschild**") to develop a process to solicit bids for a new Debtor-in-Possession ("**DIP**") loan facility. Cash Store subsequently negotiated an amended and restated debtor-in-possession term sheet (the "**Amended DIP Facility**") with the Initial DIP Lenders and the Ad Hoc Committee (collectively, the "**DIP Lenders**"). A copy of the Seventh Aziz Affidavit without exhibits is attached as Exhibit "D" to this affidavit.

24. On May 17, 2014, this Honourable Court approved the Amended DIP Facility. A copy of the Amended and Restated DIP Term Sheet without schedules or signature pages is attached as

Exhibit “E” to this affidavit. Cash Store drew down the full DIP Advances permitted by the Amended DIP Facility.

25. On August 7, 2014, this Honourable Court approved an amendment to the Amended DIP Facility (the “**Further Amended DIP Facility**”). A copy of the Amending Agreement to Amended and Restated Debtor-in-Possession Term Sheet without schedules or signature pages is attached as Exhibit “F” to this affidavit. Cash Store drew down the full DIP Advances permitted by the Further Amended DIP Facility.

26. On September 29, 2014, this Honourable Court approved an amendment to the Further Amended DIP Facility (the “**Second Further Amended DIP Facility**”). A copy of the Amending and Waiver Agreement to Amended and Restated Debtor-in-Possession Term Sheet without schedules or signature pages is attached as Exhibit “G” to this Affidavit. Cash Store drew down the full DIP Advances permitted by the Second Further Amended DIP Facility.

27. As of the date of this affidavit, it is anticipated that Cash Store will require an injection of further DIP financing on or before December 5, 2014 to continue going concern operations and attempt to complete the Transaction in an effort to maximize value for all stakeholders. Based on current cash flow projections, Cash Store will require additional DIP financing during the week ending December 5, 2014 in order to have sufficient funds to deploy to its customers, pay rent and payroll and other obligations. I understand that updated cash flow projections will be attached to the Monitor’s Twelfth Report to be filed prior to the hearing of this motion.

28. From my review of the current cash flow projections, I believe that the funds provided pursuant to the Third Amending Agreement (the “**Third Further Amended DIP Facility**”) will provide sufficient liquidity to allow Cash Store to operate as a going concern during the



proposed extended Stay Period (ending February 27, 2014). The Third Further Amended DIP Facility is critical, as it is projected to provide Cash Store with the necessary liquidity to continue to work to complete the conditions precedent to the Transaction to achieve a value maximizing going concern outcome. Absent an immediate injection of cash, Cash Store will be unable to meet payroll, rent and other expenses coming due during the Stay Period (if extended by this Honourable Court as requested in this motion) and will be forced to shut down its operations or significantly curtail lending, with a significant loss of employment and disruption to those who rely on its services. Such a shut-down will also likely cause a material impairment of Cash Store's ability to complete a value maximizing transaction pursuant to the Sale Process.

### ***Description of the Third Further Amended DIP Facility***

29. The Third Amending Agreement establishing the Third Further Amended DIP Facility contemplates a "Fourth Extension Option" of \$7 million to be made available to the Applicants in accordance with its terms. Should the Fourth Extension Option be requested and funded in full, the total amount of principal owing under the DIP Facility would be \$25 million.

30. With respect to the Fourth Extension Option, the DIP Lenders agreed to extend additional funding to the Applicants in a manner similar to the Second Extension Option and the Third Extension Option, which were the subject of the Amending Agreement and Further Amended DIP Facility approved by this Honourable Court on August 7, 2014, and the Amending and Waiver Agreement and Second Further Amended DIP Facility approved by this Honourable Court on September 29, 2014, respectively. In particular:

- (a) Cash Store Financial is the borrower under the Third Further Amended DIP Facility (as it was under the Amended DIP Facility, the Further Amended DIP Facility, and the Second Further Amended DIP Facility);
- (b) The Third Further Amended DIP Facility is guaranteed by the same entities that guaranteed the Initial DIP Facility, the Amended DIP Facility, the Further Amended DIP Facility and the Second Further Amended DIP Facility; however, the UK Companies (as defined in the Seventh Aziz Affidavit) are not party to the Third Amending Agreement;
- (c) The Third Further Amended DIP Facility provides that upon Cash Store's request the DIP Lenders may make DIP Advances (as defined in the Third Further Amended DIP Facility) available pursuant to the Fourth Extension Option (as defined in the Third Amending Agreement) of \$7 million (the "**Fourth Extension Amount**") in accordance with the following procedure:
  - (i) I, in my capacity as CRO, will deliver a written request for funding which will specify the amount requested, supported by a cash flow forecast and such other information reasonably requested by the DIP Lenders (the "**Draw Request**");
  - (ii) The Draw Request will be limited to the amount Cash Store requires for the two-week period immediately following the draw date in order to operate in the ordinary course; and

- (iii) A committee comprised of certain of the DIP Lenders (the “**Lender Committee**”) will consider each Draw Request and may, in its sole and unfettered discretion, consent to such request. Members of the Lender Committee holding more than 51% of the aggregate commitments of all members of the Lender Committee must agree to the Draw Request. Additionally, Coliseum and one of two specific Ad Hoc Committee members on the Lender Committee must agree to any Draw Request in order to approve a DIP Advance.

31. Pursuant to the Third Amending Agreement, Cash Store has agreed to pay the DIP Lenders an Amendment Fee of \$87,500, as well as a DIP financing fee of 5% of the Fourth Extension Amount.

32. The Third Amending Agreement does not seek to alter the DIP Priority Charge granted pursuant to the Initial Order, which secures all post-filing advances from the DIP Lenders. Pursuant to the Order of this Honourable Court dated April 30, 2014 (the “**TPL Protection Order**”), without further order of the Court, the Property (as defined in the Initial Order) does not include any new TPL Brokered Loans (as defined in the Initial Order) and proceeds therefrom.

33. It is a condition precedent to the availability of the Third Further Amended DIP Facility that the order sought to approve the Third Amending Agreement be in form and substance satisfactory to the DIP Lenders.

34. I have continued to work closely with Cash Store’s financial advisors, the Monitor and the financial advisor to the DIP Lenders and the Ad Hoc Committee with respect to Cash Store’s

funding needs. A procedure similar to the Draw Request and Lender Committee approval provided for in the Third Further Amended DIP Facility was used by the parties pursuant to the Further Amended DIP Facility and the Second Further Amended DIP Facility, reflects a continued collaborative approach, and will allow for an ongoing dialogue with respect to the short-term funding needs of the Applicants as they continue to work towards closing the Transaction. The flexibility of the method of actual DIP Advances will allow the Applicants to borrow what is actually needed on a periodic basis and will allow the Applicants and the DIP Lenders to react to any changes (either positive or negative) to the cash flows forecasts.

### ***Other Amendments to the DIP Facility***

35. The Third Amending Agreement extends the maturity date of the Third Further Amended DIP Facility. The Further Amended DIP Facility and the Amended DIP Facility contemplated a maturity date that was the earlier of (i) the date on which a demand is made following the occurrence of any Event of Default which is continuing; (ii) 180 days from the date of the Initial Order (Saturday, October 11, 2014); (iii) the date an Approved Transaction is consummated; and (iv) the date on which the Stay Period expires or on which the CCAA Proceedings are terminated. The Second Amending Agreement extended the maturity date of the Second Further Amended DIP Facility to be the earlier of paragraphs (i), (iii) or (iv) above or November 28, 2014. The Third Amending Agreement extends the maturity date from November 28, 2014 to February 27, 2015.

### ***Distribution to DIP Lenders on Closing***

36. The Second Further Amended DIP Facility, the Third Further Amended DIP Facility and the Third Amending Agreement require that a portion of the net proceeds of the Transaction will

immediately be distributed to the DIP Lenders to repay amounts borrowed by Cash Store Financial pursuant to the DIP Facility. The Third Further Amended DIP Facility states that Cash Store Financial shall, at the option of the DIP Lenders, make mandatory prepayments of the DIP obligations in an amount equal to 100% of the net cash proceeds of any sale or disposition of any of its Property outside the ordinary course of business. The Transaction falls within this category of Mandatory Prepayments. It is an event of default not to make a Mandatory Prepayment when required. As a result, after closing, the Applicants will use part of the proceeds of the Transaction to repay any outstanding DIP Obligations at that time, without any further Court attendance. The Applicants will give notice to the service list of the obligation to make a distribution to the DIP Lenders when this affidavit is served. A draft of the email regarding service of the materials and disclosing the future distribution to the DIP Lenders is attached as Exhibit "H" to this affidavit.

### ***Update Regarding Ontario Collections Issues***

37. On February 12, 2014, the Ontario Superior Court of Justice declared the Applicants' basic line of credit product to be a payday loan and therefore subject to the Ontario *Payday Loans Act, 2008*. In subsequent days, the Applicants received notices from the Ontario Registrar of the Ontario Registrar's proposal to refuse to grant the Applicants a lender's license under the *Payday Loans Act, 2008*. On March 27, 2014, the Ontario Registrar issued a final notice that he was refusing to issue the Applicants a lender's license. The Applicants had previously surrendered their payday lending licenses in Ontario. As a result of the Ontario Superior Court

decision and the notices issued by the Ontario Registrar, the Applicants were prohibited from making further advances available under their basic line of credit product in Ontario.<sup>2</sup>

38. Under the Ontario *Payday Loans Act, 2008*, there are certain circumstances where a borrower will only be required to repay the principal amount borrowed from the lender and will not be required to pay the cost of borrowing associated with the amount borrowed. For example, the borrower is not required to pay the cost of borrowing where the lender is not licensed under the Ontario payday lending regime. The Applicants therefore informed the Ontario Registrar that they would not collect interest or fees owing in respect of the basic line of credit after February 12, 2014 (the date of the decision of the Ontario Superior Court of Justice).

39. It recently came to my attention that the Applicants' internal systems have caused certain portions of the cost of borrowing to be embedded in and to appear as principal in the Applicants' records. When a customer received an advance in respect of the Applicants' basic line of credit product, certain interest and fees associated with that advance were capitalized at the time the advance was made. The Applicants' records therefore indicated that customers had a principal balance outstanding that included certain amounts associated with the cost of borrowing and the fact that certain fees were included in the principal was not readily apparent to the Cash Store associates responsible for collecting funds. As a result, the Applicants have accepted payment of such capitalized amounts as part of the principal repaid by the customers.

40. After I learned that part of the cost of borrowing was capitalized in the principal amount recorded as owing by customers, I instructed the Applicants to cease collecting any funds in

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<sup>2</sup> For further details regarding these matters, see paragraphs 93-102 of the affidavit of Steven Carlstrom sworn April 14, 2014, which is available on the Monitor's website and from CRO's counsel on request.

Ontario. On November 12, 2014, my counsel, Cash Store's Chief Regulatory Compliance Officer, the Monitor and I met with a representative of the Attorney General of Ontario and the Ontario Registrar and explained the situation.

41. The Applicants have agreed to work with a representative of the Attorney General of Ontario, the Ontario Registrar, the Ontario Registrar's regulatory staff and other applicable stakeholders to develop a process to address this error. In addition, the Applicants are working to recalculate the amount of principal actually owing by customers and to eliminate from the balance any capitalized amounts associated with the cost of borrowing.

### ***Approval of Litigation Counsel Retainer on Behalf of Cash Store***

42. It has become clear that Cash Store Financial may have claims that can be advanced against certain former officers and/or directors, advisors, third party lenders and other parties. These potential claims are in addition to any transfer at undervalue or preference claims advanced by the Monitor. I have therefore retained Thornton Grout Finnigan LLP and Voorheis & Co LLP (collectively, "**Litigation Counsel**") to investigate whether such claims have merit and to advance such claims on behalf of the Applicants.

43. Cash Store Financial and Litigation Counsel have negotiated an engagement agreement that provides for a cost-efficient approach to the use of the estate's assets (the "**Litigation Counsel Retainer**"). In particular, the Litigation Counsel Retainer provides for the funding by Cash Store Financial of a trust account with \$1 million by March 31, 2015. In addition, the Litigation Counsel Retainer provides for a contingency fee arrangement pursuant to which Litigation Counsel's fees will be based on a percentage of any recovery from any litigation

pursued by Litigation Counsel at Cash Store Financial's instruction. Cash Store Financial would remain responsible for disbursements and any adverse cost awards.

44. As an alternative to these funding arrangements, I have the discretion at any time to negotiate and implement arrangements with one or more third parties (which may include members of the Ad Hoc Committee) whereby such parties will, among other things, fund all disbursements, will indemnify Cash Store Financial and Litigation Counsel for adverse costs awards.

45. I am seeking the Court's approval of the Litigation Counsel Retainer.

46. A copy of the retainer agreement is attached as Exhibit "I" to this affidavit.

### ***Insolvency Proceedings of RTF Financial Holdings Inc.***

47. On October 8, 2014, PricewaterhouseCoopers Inc. was appointed receiver of RTF Financial Holdings Inc. ("RTF") pursuant to an order of the Alberta Court of the Queen's Bench. Certain of RTF's principals are former members of the senior management of Cash Store Financial and Cash Store Financial has a minority equity interest in RTF. In addition, Cash Store Financial has previously provided certain financial and other services to RTF under the terms of a services agreement with RTF. For a period of time, RTF's back office functions were performed out of Cash Store Financial's head office by members of Cash Store Financial's staff. As a result, a large number of RTF documents are stored on Cash Store Financial's premises, at storage facilities rented by Cash Store Financial or on Cash Store Financial's servers.

48. Under the terms of the receivership order issued by the Alberta Court of the Queen's Bench, I am required to advise the receiver of the existence of any books, documents, securities,



contracts, orders, corporate and accounting records and any other papers, records and information of any kind related to the affairs of RTF, including electronic records, in the possession of Cash Store Financial and to provide such books and records to PricewaterhouseCoopers, Inc.

49. I was notified of the receivership proceedings of RTF on October 14, 2014. Since October 14, 2014, I have directed the Applicants, with the assistance of the Monitor, to search for and deliver to the receiver and its counsel any and all books and records that are the property of RTF. This is a laborious process. The Applicants have discovered a large number of documents that are or may be RTF books and records; however, there are a large number of Cash Store documents intermingled with the RTF documents. With the assistance of the Monitor, Cash Store is reviewing the documents in its possession to ensure that the documents sent to PricewaterhouseCoopers Inc. are in fact RTF documents. Several large sets of both physical and electronic documents have been delivered to PricewaterhouseCoopers Inc. to date and the Applicants are endeavouring to ensure that all documents that are the property of RTF are delivered to PricewaterhouseCoopers Inc. in the near term. I am hopeful that this process will be complete by the end of November.

### ***Update Regarding Secondary Sale Process***

50. The Applicants have commenced a marketing process for the majority of the locations that are not part of the Transaction (such marketing process, the “**Secondary Sale**” and the branches so marketed, the “**Secondary Sale Branches**”). Rothschild, on behalf of the Applicants, contacted sixteen parties who had previously expressed interest in purchasing all or part of the Applicants’ business. Ten of the sixteen parties had previously executed non-

disclosure agreements with the Applicants. On November 4, 2014, Rothschild sent to these nine of these ten parties a request for binding proposals for the purchase of any or all of the Secondary Sale Branches and also sent the same request to the tenth party on November 7, 2014 (this last party had previously worked together with another potential buyer but informed Rothschild of its intent to bid on its own on November 7, 2014). Also on November 4, 2014, Rothschild sent non-disclosure agreements to five of the remaining six interested parties. One party executed an additional NDA and received a request for proposals. All parties who were subject to an NDA received access to the Applicants' virtual data room for the Secondary Sale.

51. The Secondary Sale request for proposals expressly stated that the majority of the Secondary Sale Branches were being sold without associated Accounts Receivable. The Secondary Sale materials included a list of all Secondary Sale Branches available for purchase. The list noted which Secondary Sale Branches could be acquired with the Accounts Receivable associated with such Secondary Sale Branch (*i.e.*, Secondary Sale Branches that are also Excluded AR Locations as defined in the Asset Purchase Agreement). In response to the Secondary Sale request for proposals, the Applicants have received four bids for an acquisition of some of the Secondary Sale Branches. Rothschild is engaging in discussions with the bidders to clarify aspects of their bids. I will provide a further update on the Secondary Sale process in a subsequent affidavit.

### ***Stay Extension***

52. The Applicants were granted protection from their creditors under the CCAA pursuant to the Initial Order. The Initial Order granted, *inter alia*, a stay of proceedings until May 14, 2014, or such later date as this Honourable Court may order (the "**Stay Period**").

53. On May 13, 2014, the Stay Period was extended until May 16, 2014 and was subsequently extended until May 19, 2014. On May 17, 2014, this Honourable Court extended the Stay Period until and including June 17, 2014, or such later date as this Honourable Court may order. On June 16, 2014, this Honourable Court extended the Stay Period until and including August 15, 2014, or such later date as this Honourable Court may order. On August 7, 2014, this Honourable Court extended the Stay Period until and including September 30, 2014, or such later date as this Honourable Court may order. On September 29, 2014, this Honourable Court extended the Stay Period until and including November 28, 2014, or such later date as this Honourable Court may order.

54. 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 activities outlined above, I have, among other things:

- (a) Continued to communicate with the Applicants' various payday regulators;
- (b) Continued to work with senior management with respect to the ongoing business operations of Cash Store and the management of the company's cash resources;
- (c) Responded to a number of inquiries from the Applicants' stakeholders;
- (d) Engaged in multiple discussions and correspondence with the Purchaser and its representatives with respect to steps necessary to facilitate Closing the Transaction and transition services to be provided thereafter;
- (e) Engaged, through counsel, in multiple discussions and correspondence with the Competition Bureau with respect to the Transaction;


- (f) Disclaimed the leases associated with 118 Instalozans and Cash Store branches that were not profitable and were not desired by any potential purchaser approached during or otherwise engaged in the Sale Process or the Secondary Sale process;
- (g) Engaged, through counsel, in multiple discussions and correspondence with landlords and counsel to landlords who had question about or objections to the lease disclaimers;
- (h) Terminated the employment of a number of employees employed at the locations for which the leases were disclaimed and provided such employees approximately 30 days working notice;
- (i) Participated in multiple discussions regarding the appeal of the TPL Decision, which was heard on November 18, 2014;
- (j) Engaged, through counsel, in correspondence relating to the receivership of RTF;
- (k) Engaged in multiple discussions with the Alberta Securities Commission regarding an investigation of the Applicants;
- (l) Negotiated the Third Amending Agreement to the DIP;
- (m) Instructed Rothschild to seek proposals of the Secondary Sale and to engage in further discussions with parties who submitted bids;
- (n) Worked closely with the Monitor with respect to all aspects of Cash Store's restructuring under the CCAA; and
- (o) Engaged Litigation Counsel.


55. The extension of the Stay Period is requested to permit the Applicants, the CRO, the Monitor and the Purchaser to work to satisfy the conditions precedent to Closing the Transaction. The length of the extension requested is also required to give the Applicants additional time to satisfy certain transition services obligations of the Applicants to provide the Purchaser with a period of time to complete the transition of the Purchased Assets to the Purchaser's systems; to permit the Applicants to continue the Secondary Sale process; and to deal with other estate issues. It is necessary and in the best interests of the Applicants and their stakeholders that the Stay Period be extended and the Applicants afforded the "breathing space" provided by the CCAA as they attempt to restructure their affairs.

56. From my review of the current cash flow projections, I believe that the funds provided pursuant to the Third Further Amended DIP Facility will provide sufficient liquidity to allow Cash Store to operate as a going concern during the proposed extended Stay Period.

I believe that it is appropriate to extend the Stay Period to February 27, 2015 and that the Applicants have acted and continue to act in good faith and with due diligence in these CCAA proceedings. It is my understanding that the extension of the Stay Period to February 27, 2015 is supported by the DIP Lenders, the Ad Hoc Committee and the Monitor.

SWORN BEFORE ME at the City of  
Toronto, in the Province of Ontario this  
18<sup>th</sup> day of November, 2014.

  
\_\_\_\_\_  
COMMISSIONER FOR TAKING AFFIDAVITS  
Patrick Brester

  
\_\_\_\_\_  
WILLIAM E. AZIZ

**TAB A**

**THIS IS EXHIBIT "A" TO THE AFFIDAVIT  
OF WILLIAM E. AZIZ SWORN BEFORE ME  
ON THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2014.**



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A commissioner for taking Affidavits

*Patrick Priesker*

**AMENDING AGREEMENT  
TO AMENDED AND RESTATED DEBTOR-IN-POSSESSION TERM SHEET**

**THIS AMENDING AGREEMENT** is made as of the \_\_\_\_\_ day of November, 2014 (the **Amending Agreement**)

**AMONG:**

The Cash Store Financial Services Inc. (the **Borrower**),

-and-

7252331 Canada Inc., 5515433 Manitoba Inc., Instaloes Inc., The Cash Store Inc., TCS Cash Store Inc., 1693926 Alberta Ltd., The Cash Store Financial Limited, CSF Insurance Services Limited and The Cash Store Limited (the "**Guarantors**"),

-and-

The other signatories hereto (collectively, the **DIP Lenders**)

**WHEREAS** the Borrower, the Guarantors and the DIP Lenders are party to that certain Amended and Restated Debtor-in-Possession Term Sheet dated as of May 20, 2014, as amended as of August 7, 2014 and as of September 29, 2014 (the **DIP Agreement**);

**AND WHEREAS** the Borrower has requested, and the DIP Lenders are willing to agree, to amend the DIP Agreement as described below;

**NOW THEREFORE** for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

**Article 1 - INTERPRETATION**

1.1 All capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the DIP Agreement.

**Article 2 - AMENDMENTS**

2.1 The text in Paragraph (b) of the section of the DIP Agreement entitled "Maturity Date and Repayment" is deleted in its entirety and replaced with:

"(b) February 27, 2015;

2.2 The Section of the DIP Agreement entitled "DIP Facility and Maximum Amount" is hereby amended as follows:

(a) by inserting "; and if the Fourth Extension Option is exercised, CDN\$33,500,000" immediately following "CDN\$26,500,000" in the first paragraph of this section; and

(b) by inserting "or Fourth Extension Amount" immediately following the phrase "; provided, however, that the restrictions on the minimum quantum of the DIP Advances contained in this sentence shall not apply to any DIP Advances from the Second Extension Amount or Third Extension Amount" in the second paragraph of this section.



- 2.3 The DIP Agreement is hereby amended by inserting a new section immediately following the section entitled "Third Extension Option". The new section shall be entitled "Fourth Extension Option" and shall state the following:

"On or after November 21, 2014, the Borrower may request and, if requested, the DIP Lenders agree to provide, in such amounts as are set out opposite their names in Schedule "H" in respect of the Fourth Extension Amount, at the date the Fourth Extension Option is exercised by the Borrower, an additional aggregate commitment of CDN\$7,000,000 (the **Fourth Extension Amount**), which shall mature, together with the other Commitments provided under this term sheet, on the Maturity Date, and shall be on the terms and conditions as contemplated in this term sheet (the **Fourth Extension Option**).

Each DIP Lender understands that its proportionate share of the Commitments, its percentage of the vote in respect of any decision-making, determination of consent and its percentage of any fees tied to Commitments, may increase or decrease, as a result of the exercise of the Fourth Extension Option.

Notwithstanding any other provisions of this term sheet to the contrary, the Fourth Extension Amount shall only be made available, and the Borrower shall only be permitted to draw any portion of the Fourth Extension Amount as a DIP Advance, in accordance with the following procedures:

- (a) following written notice by the Borrower to the DIP Lenders that the Borrower is exercising the Fourth Extension Option, DIP Advances in respect of the Fourth Extension Amount shall only be made with authorization of the DIP Lenders, in accordance with the following steps:
  - (i) the CRO, on behalf of the Borrower shall deliver to the DIP Lenders (with a copy to NRF, Goodmans and the Monitor) a written request for funding (which request may be delivered by email). The request shall describe the amount of funding requested supported by: (i) a cash flow forecast reflecting expenditures reasonably expected to be incurred in the ordinary course; and (ii) such other information reasonably requested by the DIP Lenders (the **Draw Request**).
  - (ii) the Draw Request shall be limited to the amount of money reasonably believed by the Borrower to be required for the two week period immediately following the draw date in order to operate in the ordinary course and maintain the minimum cash balance prescribed in the TPL Protection Order or, in the event that paragraph 5 of the TPL Protection Order ceases to be in effect, a minimum cash balance of CDN\$3 million;
  - (iii) the Lender Committee shall be provided with a reasonable time period to review the Draw Request and shall be provided with any supporting information reasonably requested from the Borrower for that purpose; and
  - (iv) if determined appropriate in the sole and unfettered discretion of the members of the Lender Committee collectively holding more than 51% of the aggregate Commitments of all members of the Lender Committee (provided that such majority must also include at least one of either Beach Point Capital Management LP (on behalf of the AHC DIP Lenders) or MSD Credit Opportunity Master Fund, L.P. and must include Coliseum), the Lender Committee will provide its written consent (which written consent shall be delivered by written direction from the requisite

majority of members of the Lender Committee) to the CRO, on behalf of the Borrower, stating the amount of the permitted DIP Advance.

DIP Advances in respect of the Fourth Extension Amount shall be subject to satisfaction of the Funding Conditions other than the requirement to deliver a Drawdown Certificate.

In the case of any inconsistency between the provisions of this section entitled "Fourth Extension Option" and any other section of this term sheet, this section shall govern."

- 2.4 Paragraph (b) of the section of the DIP Agreement entitled "DIP Lenders' Commitments" is hereby amended by inserting the words "and if the Fourth Extension Option is exercised, shall be CDN\$25,000,000" immediately following the phrase "and if the Third Extension Option is exercised, shall be CDN\$18,000,000".
- 2.5 The section of the DIP Agreement entitled "DIP Financing Fee" is hereby amended by:
- (a) deleting the word "and" from the end of paragraph (d);
  - (b) deleting the "." at the end of paragraph (e) and inserting in its place "; and"; and
  - (c) adding a new paragraph (f) to this section, which shall state as follows:
 

"if the Fourth Extension Option is exercised, to the DIP Lenders in the amount of 5%, *pro rata* based upon their respective prescribed portion of the Commitment for the Fourth Extension Amount, which shall be fully earned and payable upon the date the Fourth Extension Option is exercised and shall be added to the outstanding principal balance of the loan and shall be due and payable on the Maturity Date."
- 2.6 Schedule "H" to the DIP Agreement shall be deleted in its entirety and replaced with a new Schedule "H" in the form attached hereto as Appendix "A".

### **Article 3 - AMENDMENT FEE**

- 3.1 In consideration of the amendments provided herein, the Borrower shall pay to the DIP Lenders a fee of CDN\$87,500 (the **Amendment Fee**). Such Amendment Fee shall be fully earned on the date hereof and added to the DIP Obligations. Such Amendment Fee shall be allocated to each of the DIP Lenders pro-rata in accordance with their respective Additional Commitments.

### **Article 4 - CONDITIONS TO EFFECTIVENESS**

- 4.1 The amendments set out in Article 2 of this Amending Agreement shall become effective upon satisfaction of the following conditions precedent:
- (a) The Loan Parties each delivering to the DIP Lenders their originally executed copy of this Amending Agreement; and
  - (b) The addition of the Amendment Fee to the DIP Obligations.

## Article 5 - MISCELLANEOUS

- 5.1 The Borrower shall pay all costs incurred by the DIP Lenders in preparing this Amending Agreement.
- 5.2 The execution, delivery and performance of this Amending Agreement shall not, except as expressly provided for herein, constitute an amendment of any provision of, or operate as an amendment of any right, power or remedy of the DIP Lenders under the DIP Agreement or any other DIP Credit Documentation.
- 5.3 On and after this date, each reference in the DIP Agreement to "this term sheet" or similar references in the DIP Credit Documentation and any and all other agreements, documents and instruments delivered by the Borrower or a Guarantor or any other Person shall mean and be a reference to the DIP Agreement as amended by this Amending Agreement. Except as specifically amended by this Amending Agreement, the DIP Agreement shall remain in full force and effect and is hereby ratified and confirmed.
- 5.4 This Amending Agreement shall be interpreted and the rights and liabilities of the parties hereto shall be determined in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- 5.5 Save as expressly amended by this Amending Agreement, all other terms and conditions of the DIP Agreement remain in full force and effect.
- 5.6 This Amending Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures provided by electronic transmission or facsimile shall be valid and binding.
- 5.7 In executing this Amending and Waiver Agreement and making any representation, warranty or certification hereunder or in the DIP Agreement, including any certification in a drawdown certificate, the CRO has inquired of the Borrower's senior management and has informed himself through and relied upon the results of such inquiry. The CRO has not examined any other person, reviewed any other document, or otherwise attempted to verify the accuracy or completeness of the information that has been provided to the CRO through the inquiries made of senior management. All representations, warranties and certifications made in respect of this Amending Agreement or the DIP Agreement, including in any drawdown certificate, are expressly qualified by the actual knowledge of the CRO based on the inquiries made to date by the CRO, and it is acknowledged by the DIP Lenders that the CRO shall have no personal liability whatsoever for the execution of this Amending Agreement, any matter contained in this Amending Agreement or any of the representations, warranties or certifications made in this Amending Agreement, the DIP Agreement or in any drawdown certificate; provided however that the CRO shall exercise the powers granted to the CRO under the Initial Order to cause the Loan Parties to perform their obligations and comply with their covenants hereunder. Nothing contained in the foregoing shall prevent the DIP Lenders from enforcing their rights against a Loan Party for any breach of a representation, warranty or covenant contained in this Amending Agreement or the DIP Agreement in accordance with the terms of the DIP Agreement.
- 5.8 This Amending Agreement and the amendments to the DIP Agreement described herein shall be binding upon each of the Loan Parties that has executed this Amending Agreement notwithstanding the fact that any of the English Entities have not executed this Amending Agreement.

*[Remainder of page intentionally left blank. Signature page follows.]*

**TAB B**

THIS IS EXHIBIT "B" TO THE AFFIDAVIT  
OF WILLIAM E. AZIZ SWORN BEFORE ME  
ON THIS 18<sup>TH</sup> DAY OF NOVEMBER, 2014.

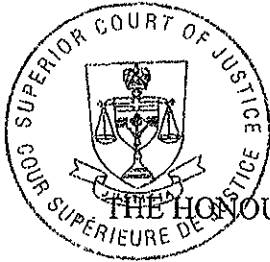


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A commissioner for taking Affidavits

*Patrick Riestor*

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



THE HONOURABLE  
JUSTICE MORAWETZ

*ONTARIO*  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

)  
)  
)

WEDNESDAY, THE 15th  
DAY OF OCTOBER, 2014

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

**APPROVAL AND VESTING ORDER**

**THIS MOTION**, made 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 approving the proposed sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Asset Purchase Agreement**") among the Applicants, as vendors, and National Money Mart Company (the "**Purchaser**"), as purchaser, made as of October 8, 2014, and appended in redacted form to the Affidavit of William E. Aziz dated October 8, 2014 (the "**Aziz Sale Approval Affidavit**"), and vesting in the Purchaser the Purchased Assets as defined in the Asset Purchase Agreement, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Aziz Sale Approval Affidavit, and the Eleventh Report of FTI Consulting Canada Inc. in its capacity as Monitor (the “**Monitor**”), and on hearing the submissions of counsel for BlueTree Advisors Inc. in its capacity as the Court-appointed Chief Restructuring Officer (the “**CRO**”) of the Applicants, the DIP Lenders (as defined in the Order of this Court dated August 7, 2014), the Monitor, the Ad Hoc Committee and such other counsel present, no other person appearing although duly served as appears from the affidavit of service sworn October 8, 2014:

**SERVICE**

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof, except as provided herein.

**DEFINITIONS**

2. THIS COURT ORDERS that all capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Aziz Sale Approval Affidavit or the redacted Asset Purchase Agreement attached thereto.

**APPROVAL OF ASSET PURCHASE AGREEMENT AND TRANSITION SERVICES**

**AGREEMENT**

3. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Asset Purchase Agreement by the CRO, for and on behalf of the Applicants, is hereby authorized and approved, with such minor amendments as the CRO, in consultation with the Monitor, may deem necessary. The Applicants, as directed by the CRO, are hereby authorized and directed to take such additional steps and execute such additional documents as

may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser or such other person(s) as the Purchaser may direct and the Monitor may agree.

4. THIS COURT ORDERS AND DECLARES that the acquisition of the Purchased Assets (including the loan portfolio, Customer Lists and Accounts Receivable) shall constitute the purchase of a “business” for the purposes of Section 10(12) of *An Act to promote the efficiency and adaptability of the Canadian economy by regulating certain activities that discourage reliance on electronic means of carrying out commercial activities, and to amend the Canadian Radio-television and Telecommunications Commission Act, the Competition Act, the Personal Information Protection and Electronic Documents Act and the Telecommunications Act* (Canada) and hereby assigns to the Purchaser any consents obtained by the Applicants from their customers that allow the Applicants to send marketing materials by telecommunications or other electronic means to such customers.

5. THIS COURT ORDERS that the Applicants shall serve notice of this Order on every party to the Assigned Contracts, except for parties who have consented to the assignment of the Assigned Contract in question (the “**Assigned Contract Notice**”), substantially in the form attached as Schedule A hereto. If a party to an Assigned Contract objects to the assignment of such Contract, then, on or before 14 calendar days after the date of service of the Assigned Contract Notice, which deadline may be extended by the CRO in consultation with the Monitor (the “**Notice Effective Date**”), such parties to Assigned Contracts shall serve a responding motion record setting out their objections to the assignment on every party to the Assigned Contract, the Monitor and the CRO. Such disputes may be resolved by agreement between the



parties to the Assigned Contract, in consultation with the Monitor and the CRO, or by an order of the Court.

6. THIS COURT ORDERS that if a party to an Assigned Contract who is served with an Assigned Contract Notice and neither consents to the assignment of such Assigned Contract nor serves a responding motion record objecting to the assignment of such Assigned Contract on or before the Notice Effective Date, then the assignment of such party's Assigned Contract provided for herein shall be deemed effective on the date the Monitor's Certificate is filed, and without any further right of comeback (the "**Section 11.3 Assigned Contracts**").

7. THIS COURT ORDERS AND DECLARES that upon the delivery of a Monitor's certificate to the Purchaser substantially in the form attached as Schedule B hereto (the "**Monitor's Certificate**"), all of the Purchased Assets (other than amounts owing in respect of Third Party Loans), including, without limitation, (a) any Section 11.3 Assigned Contracts and any other Assigned Contracts for which all parties consent to the assignment, including leases of real property; and (b) any Books and Records (including, any and all Customer Lists); and (c) with respect to amounts owing in respect of Third Party Loans, the Applicants' right, title and interest in and to such amounts, shall vest, without further instrument of transfer or assignment, absolutely in the Purchaser, free and clear of and from any and all ownership claims, security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, pledges, trusts, constructive trusts or deemed trusts (whether contractual, statutory, or otherwise), encumbrances, obligations, liabilities, claims (including, without limitation, any claim based on any theory that the Purchaser is a successor or continuation of the Applicants or the Business), demands, guarantees, restrictions, contractual commitments, rights, including without limitation, rights of first refusal and rights of set-off, liens, executions, levies, charges, or other financial or monetary

claims, adverse claims, or rights of use, puts or forced sale provisions exercisable as a consequence of or arising from closing of the Transaction, whether arising prior to or subsequent to the commencement of the CCAA proceedings, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured, legal, equitable, possessory or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Morawetz dated April 14, 2014, as amended and restated April 15, 2014, and any subsequent charges created by the Court; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule C hereto (all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the Permitted Encumbrances and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby released, extinguished, expunged and discharged as against the Purchased Assets.

8. THIS COURT ORDERS that upon delivery of the Monitor’s Certificate all of the rights and obligations of the Applicants under the Section 11.3 Assigned Contracts shall be assigned to the Purchaser pursuant to Sections 2.5 and 9.2 of the Asset Purchase Agreement and pursuant to Section 11.3 of the CCAA; provided, however, that if the Purchaser, in accordance with Section 2.6 of the Asset Purchase Agreement, provides written notice to the Applicants that it no longer desires to acquire certain Purchased Assets or Acquired Locations and such Purchased Assets or Acquired Locations constitute Excluded Assets at the Closing, then the rights and obligations of the Applicants under any contracts associated with such Purchased Assets or Acquired Locations, regardless of whether they would otherwise be Section 11.3 Assigned Contracts, shall not be assigned to the Purchaser.

9. THIS COURT ORDERS that the assignment of the rights and obligations of the Applicants under the Section 11.3 Assigned Contracts to the Purchaser pursuant to Sections 2.5 and 9.2 of the Asset Purchase Agreement and pursuant to this Order is valid and binding upon all of the counterparties to the Section 11.3 Assigned Contracts so assigned, without further documentation, as if the Purchaser was a party to such Section 11.3 Assigned Contracts, notwithstanding any restriction or prohibition contained in any such Section 11.3 Assigned Contracts relating to the assignment thereof, including any provision requiring the consent of any party to the assignment.

10. THIS COURT ORDERS that each counterparty to the Section 11.3 Assigned Contracts assigned pursuant to this Order is permanently prohibited from exercising any right or remedy under such Section 11.3 Assigned Contracts, including termination of such Contracts, by reason of any defaults thereunder arising from these CCAA proceedings or the insolvency of the Applicants, the assignment of the Section 11.3 Assigned Contracts to the Purchaser, or any failure of the Applicants to perform a non-monetary obligation under such Section 11.3 Assigned Contracts, or as a result of any actions taken pursuant to or as a result of the Asset Purchase Agreement, including the assignment of the Section 11.3 Assigned Contracts. All notices of default and demands given in connection with any such defaults under, or non-compliance with such Section 11.3 Assigned Contracts, including any non-compliance with any covenant, warranty, representation, term, provision, condition or obligation, expressed or implied in any assigned Section 11.3 Assigned Contract, shall be deemed to have been waived and/or rescinded, as the case may be, and shall be of no further force or effect.

11. THIS COURT ORDERS that as a condition of the Closing, all existing monetary defaults in relation to the assigned Section 11.3 Assigned Contracts, other than those arising by reason of

the Applicants' insolvency, the commencement of these CCAA proceedings, or the Applicants' failure to perform a non-monetary obligation, shall be paid in accordance with Section 2.5 of the Asset Purchase Agreement.

12. THIS COURT ORDERS that notwithstanding anything contained in this Order, nothing shall derogate from the obligations of the Purchaser (and such other person(s) as the Purchaser may direct and the Monitor may agree) to assume the Assumed Liabilities, including the Accounts Payable and the Accrued Liabilities, and to perform its obligations under the Assigned Contracts, as set out in the Asset Purchase Agreement.

13. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Monitor's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

14. THIS COURT ORDERS AND DIRECTS the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.

15. THIS COURT ORDERS that the Purchaser shall be entitled to a first priority charge (the "**Purchaser's Charge**") over the funds paid to the Monitor by the Purchaser in respect of the AR Purchase Amount, the TPL Purchase Amount and the PE&D Purchase Amount to serve as security for the payment of any Purchase Price adjustment in respect of the AR Purchase Amount, TPL Purchase Amount or PE&D Purchase Amount owing to the Purchaser pursuant to

Section 3.5 of the Asset Purchase Agreement. The Purchaser's Charge shall be deemed to be discharged when the Final Closing Statement is finally determined and any amounts the Applicants are required to pay to the Purchaser in respect of the Final Closing Statement are paid.

16. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Monitor and/or CRO is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Applicants' employees, including personal information of those employees listed on Schedule 4.9 to the Asset Purchase Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Applicants.

17. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Applicants and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Applicants;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicants and shall not be void or voidable by creditors of the Applicants, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other

reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

18. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario) and any equivalent legislation in any other jurisdiction in which all or any part of the Purchased Assets are located.

19. THIS COURT ORDERS that the execution of the Transition Services Agreement by the CRO, substantially in the form attached to the Aziz Sale Approval Affidavit, for and on behalf of the Applicants, is hereby authorized and approved, with minor amendments as the Applicants, at the direction of the CRO and in consultation with the Monitor, may deem necessary. The Applicants, at the direction of the CRO, are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable to carry out the terms of the Transition Services Agreement.

#### **APPROVAL OF MONITOR'S REPORT**

20. THIS COURT ORDERS that the Tenth Report of the Monitor dated September 25, 2014, and the Monitor's activities described therein are hereby approved.

#### **SEALING**

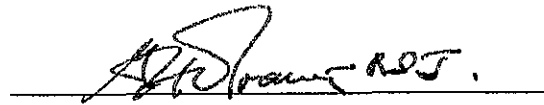
21. THIS COURT ORDERS that the Confidential Exhibit to the Eleventh Report shall be sealed, kept confidential and not form part of the public record, but rather shall be placed, separate and apart from all other contents of the Court file, in a sealed envelope attached to a notice that sets out the title of these proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon further Order of the Court.

**GENERAL PROVISIONS**

22. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the CRO, the Applicants, the Monitor and their agents in carrying out the terms of this Order. All courts, tribunals, and regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants, and to the CRO and the Monitor as officers of this Court, as may be necessary or desirable to give effect to this Order or to assist the Applicants, the CRO, the Monitor and their agents in carrying out the terms of this Order.

23. THIS COURT ORDERS that each of the Applicants, the CRO and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

24. THIS COURT ORDERS that this Order shall have full force and effect in all provinces and territories in Canada.



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ENTERED AT / INSCRIT A TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO.:

OCT 15 2014



**Schedule A – Form of Assigned Contract Notice**

**ASSIGNED CONTRACT NOTICE**

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

***Re: Your Contract with The Cash Store Financial Services Inc. or other Applicants (the "Assigned Contract")***

**PLEASE TAKE NOTICE** that the Applicants obtained a Court Order pursuant to Section 11.3 of the *Companies' Creditors Arrangement Act* (Canada) ("**CCAA**") dated October ●, 2014 (the "**Approval and Vesting Order**"), enclosed herewith. The Approval and Vesting Order approves the proposed Transaction (as defined in the Approval and Vesting Order), which contemplates that the Assigned Contract will be assigned from The Cash Store Financial Services Inc. or other Applicant(s), as the case may be, to the Purchaser.

Because you have not consented to the assignment of the Assigned Contract, the Applicants hereby provide you with notice of the Approval and Vesting Order. Pursuant to paragraph 5 of the Approval and Vesting Order, if you object to the assignment of the Assigned Contract to the Purchaser, then **within 14 calendar days** from the date of service of this Notice (the "**Assigned Contract Notice**"), which deadline may be extended by the Chief Restructuring Officer ("**CRO**") appointed in these proceedings in consultation with the Monitor appointed in these proceedings (the "**Notice Effective Date**"), **you must serve a responding motion record** setting out your objections to the assignment on every party to the Assigned Contract, the Monitor and the CRO.

If you fail to serve a responding motion record objecting to the assignment of such Assigned Contract on or before the Notice Effective Date, then, pursuant to paragraph 6 of the Approval and Vesting Order, the Assigned Contract shall be assigned to the Purchaser effective on the date the Monitor's Certificate (as defined in the Approval and Vesting Order) is filed, without any further right of comeback, without further documentation, and notwithstanding any restriction or prohibition contained in any such Assigned Contract relating to the assignment thereof, including any provision requiring the consent of any party to the assignment (the "**Section 11.3 Assigned Contracts**"); provided, however, that if the Purchaser, in accordance with Section 2.6 of the Asset Purchase Agreement, provides written notice to the Applicants that it no longer desires to acquire certain Purchased Assets or Acquired Locations and such Purchased Assets or Acquired Locations constitute Excluded Assets at the Closing, then the rights and obligations of the Applicants under any contracts associated with such Purchased Assets or Acquired Locations, regardless of whether they would otherwise be Section 11.3 Assigned Contracts, shall not be assigned to the Purchaser.



- 2 -

In addition, pursuant to paragraph 10 of the Approval and Vesting Order, each counterparty to an assigned Section 11.3 Assigned Contract is prohibited from exercising any right or remedy under such Section 11.3 Assigned Contract by reason of any defaults thereunder arising from these CCAA proceedings or the insolvency of the Applicants, the assignment of such Section 11.3 Assigned Contracts or any failure of the Applicants to perform a non-monetary obligation under the Section 11.3 Assigned Contracts, or as a result of any actions taken pursuant to or as a result of the Asset Purchase Agreement. All notices of default and demands given in connection with any such defaults under or non-compliance with such Section 11.3 Assigned Contracts shall be deemed to have been rescinded and shall be of no further force or effect.

Finally, pursuant to paragraph 11 of the Approval and Vesting Order, all existing monetary defaults in relation to an assigned Section 11.3 Assigned Contract, other than those arising by reason of the Applicants' insolvency, the commencement of these CCAA proceedings, or the Applicants' failure to perform a non-monetary obligation, shall be paid in accordance with Section 2.5 of the Asset Purchase Agreement.

Contact information for the Monitor and CRO are set out in the table below. You can find additional information about these CCAA proceedings on the Monitor's website at: <http://cfcanada.fticonsulting.com/cashstorefinancial/>

<i>Party/Counsel</i>	<i>Address/Email Address</i>	<i>Telephone</i>	<i>Facsimile</i>
<b>FTI Consulting Canada Inc.</b> (Monitor)	TD Waterhouse Tower 79 Wellington Street West Suite 2010, P.O. Box 104 Toronto ON M4K 1G8  Greg Watson Email: <a href="mailto:greg.watson@fticonsulting.com">greg.watson@fticonsulting.com</a>  Jeff Rosenberg Email: <a href="mailto:jeffrey.rosenberg@fticonsulting.com">jeffrey.rosenberg@fticonsulting.com</a>	416.649.8077	416.649.8101
<b>McCarthy Tétrault</b> (Monitor's counsel)	Suite 5300, TD Bank Tower Box 48, 66 Wellington Street West Toronto ON M5K 1E6  James Gage Email: <a href="mailto:jgage@mccarthy.ca">jgage@mccarthy.ca</a>  Heather Meredith Email: <a href="mailto:hmeredith@mccarthy.ca">hmeredith@mccarthy.ca</a>	416.362.1812	416.868.0673
<b>BlueTree Advisors Inc.</b> (CRO)	Bill Aziz Email: <a href="mailto:baziz@bluetreadvisors.com">baziz@bluetreadvisors.com</a>	905.849.4332	905.849.4248

- 3 -

<i>Party/Counsel</i>	<i>Address/Email Address</i>	<i>Telephone</i>	<i>Facsimile</i>
<b>Osler Hoskin &amp; Harcourt LLP (CRO's counsel)</b>	P. O. Box 50, 1 First Canadian Place Toronto ON M5X 1B8  Marc Wasserman Email: <a href="mailto:mwasserman@osler.com">mwasserman@osler.com</a>  Jeremy Dacks Email: <a href="mailto:jdacks@osler.com">jdacks@osler.com</a>  Patrick Riesterer Email: <a href="mailto:priesterer@osler.com">priesterer@osler.com</a>	416.362.2111	416.862.6666

**Schedule B – Form of Monitor’s Certificate**

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

**MONITOR’S CERTIFICATE**

**RECITALS**

- A. Pursuant to an Order of the Honourable Justice Morawetz of the Ontario Superior Court of Justice (the “**Court**”) dated April 14, 2014, as amended and restated April 15, 2014, FTI Consulting Canada Inc. was appointed as the monitor (the “**Monitor**”) in connection with the CCAA proceedings.
- B. Pursuant to an Order of the Court dated October ●, 2014 (the “**Approval and Vesting Order**”), the Court approved the agreement of purchase and sale (the “**Asset Purchase Agreement**”) among the Applicants, as vendors, and National Money Mart Company (the “**Purchaser**”), as purchaser, made as of October 8, 2014, and provided for the vesting in the Purchaser of the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in Article 7 and Article 8 of the Asset Purchase Agreement have been satisfied or waived by the Applicants and the Purchaser; and (iii) the Transaction has closed to the satisfaction of the Monitor, in consultation with the CRO.
- C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Asset Purchase Agreement.

- 2 -

THE MONITOR CERTIFIES the following:

1. The Purchaser has paid and the Monitor has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Asset Purchase Agreement;
2. The conditions to Closing as set out in Article 7 and Article 8 of the Asset Purchase Agreement have been satisfied or waived by the Applicants and the Purchaser; and
3. The contracts listed on the attached Schedule have been assigned by the Applicants to the Purchaser either with the consent of the counterparty to such contracts or pursuant to the procedures set out in paragraphs 5 and 6 of the Approval and Vesting Order with respect to assigned Section 11.3 Assigned Contracts.
4. The Transaction has been completed to the satisfaction of the Monitor.
5. This Certificate was delivered by the Monitor at \_\_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

**FTI Consulting Canada inc., in its capacity as  
Monitor of The Cash Store Financial  
Services, Inc. ("Cash Store Financial") and its  
affiliated companies The Cash Store Inc.,  
TCS - Cash Store Inc., Instalans Inc.,  
7252331 Canada Inc., 5515433 Manitoba Inc.,  
and 1693926 Alberta Ltd. doing business as  
"The Title Store", and not in its personal  
capacity**

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

Name:

Title:

**Schedule C – Claims to be released, discharged and expunged from Purchased Assets upon delivery of the Monitor’s Certificate**

Nil

**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

**SALE APPROVAL AND VESTING ORDER**

**OSLER, HOSKIN & HARCOURT LLP**

1 First Canadian Place  
P.O. Box 50  
Toronto, ON M5X 1B8

**Marc Wasserman** LSUC#44066M  
Tel: (416) 862-4908

**Jeremy Dacks** LSUC# 41851R  
Tel: (416) 862-4923  
Fax: (416) 862-6666

Counsel to the Chief Restructuring Officer of the  
Applicants

**TAB C**

**THIS IS EXHIBIT "C" TO THE AFFIDAVIT  
OF WILLIAM E. AZIZ SWORN BEFORE ME  
ON THIS 18<sup>th</sup> DAY OF NOVEMBER, 2014.**



---

A commissioner for taking Affidavits

*Patrick Krestler*





October 22, 2014

Delivered by Email to [Tayt.Winnitoy@consumerprotectionbc.ca](mailto:Tayt.Winnitoy@consumerprotectionbc.ca)

Mr. Tayt Winnitoy  
 Vice President, Operations  
 Consumer Protection BC  
 PO Box 9244  
 Victoria, BC V8W 9J2

Dear Mr. Winnitoy,

**RE: The Cash Store Financial Services Inc. and for its subsidiaries**

The Cash Store Financial Services Inc. ("CSF"), on its own behalf and on behalf of its subsidiaries The Cash Store Inc. and Instaloans Inc. (collectively, the "Companies"), obtained approval from the Ontario Superior Court of Justice (the "Court") on Wednesday, October 15, 2014 to enter into a binding agreement (the "Agreement") to sell a portion of its business and assets (the "Transaction") to National Money Mart Company ("Money Mart"). The Transaction includes a purchase by Money Mart of certain of the Companies' locations, and most of its accounts receivable and customer lists. A copy of the Court order approving the Transaction is enclosed.

As you may be aware, the Companies and certain of their affiliates have been conducting a sale process supervised by the Court pursuant to the *Companies' Creditors Arrangement Act* ("CCAA"). Money Mart submitted its proposal in accordance with the sale process.

Rothschild Inc., the Company's financial advisor, and I, in consultation with the Court-appointed Monitor, FTI Consulting Canada Inc. (the "Monitor"), have determined that the bid submitted by Money Mart was the most favourable bid received, and we therefore selected it as the successful bid pursuant to the terms of the sale process and brought it forward for Court approval.

The Agreement and the completion of the Transaction remain subject to certain regulatory approvals and the satisfaction of certain closing conditions customary to transactions of this nature.



The Cash Store Financial Services Inc.  
 15511 - 123 Avenue Edmonton, AB Canada T5V 0C3  
 Phone: 780.408.5110 Fax: 780.408.5122  
 TSX:CSF NYSE:CSFS  
[www.csfinancial.ca](http://www.csfinancial.ca)



Letter to Gary DeMers  
March 5, 2014  
Page 2 of 2

The Companies will continue to operate in the ordinary course and, if regulatory approvals are obtained, will continue to operate in the ordinary course until a number of conditions have been satisfied. Once the conditions to closing are satisfied, it is anticipated that ownership of the purchased assets will vest in Money Mart pursuant to a mechanism established in the Court order.

The current expectation is that the Transaction will be completed by late 2014 or early 2015, following regulatory approval.

I would welcome an opportunity to discuss the Transaction with you on in the near future and will make myself available at your convenience.

Yours truly,

A handwritten signature in cursive script that reads "William E. Aziz".

William E. Aziz  
Chief Restructuring Officer  
The Cash Store Financial Services Inc.

Encl.



October 20, 2014

Delivered by Email to [darren.thomas@gov.ab.ca](mailto:darren.thomas@gov.ab.ca)

Mr. Darren Thomas  
Director of Fair Trading  
Service Alberta, Consumer Programs  
10155 – 102 Street  
Edmonton, Alberta T5J 4L4

Dear Mr. Thomas,

**RE: The Cash Store Financial Services Inc. and for its subsidiaries**

The Cash Store Financial Services Inc. ("CSF"), on its own behalf and on behalf of its subsidiaries The Cash Store Inc. and Instaloans Inc. (collectively, the "Companies"), obtained approval from the Ontario Superior Court of Justice (the "Court") on Wednesday, October 15, 2014 to enter into a binding agreement (the "Agreement") to sell a portion of its business and assets (the "Transaction") to National Money Mart Company ("Money Mart"). The Transaction includes a purchase by Money Mart of certain of the Companies' locations, and most of its accounts receivable and customer lists. A copy of the Court order approving the Transaction is enclosed.

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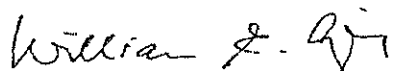
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I would welcome an opportunity to discuss the Transaction with you on in the near future and will make myself available at your convenience.

Yours truly,



William E. Aziz  
Chief Restructuring Officer  
The Cash Store Financial Services Inc.

Encl.



October 22, 2014

Delivered by Email to [angela.fraser@gov.sk.ca](mailto:angela.fraser@gov.sk.ca)

Ms. Angela Fraser  
 Audit Manager  
 Saskatchewan Financial and Consumer Affairs Authority  
 Consumer Credit Divisions (Payday Lending)  
 Suite 601, 1919 Saskatchewan Drive  
 Regina, SK, S4P 4H2

Dear Ms. Fraser,

**RE: The Cash Store Financial Services Inc. and for its subsidiaries**

The Cash Store Financial Services Inc. ("CSF"), on its own behalf and on behalf of its subsidiaries The Cash Store Inc. and Instalozans Inc. (collectively, the "Companies"), obtained approval from the Ontario Superior Court of Justice (the "Court") on Wednesday, October 15, 2014 to enter into a binding agreement (the "Agreement") to sell a portion of its business and assets (the "Transaction") to National Money Mart Company ("Money Mart"). The Transaction includes a purchase by Money Mart of certain of the Companies' locations, and most of its accounts receivable and customer lists. A copy of the Court order approving the Transaction is enclosed.

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Rothschild Inc., the Company's financial advisor, and I, in consultation with the Court-appointed Monitor, FTI Consulting Canada Inc. (the "Monitor"), have determined that the bid submitted by Money Mart was the most favourable bid received, and we therefore selected it as the successful bid pursuant to the terms of the sale process and brought it forward for Court approval.



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March 5, 2014  
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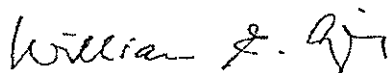
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Yours truly,

A handwritten signature in black ink that reads "William E. Aziz". The signature is written in a cursive style with a large initial "W" and "A".

William E. Aziz  
Chief Restructuring Officer  
The Cash Store Financial Services Inc.

Encl.



October 22, 2014

Delivered by Email to [gail.anderson@gov.mb.ca](mailto:gail.anderson@gov.mb.ca)

Ms. Gail Anderson  
 Director  
 Manitoba Healthy Living, Seniors and Consumer Affairs  
 Consumer Protection Office  
 302 - 258 Portage Avenue  
 Winnipeg, Manitoba R3C 0B6

Dear Ms. Anderson,

**RE: The Cash Store Financial Services Inc. and for its subsidiaries**

The Cash Store Financial Services Inc. ("CSF"), on its own behalf and on behalf of its subsidiaries The Cash Store Inc. and Instaloans Inc. (collectively, the "Companies"), obtained approval from the Ontario Superior Court of Justice (the "Court") on Wednesday, October 15, 2014 to enter into a binding agreement (the "Agreement") to sell a portion of its business and assets (the "Transaction") to National Money Mart Company ("Money Mart"). The Transaction includes a purchase by Money Mart of certain of the Companies' locations, and most of its accounts receivable and customer lists. A copy of the Court order approving the Transaction is enclosed.

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Letter to Gary DeMers  
March 5, 2014  
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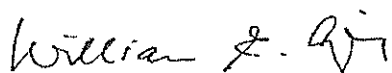
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I would welcome an opportunity to discuss the Transaction with you on in the near future and will make myself available at your convenience.

Yours truly,



William E. Aziz  
Chief Restructuring Officer  
The Cash Store Financial Services Inc.

Encl.





October 22, 2014

Delivered by Email to [Gary.DeMers@ontario.ca](mailto:Gary.DeMers@ontario.ca)

Mr. Gary DeMers  
 Registrar, *Payday Loans Act, 2008*  
 Ministry of Consumer Services  
 Consumer Protection Branch  
 5775 Yonge Street, Suite 1500  
 Toronto, ON M7A 2E5

Dear Mr. DeMers,

**RE: The Cash Store Financial Services Inc. and for its subsidiaries**

The Cash Store Financial Services Inc. ("CSF"), on its own behalf and on behalf of its subsidiaries The Cash Store Inc. and Instal loans Inc. (collectively, the "Companies"), obtained approval from the Ontario Superior Court of Justice (the "Court") on Wednesday, October 15, 2014 to enter into a binding agreement (the "Agreement") to sell a portion of its business and assets (the "Transaction") to National Money Mart Company ("Money Mart"). The Transaction includes a purchase by Money Mart of certain of the Companies' locations, and most of its accounts receivable and customer lists. A copy of the Court order approving the Transaction is enclosed.

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Rothschild Inc., the Company's financial advisor, and I, in consultation with the Court-appointed Monitor, FTI Consulting Canada Inc. (the "Monitor"), have determined that the bid submitted by Money Mart was the most favourable bid received, and we therefore selected it as the successful bid pursuant to the terms of the sale process.

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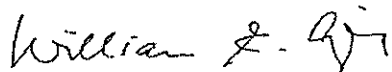
Letter to Gary DeMers  
March 5, 2014  
Page 2 of 2

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Yours truly,



William E. Aziz  
Chief Restructuring Officer  
The Cash Store Financial Services Inc.

c. Jeffrey Ludlow  
Counsel to the Registrar, *Payday Loans Act, 2008*  
Legal Services Branch, Ministry of Consumer Services  
77 Wellesley Street West, 6th Floor  
Toronto ON M7A 1N3

Encl.



October 22, 2014

Delivered by Email to [COFFINCM@gov.ns.ca](mailto:COFFINCM@gov.ns.ca)

Mr. Mark Coffin  
 Deputy Registrar of Credit  
 Service Nova Scotia and Municipal Relations  
 Program Management and Corporate Services Division  
 1505 Barrington St., PO Box 1003, 8 South Maritime Centre  
 Halifax, NS B3J 2X1

Dear Mr. Coffin,

**RE: The Cash Store Financial Services Inc. and for its subsidiaries**

The Cash Store Financial Services Inc. ("CSF"), on its own behalf and on behalf of its subsidiaries The Cash Store Inc. and Instaloans Inc. (collectively, the "Companies"), obtained approval from the Ontario Superior Court of Justice (the "Court") on Wednesday, October 15, 2014 to enter into a binding agreement (the "Agreement") to sell a portion of its business and assets (the "Transaction") to National Money Mart Company ("Money Mart"). The Transaction includes a purchase by Money Mart of certain of the Companies' locations, and most of its accounts receivable and customer lists. A copy of the Court order approving the Transaction is enclosed.

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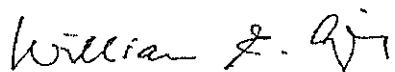
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I would welcome an opportunity to discuss the Transaction with you on in the near future and will make myself available at your convenience.

Yours truly,




William E. Aziz  
Chief Restructuring Officer  
The Cash Store Financial Services Inc.

Encl.

**TAB D**

**THIS IS EXHIBIT "D" TO THE AFFIDAVIT  
OF WILLIAM E. AZIZ SWORN BEFORE ME  
ON THIS 18<sup>th</sup> DAY OF NOVEMBER, 2014.**

  
\_\_\_\_\_  
A commissioner for taking Affidavits  
*Patrick Priestler*

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

**AFFIDAVIT OF WILLIAM E. AZIZ**  
 (Sworn September 25, 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:

- (a) approving the Amending and Waiver Agreement to Amended and Restated Debtor-in-Possession Term Sheet (the "Second Amending Agreement"), substantially in the form attached as Exhibit "A" to this affidavit, entered into

- 2 -

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 certain members of the *ad hoc* committee of holders of the Applicants' 11 ½% senior secured notes (the "Ad Hoc Committee") and certain related relief; and

- (b) extending the stay of proceedings against the Applicants until November 28, 2014.

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, which was subsequently amended by a letter dated July 17, 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") made in respect of the Applicants' proceedings under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA").

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 officers, advisors and/or employees of Cash Store as well as the Monitor, as necessary, and where I have relied on information from such discussions, I believe such information to be true.



### ***The Need for Further DIP Financing***

5. Upon my appointment as CRO, I consulted with the Monitor and Rothschild Inc. (“Rothschild”) to develop a process to solicit bids for a new Debtor-in-Possession (“DIP”) loan facility. Cash Store subsequently negotiated an amended and restated debtor-in-possession term sheet (the “Amended DIP Facility”) with the Initial DIP Lenders and the Ad Hoc Committee (collectively, the “DIP Lenders”).
6. On May 17, 2014, this Honourable Court approved the Amended DIP Facility. A copy of the Amended and Restated DIP Term Sheet without schedules or signature pages is attached as Exhibit “B” to this affidavit.
7. Cash Store drew down the full \$6 million of the first tranche of additional funding available under the Amended DIP Facility. Cash Store also exercised the Extension Option (as defined in the Amended DIP Facility), which was accepted and funded by the DIP Lenders, to provide an additional \$2 million of liquidity to Cash Store.
8. On August 7, 2014, this Honourable Court approved an amendment to the Amended DIP Facility (the “Further Amended DIP Facility”). A copy of the Amending Agreement to Amended and Restated Debtor-in-Possession Term Sheet without schedules or signature pages is attached as Exhibit “C” to this affidavit.
9. The Further Amended DIP Facility contained a Second Extension Option pursuant to which Cash Store could obtain a further \$5 million of liquidity. Cash Store requested and the DIP Lenders funded the full \$5 million of the Second Extension Option in accordance with the terms of the Further Amended DIP Facility. In particular, Cash Store requested a DIP draw of \$2 million on August 10, 2014; a DIP draw of \$1 million on August

- 4 -

24, 2014; and a DIP draw of \$2 million on September 8, 2014. The DIP Lenders subsequently permitted funds to be withdrawn from the Trust Account established in respect of the Further Amended DIP Facility shortly after each DIP draw request was made.

10. Cash Store requires an immediate injection of further DIP financing in order to continue going concern operations and attempt to complete a sale of Cash Store's business pursuant to the Court-approved Sale Process in an effort to maximize enterprise value for all stakeholders. Based on current cash flow projections, Cash Store will require additional DIP Financing during the week ending October 3, 2014 in order to pay rent and payroll and other obligations. I understand that updated cash flow projections will be attached to the Monitor's Tenth Report to be filed prior to the hearing of this motion.

11. From my review of the current cash flow projections, I believe that the funds provided pursuant to the Second Amending Agreement (the "Second Further Amended DIP Facility") will provide sufficient liquidity to allow Cash Store to operate as a going concern during the proposed extended Stay Period (defined below) should the Third Extension Option (described below) be requested and funded. The Second Further Amended DIP Facility is critical, as it is projected to provide Cash Store with the necessary liquidity to continue to negotiate a sale transaction to achieve a value maximizing going concern outcome. Absent an immediate injection of cash, Cash Store will be unable to meet payroll, rent and other expenses coming due during the Stay Period and will be forced to shut down its operations, with a significant loss of employment and disruption to those who rely on its services. Such a shut-down will also likely cause a material impairment of Cash Store's ability to complete a value maximizing transaction pursuant to the Sale Process.

### ***Description of Second Further Amended DIP Facility***

12. The Second Amending Agreement establishing the Second Further Amended DIP Facility contemplates two sources of funding to provide liquidity to Cash Store:

- (a) the waiver of the requirement that the Applicants make a mandatory prepayment in the amount of the Tax Refund received by the Applicants from the Tax and Revenue Administration (Alberta) on September 12, 2014; and
- (b) a “Third Extension Option” of \$5 million to be made available to the Applicants in accordance with its terms;

13. With respect to the first source of funding – the Tax Refund – on September 12, 2014, the Applicants received a tax refund from the Tax and Revenue Administration (Alberta) in the amount of \$1,257,334.80 (the “September Tax Refund”). The Further Amended DIP Facility requires Cash Store Financial to make a mandatory prepayment of outstanding DIP Obligations immediately upon receipt of any Tax Refund (as defined in the Further Amended DIP Facility), if, after doing so, Cash Store Financial will have sufficient remaining cash and other assets to satisfy all its obligations for Priority Payables (as defined in the Further Amended DIP Facility). The September Tax Refund falls within the definition of Tax Refund in the Further Amended DIP Facility.

14. Pursuant to the Second Amending Agreement, the DIP Lenders have agreed to waive the requirement to make a mandatory prepayment to the DIP Lenders in the amount of the September Tax Refund to permit Cash Store Financial to use the September Tax Refund for operating purposes.

- 6 -

15. With respect to the second source of funding -- the Third Extension Option -- the DIP Lenders agreed to extend additional funding to the Applicants in a manner similar to the Second Extension Option, which was the subject of the Amending Agreement and Further Amended DIP Facility approved by this Honourable Court on August 12, 2014. In particular:

- (a) Cash Store Financial is the borrower under the Second Further Amended DIP Facility (as it was under the Amended DIP Facility and the Further Amended DIP Facility);
- (b) The Second Further Amended DIP Facility is guaranteed by the same entities that guaranteed the Initial DIP Facility, the Amended DIP Facility and the Further Amended DIP Facility; however, the UK Companies (defined below) are not party to the Second Amending Agreement;
- (c) The Second Further Amended DIP Facility provides that upon Cash Store's request the DIP Lenders may make DIP Advances (as defined in the Second Further Amended DIP Facility) available pursuant to the Third Extension Option (as defined in the Second Amending Agreement) of \$5 million (the "Third Extension Amount") in accordance with the following procedure:
  - (i) I, in my capacity as CRO, will deliver a written request for funding which will specify the amount requested, supported by a cash flow forecast and such other information reasonably requested by the DIP Lenders (the "Draw Request");

- 7 -

- (ii) The Draw Request will be limited to the amount Cash Store requires for the two week period immediately following the draw date in order to operate in the ordinary course; and
- (iii) A committee comprised of certain of the DIP Lenders (the "Lender Committee") will consider each Draw Request and may, in its sole and unfettered discretion, consent to such request. Members of the Lender Committee holding more than 51% of the aggregate commitments of all members of the Lender Committee must agree to the Draw Request. Additionally, Coliseum and one of two specific Ad Hoc Committee members on the Lender Committee must agree to any Draw Request in order to approve a DIP Advance.

16. Pursuant to the Second Amending Agreement, Cash Store has agreed to pay the DIP Lenders an Amendment and Waiver Fee of \$62,500, as well as a DIP financing fee of 5% of the Third Extension Amount.

17. The Second Amending Agreement does not seek to alter the DIP Priority Charge granted pursuant to the Initial Order, which secures all post-filing advances from the DIP Lenders. Pursuant to the Order of this Honourable Court dated April 30, 2014 (the "TPL Protection Order"), the Property (as defined in the Initial Order) does not include any new TPL Brokered Loans (as defined in the Initial Order) and proceeds therefrom.

18. It is a condition precedent to the availability of the Further Amended DIP Facility that the order sought to approve the Second Amending Agreement be in form and substance satisfactory to the DIP Lenders.

- 8 -

19. I have continued to work closely with Cash Store's financial advisors, the Monitor and the financial advisor to the DIP Lenders and the Ad Hoc Committee with respect to Cash Store's funding needs. A procedure similar to the Draw Request and Lender Committee approval provided for in the Second Further Amended DIP Facility was used by the parties pursuant to the Further Amended DIP Facility, reflects that collaborative approach, and will allow for an ongoing dialogue with respect to the short-term funding needs of the Applicants as they continue to work to bring a going concern sale transaction to this Honourable Court for approval. The flexibility of the method of actual DIP Advances will allow the Applicants to borrow what is actually needed on a periodic basis and will allow the Applicants and the DIP Lenders to react to any changes (either positive or negative) to the cash flows forecasts.

### ***Other Amendments to the DIP Facility***

20. The Second Amending Agreement also amends the Further Amended DIP Facility in light of the August 5, 2014, decision of Regional Senior Justice Morawetz in respect of the motions brought by 0678786 B.C. Ltd. ("McCann") and Trimor Annuity Focus Limited Partnership #5 ("Trimor") and a cross-motion of the DIP Lenders (the "TPL Decision"). Regional Senior Justice Morawetz dismissed McCann and Trimor's motions, declared them to be creditors of Cash Store, and declared the Applicants to be the beneficial owners of funds described as the Disputed Post-Filing Receipts. Regional Senior Justice Morawetz dismissed the DIP Lenders' cross-motion without prejudice to the DIP Lenders to renew their motion at a future date.

21. McCann and Trimor sought and obtained a stay pending appeal and subsequently obtained leave to appeal the TPL Decision. These appeals have not yet been heard or decided (the "TPL Appeals").

- 9 -

22. The Second Amending Agreement contemplates that, at the option of the DIP Lenders, if the Court of Appeal dismisses any of the TPL Appeals and/or if a settlement is entered into with respect to any of the TPL Appeals, then the Borrower shall make a mandatory prepayment of the DIP Obligations in an amount equal to 100% of the amounts subject to such settlement and/or dismissed TPL Appeal(s) (the "Repaid TPL Amount"). Irrespective of the outcome of the TPL Appeals, the DIP Lenders shall further have the option to require the Borrower to make a prepayment of the DIP Obligations in an amount equal to 100% of the September Tax Refund. However, if the Borrower prepays the Repaid TPL Amount, and such prepayment is higher than the amount of the September Tax Refund, then the Borrower shall not also be required to make a mandatory prepayment in the amount of the September Tax Refund. Conversely, if the Repaid TPL Amount is less than the amount of the September Tax Refund, the Borrower shall be required, at the option of the DIP Lenders, to make a mandatory prepayment of the difference, such that DIP Lenders receive the amount of the September Tax Refund at minimum.

23. Furthermore, the Second Amending Agreement extends the deadline for a Sale Approval Order and Plan Filing and Meeting Order from September 15, 2014 to October 31, 2014.

24. Finally, the Second Amending Agreement extends the maturity date of the Second Further Amended DIP Facility. The Further Amended DIP Facility and the Amended DIP Facility contemplated a maturity date that was the earlier of (i) the date on which a demand is made following the occurrence of any Event of Default which is continuing; (ii) 180 days from the date of the Initial Order (Saturday, October 11, 2014); (iii) the date an Approved Transaction is consummated; and (iv) the date on which the Stay Period expires or on which the

- 10 -

CCAA Proceedings are terminated. This maturity date has been amended to be the earlier of paragraphs (i) and (iii) above, (iii) November 28, 2014 or (iv) the date on which the Stay Period expires or on which the CCAA Proceedings are terminated.

### ***Update Regarding Wind Up of UK Companies***

25. On July 22, 2014, this Honourable Court authorized Cash Store Financial, through me, as CRO, and in consultation with the Monitor, to take all steps necessary with respect to The Cash Store Financial Limited ("Holdco UK") and The Cash Store Limited ("Opco UK") (collectively, the "UK Companies"), to, among other things, make demand for the repayment of amounts owing to it by the UK Companies and to apply to the High Court of Justice, Chancery Division (the "UK Court") to appoint an administrator over Opco UK and a liquidator over Holdco UK.

26. FTI Consulting LLP ("FTI UK") is now in the process of overseeing the administration of Opco UK.

27. On September 12, 2014, Cash Store Financial made demand on Holdco UK in order to commence the process to appoint a liquidator over Holdco UK. A copy of the demand letter is attached hereto as Exhibit "D". I will provide further information with respect to the proposed liquidation of Holdco UK and the administration of Opco UK in subsequent affidavits.

### ***Update Regarding Sale Process***

28. As outlined in my affidavit sworn August 6, 2014 ("the Sixth Aziz Affidavit"), I have continued to work closely with Rothschild and the Monitor to advance the Sale Process which was approved by Order of this Honourable Court, dated June 16, 2014. Cash Store is



- 11 -

continuing to work to bring an agreement for a going concern sale transaction to this Honourable Court for approval. Although I had anticipated being in a position to have a proposed sale transaction completed prior to requesting a further stay extension, it is now currently anticipated that the Applicants will be seeking further relief from this Honourable Court with respect to a proposed sale transaction during the proposed extended Stay Period.

### ***Stay Extension***

29. The Applicants were granted protection from their creditors under the CCAA pursuant to the Initial Order. The Initial Order granted, *inter alia*, a stay of proceedings until May 14, 2014, or such later date as this Honourable Court may order (the "Stay Period").

30. On May 13, 2014, the Stay Period was extended until May 16, 2014 and was subsequently extended until May 19, 2014. On May 17, 2014, this Honourable Court extended the Stay Period until and including June 17, 2014, or such later date as this Honourable Court may order. On June 16, 2014, this Honourable Court extended the Stay Period until and including August 15, 2014, or such later date as this Honourable Court may order. On August 7, 2014, this Honourable Court extended the Stay Period until and including September 30, 2014, or such later date as this Honourable Court may order.

31. The Applicants, under my direction as CRO, 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 pursuant to the court-approved sales process. In addition to the activities outlined in my previous affidavits, I have, among other things:

- (a) Continued to communicate with the Applicants' various regulators;

- 12 -


- (b) Continued to work with senior management with respect to the ongoing business operations of Cash Store and the management of the company's cash resources;
- (c) Closed certain Title Store locations;
- (d) Responded to a number of inquiries from the Applicants' stakeholders;
- (e) Participated in multiple discussions regarding the appeal of the TPL Decision;
- (f) Engaged in extensive discussions (directly or through Rothschild) with several bidders to discuss and clarify their bids;
- (g) Participated in negotiations of the Second Further Amended DIP Facility (as described above);
- (h) Participated in discussions and correspondence with FTI UK regarding the administration of Opco UK;
- (i) Made demand on Holdco UK;
- (j) Responded to various inquiries of the Monitor in respect of potential transfers at undervalue that may have occurred prior to the date of the Initial Order; and
- (k) Worked closely with the Monitor with respect to all aspects of Cash Store's restructuring under the CCAA.

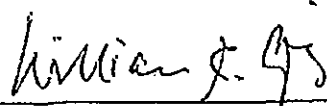
32. It is my belief that it is appropriate to extend the Stay Period to November 28, 2014 and that the Applicants, under my direction as CRO, have acted and continue to act in good faith and with due diligence in these CCAA proceedings. Should the Second Further Amended DIP Facility be approved by this Honourable Court and DIP Advances are provided

to Cash Store by the DIP Lenders pursuant to the Second Amending Agreement, it is forecast that the Applicants will have sufficient liquidity to continue operations during the proposed extended Stay Period.

33. Extending the Stay Period will allow the Applicants to continue to work in consultation with the Monitor toward the sale of the business with the objective of obtaining the best possible result for the benefit of all stakeholders. It is my understanding that the extension of the Stay Period to November 28, 2014 is supported by the DIP Lenders, the Ad Hoc Committee and the Monitor.

SWORN BEFORE ME at the city of Toronto, in the Province of Ontario this 25<sup>th</sup> day of September, 2014.

  
\_\_\_\_\_  
COMMISSIONER FOR TAKING AFFIDAVITS  
Patrick Riestere

}   
\_\_\_\_\_  
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., 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

AFFIDAVIT OF WILLIAM E. AZIZ

Osler, Hoskin & Harcourt LLP  
1 First Canadian Place  
P.O. Box 50  
Toronto, ON M5X 1B8

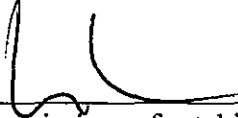
Marc Wasserman LSUC#44066M  
Tel: (416) 862-4908

Jeremy Dacks LSUC# 41851R  
Tel: (416) 862-4923  
Fax: (416) 862-6666

Counsel for the Chief Restructuring Officer

# TAB E

**THIS IS EXHIBIT "E" TO THE AFFIDAVIT  
OF WILLIAM E. AZIZ SWORN BEFORE ME  
ON THIS 18<sup>th</sup> DAY OF NOVEMBER, 2014.**



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A commissioner for taking Affidavits

*Patrick Hester*

## AMENDED AND RESTATED DEBTOR-IN-POSSESSION TERM SHEET

CDN\$14,500,000 Facility with the option of an additional CDN\$2,000,000

Dated as of May 20, 2014

**WHEREAS**, the DIP Lenders (as defined below) have agreed to provide funding to The Cash Store Financial Services Inc. in order to assist it in the context of the Borrower's (as defined below) and the Guarantors' (as defined below) proceedings under the *Companies' Creditors Arrangement Act* (Canada) (the CCAA) in accordance with the terms set out in this term sheet.

**NOW THEREFORE**, the parties, in consideration of the foregoing and the mutual agreements contained herein (the receipt and sufficiency of such consideration is hereby acknowledged), agree as follows:

**DEFINED TERMS:** Capitalised terms not defined in the body of this term sheet have the meaning ascribed to them in the Definitions section below.

**CONFIDENTIALITY:** This term sheet and the financing arrangements herein are delivered on the condition that each Loan Party (as defined below) and each of its affiliates, shall not disclose this term sheet or the substance of said proposed financing arrangements to any person or entity outside of their respective organizations, except to those professional advisors who are in a confidential relationship with them, or with the prior consent of the DIP Lenders.

**DIP BORROWER:** The Cash Store Financial Services Inc. (the Borrower).

**GUARANTORS:** 7252331 Canada Inc., 5515433 Manitoba Inc., Instaloans Inc., The Cash Store Inc., TCS Cash Store Inc., 1693926 Alberta Ltd., The Cash Store Financial Limited, CSF Insurance Services Limited and The Cash Store Limited (each a Guarantor and together the Guarantors).

The Borrower and the Guarantors (each a Loan Party and together the Loan Parties).

**DIP LENDERS:**

- (a) Coliseum Capital Partners, LP, Coliseum Capital Partners II, LP and Blackwell Partners, LLC (together Coliseum) and Alta Fundamental Advisers Master LP (Alta) (together with Coliseum, the Initial DIP Lenders);
- (b) MSD Credit Opportunity Master Fund, L.P., BulwarkBay Credit Opportunities Master Fund Ltd., LJR Capital, L.P., ALJ Capital I, L.P., ALJ Capital II, L.P., Royal Mail Pension Plan, Associated British Foods Pension Plan Scheme, BIS (Postal Services Act 2011) Company Limited, Beach Point SCF I LP, Beach Point SCF Multi-Port LP, and Beach Point Total Return Master Fund, L.P. (the AHC DIP Lenders); and
- (c) any financial institution, fund or other entity which has become a party to this term sheet in accordance with the Section below entitled "Assignment by the Lenders",

(each a **DIP Lender** and, collectively, the **DIP Lenders**).

**AGENT:**

An agent to be selected and appointed by the **DIP Lenders** (the **Agent**).

**FINANCE PARTIES  
RIGHTS AND  
OBLIGATIONS:**

- (a) The obligations of each Finance Party (as defined below) under the **DIP Credit Documentation** (as defined below) are several (and not joint and several). Failure by a Finance Party to perform its obligations under the **DIP Credit Documentation** does not affect the obligations of any other party under the **DIP Credit Documentation**. No Finance Party is responsible for the obligations of any other Finance Party under the **DIP Credit Documentation**.
- (b) The rights of each Finance Party under or in connection with the **DIP Credit Documentation** are separate and independent rights and any debt arising under the **DIP Credit Documentation** to a Finance Party from a Loan Party shall be a separate and independent debt.

Each **DIP Lender** shall fulfill its obligations, including its obligation to disburse its participation in the **DIP Facility**, directly to the Borrower (and not through the **Agent**).

**DIP LENDERS' DECISION-  
MAKING:**

**Majority Lenders** means:

- (a) if there are no **DIP Advances** (as defined below) then outstanding, a **DIP Lender** or **DIP Lenders** whose commitments aggregate more than 51% of the total **DIP Facility** (or, if the **DIP Facility** has been reduced to zero, aggregate more than 51% of the **DIP Facility** which remains undisbursed immediately prior to the reduction); and
- (b) at any other time, a **DIP Lender** or **DIP Lenders** whose participations in the **DIP Advances** then outstanding aggregate more than 51% of all the **DIP Advances** then outstanding.

In this term sheet, references to any decisions, determinations or directions to be made by the **DIP Lenders** or decisions, determinations or directions to be made in the sole discretion of the **DIP Lenders**, or consent to be given by the **DIP Lenders**, shall be construed as decisions, determinations or directions to be made, or consent to be given, by the **Majority Lenders** except with respect to the following decisions, determinations or directions which shall require the unanimous written consent of all **DIP Lenders**:

- (a) increasing the **Maximum Amount**;
- (b) decreasing the interest rates or fees applicable to the **DIP Obligations**;
- (c) extending the date for payment of principal, interest, fees



or any other amount relating to the DIP Facility;

- (d) amending the Maturity Date;
- (e) the subordination of the DIP Priority Charge or any other DIP Security (other than to (i) purchase money security interests created prior to the issuance of the Initial Order (PMSIs); or (ii) Priority Payables, including the Administration Charge and the Director's Charge but, with respect to the Director's Charge, only up to a maximum amount equal to \$1,250,000) or permitting new or existing indebtedness or security (other than Priority Payables, the TPL Protections, the KERP and the KERP Charge) to rank ahead of or *pari passu* with the DIP Obligations, the DIP Priority Charge or any other DIP Security;
- (f) the release or material amendment of the DIP Priority Charge or any other DIP Security;
- (g) the approval of an Approved Transaction with respect to which the proceeds of sale or the consideration payable is not sufficient to satisfy the DIP Obligations in full;
- (h) any waiver or amendment of the mandatory prepayments contemplated in paragraph (b) of the Section entitled "*Mandatory Prepayments*";
- (i) the availability of the Extension Option;
- (j) any amendment to items (a) above through (k) below; and
- (k) the issuance of any waiver of, or consent to, any of the matters set out in items (a) through (j) above (including, without limitation with regard to any Event of Default arising or resulting in connection therewith).

**PURPOSE AND  
PERMITTED PAYMENTS:**

The Borrower shall use available funds under the DIP Facility solely for the following purpose and in the following order (collectively, the **Permitted Payments**):

- (a) To repay all accrued and unpaid interest, including default interest, owing under the Initial Term Sheet;
- (b) For the payment of legal fees, financial advisory fees and other costs and expenses of the DIP Lenders incurred in connection with this term sheet, the other DIP Credit Documentation, the CCAA Proceedings (as defined below) and the transactions contemplated herein; and
- (c) To fund the Borrower's and Guarantors' immediate funding requirements during the CCAA Proceedings in accordance with the Cash Flow Projections (as defined below) and subject to the terms of this term sheet and any other DIP Credit Documentation.

**DIP FACILITY AND  
MAXIMUM AMOUNT:**

CDN\$14,500,000 and if the Extension Option is exercised, CDN\$16,500,000 (the **Maximum Amount**) super priority secured non-revolving credit facility (the **DIP Facility**). DIP Advances shall be made by the DIP Lenders to the Borrower and shall be deposited into a separate, segregated account of the Borrower with a financial institution approved by the DIP Lenders (the **Borrower's Account**). In addition, the amount made available under the DIP Facility shall not, at any time, exceed the Maximum Amount (as such amount was or shall be reduced by mandatory prepayments referred to, or contemplated under, this term sheet).

Advances under the DIP Facility will be made available to the Borrower by way of non-revolving loans denominated in Canadian Dollars (the **DIP Advances**). For so long as there is at least CDN\$1 million available under the DIP Facility, each DIP Advance shall be for an amount of no less than CDN\$1 million, and in multiples of CDN\$50,000, and, should there be less than CDN\$1 million remaining available under the DIP Facility, a DIP Advance shall be available in such remaining amount (the **Minimum Draw**).

The DIP Advance set out in a drawdown certificate (in substantially the form set out in **Schedule "B"**), (the **Drawdown Certificate**) shall be shared among each DIP Lender in proportion to each DIP Lender's share of the DIP Facility.

Any increase in the Maximum Amount shall be approved by all DIP Lenders and will be as agreed to between the parties to this term sheet following a review of the progress of the Loan Parties' CCAA Proceedings and the funding needs at the time. This shall not constitute an agreement by the DIP Lenders or any of them to provide funding in excess of the Maximum Amount.

**EXTENSION OPTION**

No earlier than June 13, 2014, the Borrower may request, and the DIP Lenders may provide, in such amounts as are in proportion to their existing Commitments on the date the Extension Option is exercised, an additional aggregate commitment of CDN\$2,000,000 (the **Extension Amount**), which shall mature, together with the other Commitments provided under this term sheet, on the Maturity Date, and shall be on the terms and conditions as contemplated in this term sheet (the **Extension Option**).

No DIP Lender shall be obligated to participate in such Extension Option and to the extent a DIP Lender elects not to exercise the right to participate in the Extension Option (such DIP Lender being a **Non-Exercising DIP Lender**), its right to provide the Commitments under the Extension Option may be exercised by the other DIP Lenders; provided, however, that, if the Non-Exercising DIP Lender is (i) an AHC DIP Lender, then the other AHC DIP Lenders shall have the right to exercise in priority to the other DIP Lenders; (ii) Alta, or its successors or assigns, then Coliseum shall have the right to exercise in priority to the other DIP Lenders; and (iii) Coliseum or its successors or assigns, then Alta shall have the right to exercise in priority to the other DIP Lenders.

Each DIP Lender understands that its proportionate share of the Commitments, its percentage of the vote in respect of any decision-making, determination of consent and its percentage of any fees tied to Commitments, may increase or decrease, as a result of the exercise by certain DIP Lenders of the Extension Option.

**AGENT AND DIP  
LENDERS' RECORDS**

The Agent shall maintain a register evidencing the indebtedness and obligations of the Loan Parties to each DIP Lender under this term sheet in respect of each DIP Advance, accrued interest and fees in respect of each and the amounts paid by each Loan Party to each DIP Lender from time to time.

Each DIP Lender shall maintain, in accordance with its usual practice, an account or accounts evidencing the indebtedness of the Loan Parties to such DIP Lender. If there is an inconsistency between the records of the Agent and the DIP Lenders, the Agent's register shall prevail.

The Borrower acknowledges and agrees that the Agent's register and records shall constitute evidence of the matters referred to above and that the failure of any DIP Lender or the Agent to make any entry or recording in a register shall not limit or affect the obligations of the Loan Parties under this term sheet or the DIP Obligations owed to the DIP Lenders.

**DIP LENDERS  
COMMITMENTS:**

The respective commitments of the DIP Lenders are as follows:

- (a) in relation to the Initial DIP Lenders, the amount set opposite its name under the heading "Initial DIP Lender Commitment" in **Schedule "H"**; and on the date of this term sheet the total Initial DIP Lender commitment fully disbursed under the Initial Term Sheet is CDN\$8,500,000 (the **Initial DIP Lender Commitment**) (which has been prepaid by the Borrower prior to the date of this term sheet);
- (b) in relation to each DIP Lender, the amount set opposite its name under the heading "Additional Commitments" in **Schedule "H"** and the amount of any other Additional Commitments transferred to it under this term sheet; and on the date of this term sheet, the aggregate of the total DIP Lenders commitments is CDN\$6,000,000 and if the Extension Option is exercised, shall be CDN\$8,000,000 (the **Additional Commitments**); and
- (c) in relation to any other DIP Lender, the amount of any of the Initial DIP Lender Commitment or Additional Commitment transferred to it under this term sheet and pursuant to an Assignment and Assumption Agreement substantially in the form of **Schedule "F"** of this term sheet,

in each case, and together, to the extent not cancelled, reduced or

transferred under this term sheet (the **Commitments**).

**FUNDING GAP RIGHT:**

The DIP Lenders shall have the right, but not the obligation to fund any shortfall of any DIP Advance requested from another DIP Lender, and such shortfall shall be funded by the DIP Lenders who choose to exercise such right (the **Exercising DIP Lenders**), *pro rata* based upon the aggregate commitments of all Exercising DIP Lenders.

**GUARANTEE:**

Each Guarantor irrevocably and unconditionally jointly and severally:

- (a) guarantees to each Finance Party punctual performance by the Borrower of the Borrower's indebtedness, obligations and liabilities arising under, or in connection with, the DIP Facility or under the DIP Credit Documentation;
- (b) undertakes with each Finance Party that whenever a Borrower does not pay any amount when due under or in connection with any DIP Credit Documentation, that Guarantor shall immediately on demand pay that amount as if it was the principal obligor; and
- (c) indemnifies each Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Finance Party would otherwise have been entitled to recover.

Continuing guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Loan Party under the DIP Credit Documentation, regardless of any intermediate payment or discharge in whole or in part.

Reinstatement

If any payment by a Loan Party or any discharge given by a Finance Party (whether in respect of the obligations of any Loan Party or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:

- (a) the liability of each Loan Party shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
- (b) each Finance Party shall be entitled to recover the value or amount of that security or payment from each Loan Party, as if the payment, discharge, avoidance or reduction had not occurred.

Waiver of defences

The obligations of each Guarantor under this Section will not be affected by an act, omission, matter or thing which, but for this Section, would reduce, release or prejudice any of its obligations under this Section (without limitation and whether or not known to it or any Finance Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Loan Party or other person;
- (b) the release of any other Loan Party or any other person under the terms of any composition or arrangement with any creditor of the Borrower or its affiliates;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Loan Party or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Loan Party or any other person;
- (e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any DIP Credit Documentation or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any DIP Credit Documentation or other document or security;
- (f) any unenforceability, illegality or invalidity of any obligation of any person under any DIP Credit Documentation or any other document or security; or
- (g) any insolvency or similar proceedings.

Immediate recourse

Each Guarantor waives any right it may have of first requiring any Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Guarantor under this Section. This waiver applies irrespective of any law or any provision of a DIP Credit Documentation to the contrary.

Until all amounts under the DIP Credit Documentation have been irrevocably paid in full, each Finance Party (or any trustee or agent on its behalf) may realise on any security or apply any moneys received by it in respect of those amounts in such manner and

order as it sees fit.

Deferral of Guarantors' rights

Until all amounts which may be or become payable by the Loan Parties under or in connection with the DIP Credit Documentation have been irrevocably paid in full and unless the Agent otherwise directs, no Guarantor will exercise any rights which it may have by reason of performance by it of its obligations under the DIP Credit Documentation:

- (a) to be indemnified by a Loan Party;
- (b) to claim any contribution from any other guarantor of any Loan Party's obligations under the DIP Credit Documentation; and/or
- (c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the DIP Credit Documentation or of any other guarantee or security taken pursuant to, or in connection with, the DIP Credit Documentation by any Finance Party.

If a Guarantor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Finance Parties by the Loan Parties under or in connection with the DIP Credit Documentation to be repaid in full on trust for the Finance Parties and shall promptly pay or transfer the same as the Agent may direct for application.

Additional security

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Finance Party.

**FUNDING CONDITIONS  
UNDER THE DIP FACILITY:**

After the Court (as defined below) issues the Initial Order or the Confirming DIP Order (as defined below) and upon the satisfaction of the additional conditions in this term sheet (together with paragraphs (a), (b) and (c) below the **Funding Conditions**), the DIP Lenders shall fund DIP Advances on the terms and conditions set out in this term sheet (the **DIP Funding**), provided, however, that the DIP Lenders shall not be obligated to provide any DIP Funding if any one or more of the following occurs:

- (a) the Initial Order or the Confirming DIP Order has been vacated, stayed or otherwise caused to become ineffective or is amended in a manner not reasonably acceptable to the DIP Lenders (in their sole and absolute discretion);
- (b) a Default or Event of Default (each as defined below) has

occurred and is continuing under the DIP Facility or would result from it; or

- (c) any action or event after the date hereof (other than the suspension of the Loan Parties' brokered business or the issuance of the Initial Order and the TPL Protection Order as each relates to third party lender accounts receivable, or the issuance of any order authorizing, directing or ratifying the suspension of the Loan Parties' brokered business) has occurred which has resulted in, or may result in, a change, condition, event or occurrence, which, when considered individually or together with all other changes, conditions, events or occurrences could reasonably be expected to have a material adverse effect (or series of adverse effects, none of which is material in and of itself but which, cumulatively, result in a material adverse effect on): (i) the condition (financial or otherwise), business, performance, prospects beyond the CCAA Cash Flow period, operation or property) of any Loan Party (including, a material adverse qualification (other than a 'going concern' qualification) to any of the financial statements of any Loan Party; a material adverse misstatement of the financial statements; or if after the date of this term sheet, it is determined by any Loan Party, its auditors or accountants, or the CRO, that a restatement of any Loan Party's financial statement is or is likely to be necessary or there is a material adverse restatement of any Loan Party's financial statements); (ii) the ability of any Loan Party to carry on its business as presently conducted other than as a result of the suspension of the Loan Parties brokered business; (iii) the ability of any Loan Party to timely and fully perform any of its obligations under this term sheet or any other DIP Credit Documentation, or any Court Order; (iv) the Collateral; or (v) the validity or enforceability of this term sheet or any DIP Credit Documentation, or the rights and remedies of the DIP Lenders under this term sheet or any such DIP Credit Documentation (a **Material Adverse Change**).

**MATURITY DATE AND REPAYMENT:**

Subject to the terms of the Initial Order, the DIP Facility shall be repayable in full on the earlier of:

- (a) the date on which a demand is made following the occurrence of any Event of Default which is continuing;
- (b) 180 days from the date of the Initial Order;
- (c) the date an Approved Transaction (as defined below) is consummated; and
- (d) the date on which the stay of proceedings pursuant to the Initial Order expires without being extended or on which the CCAA Proceedings are terminated,

(the **Maturity Date**).

The Commitments of the DIP Lenders in respect of the DIP Facility shall expire on the Maturity Date and all amounts outstanding under the DIP Facility shall be repaid in full no later than the Maturity Date, without the DIP Lenders being required to make demand upon the Borrower or any other Loan Party or to give notice that the DIP Facility has expired and the obligations are due and payable.

The DIP Obligations under this term sheet shall not be fully and finally discharged, and the DIP Priority Charge shall not be released, until all DIP Obligations, including the Exit Amounts, have been satisfied in full.

Repayments of the DIP Facility shall be made in Canadian Dollars.

**CASH FLOW  
PROJECTIONS:**

The Borrower, with the assistance of the Monitor, shall have provided to the DIP Lenders, NRF and Goodmans prior to the execution of the Initial Term Sheet the cash flow projections to be attached as **Schedule "A"**, in form and substance, and containing such details as shall be, satisfactory to the DIP Lenders and the DIP Lenders shall confirm their satisfaction with same prior to the execution of this term sheet, acting reasonably, reflecting the projected cash requirements of the Borrower from (but not including) May 16, 2014 through the period ending October 10, 2014 (the **CCAA Cash Flow**).

The Borrower, with the assistance of the CRO and the Monitor, shall keep the DIP Lenders apprised on a weekly basis of its and the other Loan Parties (on a consolidated basis) cash flow requirements by providing subsequent cash flow projections, in form and substance satisfactory to the DIP Lenders, acting reasonably, by no later than 2 pm (Toronto, ON time) on the Wednesday of each week and containing a comparison of the previous week's actual cash flow to the projections for that previous week (in each case on a consolidated basis) (individually, a **Cash Flow Projection** and together with the CCAA Cash Flow, collectively, the **Cash Flow Projections**).

If a Drawdown Certificate is delivered, it shall be delivered concurrently with the Cash Flow Projection for that week.

**BUSINESS PLAN:**

The Borrower, with the assistance of the CRO and the Monitor and in consultation with the DIP Lenders, shall provide to the DIP Lenders, NRF and Goodmans no later than May 30, 2014, a revised operational business plan for the business (the **Business Plan**) in form and content satisfactory to the DIP Lenders, acting reasonably, and the funding available under this term sheet and the Cash Flow Projections shall be adjusted accordingly (subject always to the Maximum Amount).

**DIP LENDERS' RIGHT TO  
APPOINT A FINANCIAL  
ADVISOR**

The DIP Lenders shall have the right to engage Houlihan Lokey Capital, Inc. (**Houlihan Lokey**) as financial advisor to assist them in relation to this term sheet, the CCAA Proceedings or any potential Plan or Sale Transaction (the **DIP Lenders' Financial Advisor**).



The Borrower shall remain liable to pay the amount of US\$250,000 as a DIP financing fee and a US\$100,000 work fee (with respect to services provided up to the date of this term sheet) to Moelis & Company as financial advisor to the DIP Lenders under the Initial Term Sheet. Such fees shall be paid directly to Moelis & Company from the proceeds of the first DIP Advance following the date hereof.

**AVAILABILITY UNDER DIP FACILITY:**

The Borrower shall not be entitled to issue a Drawdown Certificate until the terms and conditions contained in this term sheet (including, without limitation the following) are satisfied in the DIP Lenders' sole discretion.

Each DIP Advance shall be disbursed from an account of the applicable DIP Lender to the Borrower on the date specified by the Borrower in the Drawdown Certificate, which date must be not less than three (3) Business Days and not more than seven (7) Business Days after receipt by the DIP Lenders with copy to NRF and Goodmans of the Drawdown Certificate (attached to it shall be the most recent Cash Flow Projection applicable to the DIP Advance requested in the Drawdown Certificate) executed by the CRO on behalf of the Borrower (and containing the confirmation by the Monitor set out in the form of such Drawdown Certificate in respect of paragraphs (a) and (b), provided however that in doing so, the Monitor shall not incur any personal liability), certifying, *inter alia*, that:

- (a) the drawdown is based on the funding requirements of the Borrower and the Loan Parties at the time of the draw and in an amount sufficient to ensure that the cash balance of the Borrower and the Loan Parties shall not fall below the amount of CDN\$3 million during the week in which the drawdown is made, based on, and in accordance with, the Cash Flow Projections and pursuant to paragraph 5 of the TPL Protection Order;
- (b) the drawdown is no greater than the amount of DIP Advances shown to be required in the most recent Cash Flow Projections delivered to the DIP Lenders for that week; provided, however, that a DIP Advance may exceed the amount shown in the most recent Cash Flow Projections by the greater of CDN\$1 million or 10% of DIP Advances already made, measured on a cumulative basis from (but not including) May 16, 2014 to the date of such DIP Advance (in each case, as reflected in the Cash Flow Projections and without giving effect, in such calculation, to any fees which may be payable to the CRO, if any), subject always to the Maximum Amount and the terms of this term sheet;
- (c) the drawdown is no less than the Minimum Draw amount;
- (d) the Borrower is in compliance with this term sheet and the other DIP Credit Documentation (as defined below); and
- (e) no Default or Event of Default has occurred and is

continuing and none will occur, as a result of the DIP Advance.

**VOLUNTARY  
PREPAYMENTS:**

Subject to the other provisions of this term sheet, the Borrower and the Guarantors shall be entitled to voluntarily prepay any principal amount of the DIP Obligations together with accrued interest on the amount prepaid, in whole or in part in any circumstances without penalty or premium.

The DIP Obligations under this term sheet shall not be fully and finally discharged, and the DIP Priority Charge shall not be released, until all DIP Obligations, including the Exit Amounts, have been satisfied in full.

**MANDATORY  
PREPAYMENTS**

Provided that the Borrower will have sufficient remaining cash and other assets (on a net realizable value basis) to satisfy all obligations of the Borrower for Priority Payables:

- (a) At the option of the DIP Lenders, the Borrower shall make the following mandatory prepayments of the DIP Obligations, if any, at the time of receipt of the net cash proceeds described below, in an amount equal to 100% of the net cash proceeds:
  - (i) of any sale or disposition (including as a result of casualty or condemnation) of any of its property, assets, or undertakings outside the ordinary course of business with net proceeds greater than CDN\$25,000 in the aggregate, that are not used by such Loan Party to replace or repair any such lost or damaged property, asset or undertaking;
  - (ii) from any extraordinary receipts of cash outside of the ordinary course of business, including, without limitation, (A) any proceeds of insurance paid on account of any loss or damage of any property, assets, or undertakings of any Loan Party; and (B) judgements, awards, proceeds of settlements or other consideration of any kind in connection with any cause of action;
- (b) The Borrower shall make a mandatory prepayment of the DIP Obligations, immediately upon receipt of any Tax Refund (as defined below), in an amount equal to 100% of each such Tax Refund; and
- (c) All net cash proceeds from any of the events described above shall be applied, except as otherwise agreed to by the DIP Lenders in writing, as follows:
  - (i) *first*, to pay unpaid and accrued interest on, and fees and expenses payable in respect of, the DIP Obligations; and
  - (ii) *second*, to repay any principal amounts of the DIP

## Obligations.

Amounts applied in prepayment may not be re-borrowed, without the prior written consent of the DIP Lenders.

**INTEREST RATE:**

The interest rate applicable in respect of the aggregate amount of DIP Advances (together with any capitalised interest) under the DIP Facility:

- (a) in respect of the first CDN\$8,500,000, shall be 12.50% per annum payable monthly in arrears provided that all such accrued and unpaid interest will be capitalised (and not paid in cash) and added to the outstanding principal balance of the loan and all such capitalised interest shall be due and payable on the date of the first DIP advance following the Confirming DIP Order; and
- (b) in respect of the Additional Commitment, shall be 17.50% *per annum* payable monthly in arrears provided that all such accrued and unpaid interest will be capitalised (and not paid in cash) and added to the outstanding principal balance of the loan and all such capitalised interest shall be due and payable on the Maturity Date, and

shall be payable on the amounts owing under the DIP Facility (including any capitalised interest). For the avoidance of doubt, total interest payable shall be the sum of those amounts determined in subsections (a) and (b) above.

Interest shall be calculated daily for the actual number of days elapsed in the period during which it accrues based on a year of 365 days and interest shall compound on each payment date, to the extent not paid when due.

If the DIP Obligations are not repaid when due, subject to applicable law, all amounts then owing under or in respect of the DIP Advances will bear interest at the applicable interest rate plus 2% *per annum*, compounded monthly on the last day of each month, and payable on demand.

For purposes of the *Interest Act* (Canada), where in this term sheet a rate of interest is to be calculated on the basis of a year of 365 days, the yearly rate of interest to which the rate is equivalent is the rate multiplied by the actual number of days in the year for which the calculation is made and divided by 365, as applicable.

The parties shall comply with the following provisions to ensure that no receipt by the DIP Lenders of any payments to the DIP Lenders under this term sheet would result in a breach of section 347 of the *Criminal Code* (Canada):

- (a) If any provision of this term sheet or any of the DIP Credit Documentation would obligate the Loan Parties to make any payment to the DIP Lenders of an amount that constitutes "interest", as such term is defined in the

*Criminal Code* (Canada) and referred to in this section as "Criminal Code interest", during any one-year period after the date of the first DIP Advance in an amount or calculated at a rate which would result in the receipt by the DIP Lenders of Criminal Code interest at a criminal rate (as defined in the *Criminal Code* (Canada) and referred to in this section as a "criminal rate"), then, notwithstanding such provision, that amount or rate during such one-year period shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not result in the receipt by the DIP Lenders during such one-year period of Criminal Code interest at a criminal rate, and the adjustment shall be effected, to the extent necessary, as follows:

- (i) *first*, by reducing the amount or rate of interest required to be paid to the DIP Lenders during such one-year period; and
- (ii) *thereafter*, by reducing any upfront fees and liquidity payments and other amounts (if any) required to be paid to the DIP Lenders during such one-year period which would constitute Criminal Code interest.

The dollar amount of all such reductions made during any one-year period is referred to in this section as the **Excess Amount**.

- (b) Any Excess Amount shall be payable and paid by the Loan Parties to the DIP Lenders in the then next succeeding one-year period or then next succeeding one-year periods until paid to the DIP Lenders in full, subject to the same limitations and qualifications set out in paragraph (a), so that the amount of Criminal Code interest payable or paid during any subsequent one-year period shall not exceed an amount that would result in the receipt by the DIP Lenders of Criminal Code interest at a criminal rate.
- (c) Any amount or rate of Criminal Code interest referred to in this section shall be calculated and determined in accordance with generally accepted actuarial practices and principles as an effective annual rate of interest over the term that any DIP Advances remain outstanding on the assumption that any charges, fees or expenses that constitute Criminal Code interest shall be *pro-rated* over the period commencing on the date of the first DIP Advance and ending on the relevant Maturity Date (as may be extended by the DIP Lenders from time to time under this term sheet) and, in the event of a dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by the DIP Lenders shall be conclusive for the purposes of such calculation and

determination.

**DIP FINANCING FEE:**

The Borrower shall pay a fee (the **DIP Financing Fee**), in respect of the establishment of this DIP Facility and the commitment to provide the DIP Funding:

- (a) to the Initial DIP Lenders, for their own account and *pro rata* to their respective Initial DIP Lender Commitments, in the amount of 3.5% of CDN\$8,500,000 earned and payable upon Court approval of the Initial Term sheet (which such amount has been fully paid to the Initial DIP Lenders);
- (b) to the DIP Lenders *pro rata* to their respective Commitments (for greater certainty, excluding the Initial DIP Lender Commitments), in the amount of 5% of CDN\$6,000,000 which shall be fully earned and payable upon the Court approval of this term sheet and shall be paid from the proceeds of the first DIP Advance following the date hereof; and
- (c) if the Extension Option is exercised, to the DIP Lenders (excluding the Non-exercising DIP Lenders) in the amount of 5% of CDN\$2,000,000, *pro rata* based upon their respective share of the Extension Amount, which shall be fully earned and payable upon the later of Court approval of this term sheet and the date the Extension Option is exercised and shall be paid from the proceeds of the first DIP Advance immediately following the exercise date of the Extension Option.

**EXIT AMOUNT:**

The Borrower shall pay to Senior Secured Noteholders who are also DIP Lenders additional consideration (the **Exit Amount**) in respect of the principal amount of indebtedness owed under the Senior Secured Notes as distributed pursuant to the Plan or Sale Transaction, as the case may be (*pro rata* to their respective Commitments, for greater certainty excluding the Initial DIP Lender Commitments) in an amount equal to, in the case of the first CDN\$40 million of Excess, 15% of such Excess; which right to payment shall be fully vested on the date hereof and payable on the closing date or implementation date of an Approved Transaction, out of the closing proceeds of the Sale Transaction, or out of the consideration being offered pursuant to the Plan, which additional consideration shall have the same priority as the other DIP Obligations.

Notwithstanding any other provision of this Term Sheet, the DIP Lenders agree that no Exit Amount shall be payable in the event that all obligations under the Indenture and the Senior Secured Notes are paid in cash out of the closing proceeds of the Sale Transaction, or out of the consideration being offered pursuant to the Plan.

For the purpose of this Section, **Excess** shall mean, the difference between:

- (a) (i) in the case of a Sale Transaction(s), the purchase price (taking into account any assumption of debt and potential contingent consideration included therein) offered by the purchaser(s) or the proceeds from a liquidation; or (ii) the enterprise value used in determining the proposed distributions, pursuant to Plan transaction(s), in each case, involving any Loan Party; and (iii) any other sources of distributable value, including without limitation any cash or value received by any Loan Party or any of its affiliates in or outside the ordinary course from: (A) proceeds of insurance, (B) judgements, proceeds of settlements or other consideration of any kind in connection with any cause of action, (C) indemnity payments to the extent not made to reimburse a payment made by a Loan Party; or (D) any other amounts or recoveries received by or forming part of the estate of any Loan Party and deemed by the DIP Lenders to be applicable to this calculation not including any Tax Refunds; and
- (b) the amount equal to the sum of CDN\$20.5 million plus the amounts actually paid under the Priority Lien Credit Agreement out of the closing proceeds of the Sale Transaction, or out of the consideration being offered pursuant to the Plan, minus the aggregate amount of all Tax Refunds received by the Loan Parties since April 11, 2014 (whether or not such amounts were applied in repayment of the DIP Obligations).

**DIP SECURITY AND  
PRIORITY:**

All obligations of the Borrower under, or in connection with, the DIP Facility, this term sheet and any other definitive documentation in respect of the DIP Facility that are in form and substance satisfactory to the DIP Lenders, acting reasonably, shall be secured by a first super priority charge (subject only to: (i) any Priority Payables; (ii) the TPL Charge (which shall rank *pari passu*) (iv) the KERP Charge (which shall rank *pari passu*); (iii) PMSIs; and (v) in respect of the assets of the English Entities only, the English Registrations (as defined below)), over all present and after-acquired property, assets and undertakings of the Loan Parties, including, without limitation, accounts, rights of repayments or reimbursement, claims for cash, accounts receivable and proceeds thereof, and all cash whether in any Loan Party's bank accounts or elsewhere and, subject to (i), (ii), (iii), (iv) and (v) above, ahead of and senior to all other creditors, interest holders, lien holders and claimants of any kind whatsoever, pursuant to a Court ordered charge under the CCAA (the **DIP Priority Charge**) and any Additional DIP Security Documents (as defined below).

The Borrower agrees that, with respect to the Director's Charge, an amount equal to CDN\$1,250,000 of the Director's Charge shall rank in priority to the DIP Priority Charge and the remaining CDN\$1,250,000 of the Director's Charge shall rank behind any liens granted in connection with the Priority Lien Credit Agreement

**ADDITIONAL CONDITIONS  
PRECEDENT TO EACH DIP**

The DIP Lenders shall have no obligation to fund a DIP Advance unless the conditions set forth in this term sheet are in form and

**ADVANCE:**

substance satisfactory to the DIP Lenders (unless waived by the DIP Lenders):

- (a) The Initial Order and the Confirming DIP Order shall be in full force and effect and shall not (in whole or in part) have been revised, rescinded, reversed, modified, amended, stayed, vacated, appealed or subject to stay pending appeal or otherwise challenged, unless otherwise consented to by the DIP Lenders, acting reasonably;
- (b) An order (the **Confirming DIP Order**), in form and substance satisfactory to the DIP Lenders, shall have been issued by the Court including:
  - (i) provisions approving this term sheet and the DIP Facility created in it, the execution and delivery by the Loan Parties of this term sheet and such other documents as the DIP Lenders deem necessary or appropriate, acting reasonably, and directing the Loan Parties to comply with the terms hereof;
  - (ii) provisions confirming that the DIP Lenders shall be entitled to rely on the "DIP Priority Charge" granted by the Initial Order for all DIP Obligations under this term sheet;
  - (iii) provisions authorizing and directing the Loan Parties to execute and deliver such loan and security documents relating to the DIP Facility and such security documents evidencing the DIP Priority Charge in such form and substance as the DIP Lenders may reasonably require;
  - (iv) provisions authorizing the DIP Lenders to effect registrations, filings and recordings wherever in their discretion they deem appropriate regarding the DIP Priority Charge;
  - (v) provisions confirming that the DIP Obligations under this term sheet and the documents delivered pursuant to it (including without limitation, the Additional DIP Security Documents (as defined below)) (collectively, the **DIP Security**) shall benefit from the same priority as the "DIP Priority Charge" granted by the Initial Order and shall have priority over all present and future charges, encumbrances and security, whether legal or equitable, other than (A) any Priority Payables; (B) PMSIs; (C) the TPL Charge (which shall rank *pari passu*); and (D) the KERP Charge (which shall rank *pari passu*);
  - (vi) provisions providing that the DIP Priority Charge shall be valid and effective to secure all of the obligations of the Loan Parties to the DIP Lenders without the necessity of the making of any

- registrations or filings and whether or not any other documents are executed by the Loan Parties and/or the DIP Lenders pursuant to this term sheet;
- (vii) provisions declaring that the granting of the DIP Priority Charge and all other documents executed and delivered to the DIP Lenders as contemplated herein, including, without limitation, all actions taken to perfect, record and register the DIP Priority Charge, do not constitute conduct meriting an oppression remedy, settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions under any applicable federal or provincial legislation; and
  - (viii) provisions confirming that references in the Initial Order to "DIP Facility", "Term Sheet", "DIP Lenders", "Agent" and "DIP Obligations" shall mean, and apply to, references to this term sheet and the DIP Facility, the DIP Lenders, the Agent and the DIP Obligations contemplated under this term sheet, and the Definitive Documents delivered in connection with this term sheet;
- (c) The DIP Lenders shall have received evidence satisfactory to them in their sole discretion, that the Borrower's Account has been opened by the Borrower;
  - (d) The DIP Lenders, Norton Rose Fulbright Canada LLP (**NRF**) and Goodmans LLP (**Goodmans**) shall have received weekly updates of the Borrower's cash flow requirements by providing subsequent Cash Flow Projections and the same shall be in form and substance, and contain such details as shall be, satisfactory to the DIP Lenders, acting reasonably;
  - (e) The DIP Lenders shall be satisfied that each of the Loan Parties has, to such Loan Parties' knowledge or to the extent such Loan Party could reasonably be expected to know, complied with and is continuing to comply in all material respects with all applicable laws, regulations and policies in relation to its business (other than in respect of (i) those matters disclosed in the affidavit of Steven Carlstrom dated April 14, 2014, including in respect of its payday loan lender's licence in Ontario under the *Payday Loans Act, 2008* (Ontario) and its payday loan lender's license in Manitoba under the *Consumer Protection Act* (Manitoba); and (ii) those other matters disclosed to the DIP Lenders in writing prior to the date hereof with respect to regulatory matters in Manitoba relating to the *Consumer Protection Act* (Manitoba), regulatory matters in Nova Scotia relating to section 18HD of the *Consumer Protection Act* (Nova Scotia)) and in respect of the suspension of the Borrower's brokered business;



- (f) The DIP Lenders shall be satisfied that there are no Liens ranking ahead of, or *pari passu* with, the DIP Priority Charge and the DIP Security, except for (i) Priority Payables, including the Administration Charge and the Director's Charge but, with respect to the Director's Charge, only to the extent of an amount equal to CDN\$1,250,000, (ii) the TPL Charge (which shall rank *pari passu*), (iii) the KERP Charge (which shall rank *pari passu*), (iv) PMSIs, and (v) in the case of the English Entities only, the English Registrations;
- (g) The DIP Lenders shall be satisfied that the Loan Parties continue to have valid and effective operating licences in all provinces and territories in which they currently operate with a licence;
- (h) All reasonable and documented expenses of the DIP Lenders incurred up to the date of each DIP Advance in connection with this term sheet and the CCAA Proceedings, including, without limitation, the reasonable and documented fees of legal counsel and financial advisors to the DIP Lenders including Houlihan Lokey, shall have been paid in full from the proceeds of the applicable DIP Advance hereunder;
- (i) The Loan Parties shall be in compliance with all their covenants under this term sheet and any other DIP Credit Documentation;
- (j) All representations and warranties contained in this term sheet and any other DIP Credit Documentation remain true and correct in all material respects as of the date of issuance of the relevant DIP Advance (unless stated to related to a specific earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date);
- (k) The issuance of any DIP Advance shall not violate any applicable law, judgement or order of any court of competent jurisdiction;
- (l) The Loan Parties shall have disclosed in writing all employment agreements for any and all senior officers and senior managers of the Loan Parties earning CDN\$100,000 (or its equivalent in an alternative currency) or more *per annum*, including all bonuses and other cash compensation;
- (m) The Loan Parties shall have provided to the DIP Lenders (or NRF, Goodmans and Houlihan Lokey) a complete and accurate list of all Material Contracts and amendments thereto;
- (n) Blue Tree Advisors Inc. (the CRO), shall continue to be the CRO and the scope of authority of the CRO shall not be changed unless such change is acceptable to the DIP

Lenders, acting reasonably;

- (o) Before any amount can be paid, loaned or transferred to any Loan Party that carries on business in England & Wales (the **English Entities**), the DIP Lenders shall have received from such English Entities such DIP Credit Documentation as the DIP Lenders shall require in order to obtain valid and enforceable guarantees and security interests in all of the assets of the English Entities;
- (p) There shall not exist in Canada in respect of any Loan Party any action, suit, investigation, litigation or proceeding pending or threatened in any court or before any arbitrator or governmental authority which is not stayed by the Initial Order other than (i) the CCAA Proceedings; (ii) those matters disclosed in the affidavit of Steven Carlstrom dated April 14, 2014, including in respect of its payday loan lender's licence in Ontario under the *Payday Loans Act, 2008* (Ontario) and its payday loan lender's license in Manitoba under the *Consumer Protection Act* (Manitoba); (iii) those other matters disclosed to the DIP Lenders in writing prior to the date hereof with respect to regulatory matters in Manitoba relating to the *Consumer Protection Act* (Manitoba), regulatory matters in Nova Scotia relating to section 18HD of the *Consumer Protection Act* (Nova Scotia) and in respect of the suspension of the Borrower's brokered business; and (iv) such regulatory matters that cannot be disclosed pursuant to applicable law; and
- (q) Receipt by NRF, Goodmans and Houlihan Lokey of all written expressions of interest, letters of interest and other relevant documents from all parties, in each case in the possession of the Loan Parties, relating to a Plan, Sale Transaction, or any other recapitalization or restructuring transaction involving any Loan Party received during the Sale Process or otherwise since January 1, 2012.

For greater certainty, the DIP Lenders shall not be obligated to advance or otherwise make available any funds pursuant to this term sheet unless and until all of the Funding Conditions and all other conditions to the funding as set forth in this term sheet, have been satisfied and all the foregoing documentation and confirmations, together with the documentation and confirmations set forth in all other conditions to funding set forth in this term sheet have been obtained, in a form and content satisfactory to the DIP Lenders.

**REPRESENTATIONS AND WARRANTIES:**

The Borrower represents and warrants to the DIP Lenders, upon which the DIP Lenders rely in entering into this term sheet and the other DIP Credit Documentation, that:

- (a) The transactions contemplated by this term sheet and other DIP Credit Documentation, including the DIP Security:

- (i) are within the powers of the Loan Parties;
  - (ii) have been duly executed and delivered by or on behalf of the Loan Parties;
  - (iii) upon the granting of the Initial Order and of the Confirming DIP Order, constitute legal, valid and binding obligations of the Loan Parties, enforceable in accordance with their terms;
  - (iv) upon the granting of the Initial Order and of the Confirming DIP Order, do not require the consent or approval of, registration or filing with, or any other action by, any governmental authority, other than filings that may be made to register or otherwise record the DIP Security; and
  - (v) to the Borrower's knowledge, will not violate the charter documents or by-laws of the Loan Parties or any applicable law relating to such party;
- (b) To its knowledge or to the extent the Borrower could be reasonably expected to know, the business operations of the Loan Parties have been and will continue to be conducted in compliance with all laws of each jurisdiction in which the business has been or is carried out, other than in respect of those matters disclosed in the affidavit of Steven Carlstrom dated April 14, 2014, including in respect of its payday loan lender's licence in Ontario under the *Payday Loans Act, 2008* (Ontario) and its payday loan lender's license in Manitoba under the *Consumer Protection Act* (Manitoba), and those other matters disclosed to the DIP Lenders with respect to regulatory matters in Manitoba relating to the *Consumer Protection Act* (Manitoba), regulatory matters in Nova Scotia relating to section 18HD of the *Consumer Protection Act* (Nova Scotia) and in respect of the suspension of the Borrower's brokered business;
- (c) To the Borrower's knowledge, each Loan Party has obtained all licenses and permits required for the operation of its business, which licenses and permits remain in full force and effect and no proceedings have been commenced or threatened to revoke or amend any of such licenses or permits, in each case other than in respect of those matters disclosed in the affidavit of Steven Carlstrom dated April 14, 2014, including in respect of the lending licence required under the *Payday Loans Act* (Ontario) 2008 for the purposes of the Borrower's operations in Ontario, and those other matters disclosed to the DIP Lenders in writing prior to the date hereof with respect to regulatory matters in Manitoba with respect to the *Consumer Protection Act* (Manitoba) and regulatory matters in Nova Scotia relating to section 18HD of the *Consumer Protection Act* (Nova Scotia);

- (d) Each Loan Party has filed all tax returns and paid all taxes owing for all prior fiscal periods;
- (e) The Loan Parties own their assets and undertaking free and clear of all liens other than Permitted Liens and potential claims of third party lenders including pursuant to the TPL Protections;
- (f) No Loan Party has a pension plan;
- (g) The Borrower and each of its subsidiaries has been duly incorporated and is validly existing under the law of its jurisdiction of incorporation except for those subsidiaries listed in **Schedule "D" (the Inactive Affiliates)**;
- (h) The Borrower has no other subsidiary other than the Loan Parties and the Inactive Affiliates;
- (i) No Inactive Affiliate: (i) carries on any business whatsoever, (ii) owns any inventory, accounts or any other personal or real property and assets, and (iii) has granted a Lien to any person and no person otherwise has a Lien against it or its personal or real property and assets;
- (j) To its knowledge or to the extent it could reasonably be expected to know, each Loan Party maintains adequate insurance coverage, except with respect to directors and officers insurance, of such type, in such amounts and against such risks as is prudent for a business of its nature with financially sound and reputable insurers and contain coverage and scope;
- (k) Each Loan Party has maintained its obligations for payroll, source deductions, retail sales tax, and Harmonized Sales Tax/Goods and Services Tax, and is not in arrears of its statutory obligations to pay or remit any amount in respect of these obligations;
- (l) The Loan Parties are not aware of any introduction, amendment, repeal or replacement of any law or regulation being made or proposed which may result in a Material Adverse Change other than in respect of (i) those matters disclosed in the affidavit of Steven Carlstrom dated April 14, 2014; and (ii) those other matters disclosed to the DIP Lenders in writing, with respect to regulatory matters in Manitoba relating to the *Consumer Protection Act* (Manitoba) and regulatory matters in Nova Scotia relating to section 18HD of the *Consumer Protection Act* (Nova Scotia);
- (m) The Loan Parties have not entered into any material transaction or other written contractual relationship with any Related Party other than as provided to the DIP Lenders as part of their diligence, including whatever is posted in the data room prior to the date of this term

sheet, other than currently existing employment arrangements;

- (n) All of the third party lenders to any of the Loan Parties and all contractual arrangements with such parties have been disclosed by the Borrower to the DIP Lenders, and each such party and each such arrangement is set out in Schedule "G" to this term sheet;
- (o) Other than as stayed pursuant to the Initial Order, the commencement of the CCAA Proceedings will not trigger change of control provisions or severance obligations, in each case, which would entitle any officer or director of any Loan Party to claim additional compensation or severance;
- (p) Except for the KERP, there have been no extensions, supplements or amendments to the employment agreements of any senior officers or senior managers of the Loan Parties earning CDN\$100,000 (or its equivalent in an alternative currency) or more *per annum*, including all bonuses and other cash compensation, and there are no other written employment agreements for any such senior officers or senior managers;
- (q) No trusts have been established by any Loan Party in respect of any of their respective directors or officers;
- (r) All payments to shareholders, directors, senior executives and their related parties, and any Related Party (as defined below), whether under contract or otherwise, including bonus payments, transaction payments, change of control payments, management fees, consulting or advisory fees or amounts payable in respect of reimbursement, in each case occurring between December 31, 2012 and the date of this term sheet (all such payments being **Related Party Payments**) have been disclosed in the December 31, 2013 financial statements of the Borrower or to the DIP Lenders in writing and, to the extent contemplated for future payment, have been included and specified in the Cash Flow Projections;
- (s) Other than as stayed pursuant to the Initial Order, there is not now pending or, to the knowledge of any of the senior officers or directors of any Loan Party, threatened against any Loan Party, nor has any Loan Party received notice in respect of, any claim, potential claim, litigation, action, suit, arbitration or other proceeding by or before any court, tribunal, governmental entity or regulatory body, which would be reasonably likely to result in, individually or in the aggregate, a Material Adverse Change;
- (t) All Material Contracts are in full force and effect and are valid, binding and enforceable in accordance with their terms against any Loan Party, party to them, except: (i) as

such enforceability may be limited by bankruptcy, insolvency, reorganisation, moratorium or other similar laws relating to or affecting the rights of creditors; or (ii) general principles of equity (regardless of whether enforceability is considered in a proceeding at law or in equity);

- (u) All relevant information in the possession of any Loan Party, or the advisors to any of them, concerning Tax Refunds has been provided to NRF, Goodmans and Houlihan Lokey;
- (v) There are no agreements of any kind between any Loan Party, any Related Party, and any other holder of debt or equity securities of any Loan Party with respect to any restructuring, refinancing or recapitalisation matters; and
- (w) No Default or Event of Default has occurred and is continuing.

**AFFIRMATIVE  
COVENANTS:**

Each Loan Party agrees to do, or cause to be done, the following:

- (a) Allow the DIP Lenders reasonable access to the books and records of the Loan Parties, including internal memoranda, work papers and any other documents in the possession of any Loan Party, subject to solicitor-client privilege and applicable privacy laws, and cause management thereof to fully co-operate with the DIP Lenders;
- (b) Keep the DIP Lenders apprised on a timely basis of all material developments with respect to the business and affairs of the Loan Parties and the CCAA Proceedings;
- (c) Deliver to the DIP Lenders the reporting and other information from time to time reasonably requested by the DIP Lenders and as set out in this term sheet including, without limitation, the Cash Flow Projections at the times requested and in form and substance satisfactory to the DIP Lenders;
- (d) Use the proceeds of the DIP Facility only for the Permitted Payments and in a manner consistent with the restrictions set out herein and the Cash Flow Projections;
- (e) Comply with the provisions of the Court orders made in connection with the CCAA Proceedings (collectively, the **Court Orders** and each a **Court Order**);
- (f) Preserve, renew and keep in full force its corporate existence and its existing licenses and any licences it obtains in the future;
- (g) Conduct all activities in accordance with the Cash Flow Projections previously approved by the DIP Lenders and

the credit limits established under the DIP Facility as set out hereunder;

- (h) Notify the DIP Lenders, NRF and Goodmans of the occurrence of any Default or Event of Default, or Material Adverse Change or of any event or circumstance that may materially affect the Cash Flow Projections, including any material change in its contractual arrangements or relationships with third parties;
- (i) Make commercially reasonable efforts to comply in all material respects with all applicable laws, rules and regulations applicable to its business;
- (j) (A) Provide the DIP Lenders, on a timely basis, with information on the proposed steps to be taken by the Loan Parties or their advisors to solicit initial bids or letters of intent for the business or assets of the Loan Parties (**Preliminary Indications of Interest**), which steps are to be acceptable to the DIP Lenders; (B) provide the DIP Lenders with copies of the written Preliminary Indications of Interest within two (2) Business Days of receipt of the same by the Loan Parties; and (C) if warranted in the circumstances after receipt of Preliminary Indications of Interest and in consultation with the DIP Lenders, provide the DIP Lenders with the Loan Parties' proposed sale and investment solicitation process (the **Sale Process**), which Sale Process shall be acceptable to the DIP Lenders and shall include the milestones set out in paragraph (s) below;
- (k) Notify the DIP Lenders, NRF and Goodmans immediately (on the day of receipt) of the receipt of any Tax Refund;
- (l) Receive and hold in trust, segregated from all other funds of the Loan Parties, for the benefit of the DIP Lenders, any and all tax refunds (as set out in, and as described as, "income taxes receivable" in the December 31 2013 financial statements of the Borrower) which are expected to be received from the Canada Revenue Agency, or any provincial tax authority, by the Borrower (or any Loan Party) (the **Tax Refunds**), and immediately upon receipt of any such Tax Refund, turn it over to the DIP Lenders to be applied as a mandatory prepayment in accordance with this term sheet.
- (m) Provide the DIP Lenders, NRF and Goodmans draft copies of all motions, applications, proposed orders (including without limitation, the draft Initial Order and Confirming DIP Order and any other orders in respect of the DIP Facility, DIP Credit Documentation or DIP Priority Charge) or other materials or documents that any of Loan Parties intend to file in the CCAA Proceedings at least three (3) Business Days prior to any such filing or, where it is not practically possible to do so within such time, as soon as possible, which all such filings shall be in form

and substance acceptable to the DIP Lenders or NRF, and when served and filed with the Court, such materials shall be in form which is, confirmed by the DIP Lenders to be, satisfactory.

- (n) Take all actions necessary or available to defend the Court Orders from any appeal, reversal, modifications, amendment, stay or vacating not expressly consented to in advance by the DIP Lenders;
- (o) The DIP Lenders shall be entitled to have an observer attend all board and committee meetings of the Loan Parties and any such observer shall have all information disclosure rights that existing board members have;
- (p) The Loan Parties shall promptly provide notice to the DIP Lenders, NRF and Goodmans and keep them otherwise apprised of any material developments in respect of any licence or permit required for the operation of the Loan Parties' business, including with respect to any meetings or discussions with the Ontario regulator regarding obtaining a licence (on a provisional or full basis) to operate as a payday lender in Ontario under the Payday Loans Act, 2008, and of any notices, orders, decisions, letters, or other documents, materials, information or correspondence received from any regulatory authority having jurisdiction over the Loan Parties in respect of such licence or permit; it being hereby acknowledged by the DIP Lenders that the Borrower has provided them with copies of correspondence dated April 25, 2014 from Service Nova Scotia and dated April 16, 2014 from the Manitoba Consumer Protection Office;
- (q) Provide the DIP Lenders, NRF and Goodmans with draft copies of all letters, submissions, notices, or other materials or correspondence that any of the Loan Parties intend to file with or submit to any regulatory authority having jurisdiction over the Loan Parties relating to any licence or permit required for the operation of their business at least three (3) Business Days prior to such submission or filing or, where it is not practically possible to do so within such time, as soon as possible, which all such submissions or filings shall be in form and substance acceptable to the DIP Lenders;
- (r) Provide the DIP Lenders, NRF and Goodmans with any written proposal in respect of any Sale Transaction or Plan, or any amendments to any such proposal, which in each case is received by any of its representatives within two (2) Business Days of receipt by the Loan Parties and in any event before engaging in any discussions or further negotiations with the party which provided the proposal;
- (s) Subject to paragraph (j) above, on or before 52 days following the issuance of the Initial Order, the Borrower shall have obtained from the Court an Order approving the



Sale Process, in form and substance satisfactory to the DIP Lenders (the **Sale Process Order**); (ii) to the extent that the "Successful Bid" pursuant to the Sale Process is a Sale Transaction, the Borrower shall have obtained an Order from the Court, in form and substance satisfactory to the DIP Lenders, approving the Sale Transaction (the **Sale Approval Order**), by no later than 60 days following the date of the Sale Process Order, and the closing of the Sale Transaction shall have taken place no later than 60 days following the Sale Approval Order; (iii) to the extent that the "Successful Bid" pursuant to the Sale Process is a Plan transaction, the Borrower shall have obtained an Order from the Court, authorizing the Borrower to file the Plan and to call a meeting of creditors to vote on the Plan (the **Plan Filing and Meeting Order**) by no later than 60 days following the date of the Sale Process Order, the Borrower shall have obtained a sanction Order (the **Sanction Order**) in respect of the Plan by no later than 30 days following the date of the Plan Filing and Meeting Order, and the Plan transaction shall have been implemented by no later than 30 days following the date of the Sanction Order;

- (t) To the extent that the Sale Process does not generate any Sale Transaction or Plan: (i) the Loan Parties shall present the DIP Lenders with an Approved Transaction on or prior to 100 days from the date of the Initial Order (or such other date as the Borrower and the DIP Lenders may agree); (ii) with the consent of the DIP Lenders, the Loan Parties shall obtain creditor, court and regulatory approval of such Approved Transaction on or prior to 130 days of the Initial Order (or such other date as the Borrower and the DIP Lenders may agree); and (iii) upon each request for a DIP Advance hereunder, there shall be no adverse change in the status or progress of any Approved Transaction since the immediately preceding DIP Advance;
- (u) Execute and deliver, or cause each Guarantor (as applicable) to execute and deliver, loan and collateral security documentation (including any guarantees in respect of the indebtedness, obligations and liabilities of the Borrower arising under, or in connection with, the DIP Facility and the other DIP Credit Documentation) in a manner satisfactory in all respects to the DIP Lenders, acting reasonably, including, without limitation, such security agreements, including any additional documents that the DIP Lenders may require to ensure that the Tax Refunds are being held in trust for the benefit of the DIP Lenders, financing statements, discharges, opinions or other documents and information, in form and substance satisfactory to the DIP Lenders, acting reasonably (collectively, the **Additional DIP Security Documents**);
- (v) Complete of all necessary lien and other searches, together with all registrations, filings and recordings

wherever the DIP Lenders, acting reasonably, deem appropriate, in connection with the DIP Security, and satisfaction that there are no Liens affecting the property or assets of the Loan Parties except: (A) Liens granted to the lender under the Priority Lien Credit Agreement; (B) Liens granted to the noteholders under the Indenture; (C) Priority Payables, (D) Liens for leased equipment and not prohibited by this term sheet; (E) the Liens set out in **Schedule "C"** Permitted Liens; (F) Liens granted by the Court with the consent of the DIP Lenders in their sole discretion, including the Administration Charge, the Director's Charge, the KERP Charge, and the TPL Charge; and (G) PMSIs (collectively, the **Permitted Liens**);

- (w) Use its best efforts to obtain an estoppel certificate from each of Barclays Bank plc, Kerwal Limited and Portculis Investments Limited as secured parties in the assets of The Cash Store Limited as described in **Schedule "C"** hereto (collectively, the **English Registrations**); in form and substance satisfactory to the DIP Lenders;
- (x) Ensure that the CRO shall have responsibility and final decision making authority for all restructuring, sale and other similar matters (in consultation with the Monitor);
- (y) Cause each DIP Lender to be listed as the loss payee on the insurance policies of the Loan Parties on or before May 23, 2014;
- (z) Require all invoices, in respect of professional fees to be paid by any Loan Party, other than in respect of NRF and Houlihan Lokey, which shall be paid in accordance with, and at the times specified in, this term sheet, to be submitted: (i) in respect of financial advisors, no less frequently than monthly; and (ii) in respect of legal advisors, no less frequently than every two weeks, and all such invoices shall be subject to review and approval by the CRO and the Monitor prior to being settled, in each case in accordance with the Cash Flow Projections and this term sheet;
- (aa) Upon request, consult in good faith with the DIP Lenders, the CRO and the Monitor regarding whether and to what extent any of its Material Contracts should be amended and restated or otherwise addressed pursuant to the CCAA;
- (bb) Promptly upon becoming aware, provide details of,
  - (i) any pending, or threatened claims, potential claims, litigation, actions, suits, arbitrations, other proceedings or notices received in respect of same, against any Loan Party, by or before any court, tribunal, governmental entity or regulatory body, which would be reasonably likely to result in,

individually or in the aggregate, a Material Adverse Change; and

- (ii) any existing (or threatened in writing) default or dispute with respect to any of the Material Contracts;
- (cc) Promptly upon request of the DIP Lenders (or NRF, Goodmans and Houlihan Lokey) provide to the DIP Lenders (or NRF, Goodmans and Houlihan Lokey) copies of all Material Contracts and amendments thereto;
- (dd) At the request of the DIP Lenders, cause any subsidiary which is not (i) an Inactive Affiliate or (ii) a Loan Party on the date of this term sheet to become a "Guarantor" under this term sheet; and
- (ee) Upon the issuance of the Confirming DIP Order, the Borrower shall use the proceeds of the first DIP Advance under the Additional Commitments to repay any remaining accrued and unpaid interest, including default interest, owing under the Initial DIP Lender Commitments.

**REPORTING  
REQUIREMENTS:**

The Borrower will provide the DIP Lenders with such information about the financial condition of the Loan Parties, the CCAA Proceedings, and any other information that the DIP Lenders may reasonably request from time to time.

In addition, the Borrower shall disclose to the DIP Lenders, provide copies of, and include in the Cash Flow Projections, all retainers for professionals and advisors engaged by Loan Party, and all transaction, success, performance or change of control payments payable under or in connection with them, and all policies of directors' and officers' insurance maintained by any Loan Party.

These requirements are supplemental to and not *in lieu* of the requirements set out in the Section above entitled "*Cash Flow Projections*" and the other reporting requirements set out in this term sheet.

The Borrower, with the participation of the CRO and the Monitor, shall host weekly call updates with representatives of the DIP Lenders during which, the DIP Lenders shall receive updates as to the status of, and developments in, the CCAA Proceedings, the Sale Process, dealings with regulatory authorities with respect to licensing requirements, compliance with the Cash Flow Projections, or other matters related to the Loan Parties' business, any Sale Transaction or Plan, and on any other matter as the DIP Lenders shall request, acting reasonably.

**NEGATIVE COVENANTS:**

The Loan Parties covenant and agree not to do, or cause not to be done, the following other than with the prior written consent of the DIP Lenders:

- (a) Transfer, lease or otherwise dispose of all or any part of its property, assets or undertaking over CDN\$ 25,000 at any one time or through a series of related transactions, or more than CDN\$ 75,000 in the aggregate;
- (b) Make any payment of existing (pre-filing) indebtedness or liability or make any payment that reduces any trade or unsecured liabilities of the Loan Parties; provided that the Loan Parties may make critical vendor payments to the extent contemplated in the CCAA Cash Flow and may make interest payments under the Priority Lien Credit Agreement;
- (c) Other than as stayed pursuant to the Initial Order, create or permit to exist any indebtedness other than: (A) debt owing under the Priority Lien Credit Agreement; (B) debt owing under the Indenture; (C) the DIP Obligations; (D) post-filing trade payables in the ordinary course of business; (E) if applicable, any debt relating to TPL Protections; (F) the Director's Charge; (G) the Administration Charge; (H) Priority Payables; and (I) if applicable, any obligations relating to the KERF;
- (d) Make (i) any distribution, dividend, return of capital or other distribution in respect of equity securities (in cash, securities or other property or otherwise) to any Loan Party, Inactive Affiliate or other affiliate of the Borrower or otherwise; or (ii) a retirement, redemption, purchase or repayment of other acquisition of equity securities or indebtedness (including any payment of principal, interest, fees or any other payments thereon) to any Loan Party, Inactive Affiliate or other affiliate of the Borrower; or (iii) any other payments, loans or transfers to any Inactive Affiliate or English Entity or other affiliate of the Borrower which is not subject to the Initial Order, in each case other than with the prior consent of the DIP Lenders or as permitted under the CCAA Cash Flow, and, for greater certainty, in the case of paragraph (iii), no payment, loan or transfer shall be made to English Entities until condition precedent (o) of this term sheet is satisfied, in the DIP Lenders' sole discretion, and once such condition is met, payments, loans or transfers to English Entities shall be limited to the amounts set out in the CCAA Cash Flow;
- (e) Enter into any transaction or contractual relationship with any affiliate, Related Party or subsidiary or any of its or their directors or senior or executive officers or senior management, or enter into or assume any employment, consulting or analogous agreement or arrangement with any of its or their directors or senior or executive officers or senior management, or make any payment to any of its or their directors or senior or executive officers or senior management, industry bonuses, change of control payments or severance packages of any kind whatsoever (other than as permitted under the CCAA Cash Flow only

so far as permitted by paragraph (d) above);

- (f) Make any investments or acquisitions of any kind, direct or indirect, in any business or otherwise other than as reflected in the CCAA Cash Flow;
- (g) Other than in respect of the KERP make any payments on account of bonuses or new retainers (other than to the CRO or as contemplated in the CCAA Cash Flow) or establish or create any trust account in respect thereof;
- (h) Except with the written consent of the DIP Lenders, make any retention payments or any other type of payment (in cash, or otherwise) or enter into any assignment or transfer (whether voluntary or otherwise) of accounts receivable, cash, or any other property, or any swap of cash for accounts receivable, or other property with any third party lender other than as contemplated in the CCAA Cash Flow;
- (i) Other than for such arrangements as existed on the date of the Initial Order in respect of the Supplemental Compliance Order and in respect of the account to be established in respect of Tax Refunds (if any), establish or create any trust accounts;
- (j) Create or permit to exist any new Liens on any of its properties or assets other than the Priority Payables, Liens in favour of the DIP Lenders and Permitted Liens;
- (k) Make any capital expenditures other than as reflected in the CCAA Cash Flow;
- (l) Seek, obtain or support any Court Order that affects the DIP Lenders except with the prior written consent of the DIP Lenders, acting reasonably, which Court Order shall be in form and substance acceptable to the DIP Lender, acting reasonably;
- (m) Amalgamate, consolidate with or merge into or sell all or substantially all of their assets to another entity, or change the nature of their business or their corporate or capital structure or enter into any agreement committing to such actions;
- (n) Unless the transaction satisfies all of the DIP Obligations and payments that have priority over the DIP Priority Charge, in full, make a public announcement in respect of, enter into any agreement or letter of intent with respect to, or attempt to consummate, or support an attempt to consummate by another party, any transaction or agreement outside the ordinary course of business, if not approved in advance by the DIP Lenders;
- (o) Enter into, extend, renew, waive or otherwise modify in

any material respect the terms of any transaction with an affiliate, or extend or renew existing operational arrangements without the prior approval of the DIP Lenders;

- (p) Participate in any scheduled material discussions with a regulatory authority having jurisdiction over the Loan Parties relating to any licence or permit required for the operation of their business without providing the DIP Lenders, NRF and Goodmans reasonable advance notice of such discussions and discuss and agree with the DIP Lenders in advance regarding the conduct and nature of such discussions provided that the Loan Parties or their advisors shall be permitted to engage in unscheduled discussions with a regulatory authority, and shall following any such discussion, whether scheduled or unscheduled, advise the DIP Lenders, NRF and Goodmans of the content of those discussions aside from external counsel only matters;
- (q) Participate in any material discussions with any party (other than their legal and financial advisors) with respect to any Sale Transaction or Plan after the delivery by such party of a written expression of interest in respect of same, in each case without providing reasonable notice to the DIP Lenders, NRF and Goodmans, and an opportunity for a representative of NRF, Goodmans or Houlihan Lokey to participate in such discussions;
- (r) Enter into any settlement agreement or agree to any settlement arrangements with any regulatory authority or in connection with any litigation, arbitration, other investigations, proceedings or disputes or other similar proceedings which are threatened or pending against any one of them without the DIP Lenders' prior consent, or make any payments or repayments to customers, outside the ordinary course of business, other than those set out in the CCAA Cash Flow;
- (s) Other than the suspension of the Borrower's brokered business, cease (or threaten to cease) to carry on its business or activities as they are currently being conducted or change their operations or business practices (including normal lending practices) without the prior approval of the DIP Lenders;
- (t) Seek, or consent to the appointment of, a receiver or trustee in bankruptcy without the prior consent of the DIP Lenders;
- (u) After the date hereof, purchase any additional insurance in respect of any director or officer of any Loan Party, including any "tail" insurance, without the prior written consent of the DIP Lenders;
- (v) Allow any proceeds of any directors' or officers' insurance

policies to be paid to any third party, including any fees paid to counsel in respect of pre-filing actions, suits, investigations, litigation or proceedings, without the prior written consent of the DIP Lenders other than with respect to fees paid to counsel with respect to such regulatory matters that cannot be disclosed pursuant to applicable law; and

- (w) Transfer the proceeds of any DIP Advance to any other account of the Borrower or any Loan Party other than the Borrower's Account.

**EVENTS OF DEFAULT:**

The occurrence of any one or more of the following events shall constitute an event of default (Event of Default) under this term sheet:

- (a) Failure of the Borrower to pay: (i) interest, fees or other amounts when due under this term sheet or any other DIP Credit Documentation; (ii) principal when due under the DIP Facility; or (iii) legal fees of the DIP Lenders and the Agent and the DIP Lender's Financial Advisors within, in the case of paragraph (iii) only, two (2) Business Days of being invoiced therefore (if applicable);
- (b) Failure of any Loan Party to perform or comply with any term or covenant under this term sheet or any other DIP Credit Documentation (other than as set out in paragraph (a) above) unless remedied in two (2) days;
- (c) Any representation or warranty by a Loan Party made or deemed to be made in this term sheet or any DIP Credit Document is or proves to be incorrect or misleading in any material respect as of the date made or deemed to be made unless remedied in two (2) days;
- (d) Issuance of an order (i) dismissing the CCAA Proceedings or lifting the stay in the CCAA Proceedings to permit the enforcement of any security against any Loan Party or the Collateral, the appointment of a receiver, interim receiver or similar official, an assignment in bankruptcy, or the making of a bankruptcy order or receiving order against or in respect of any Loan Party, other than in respect of a non-material asset not required for the operations of any Loan Party's business and which is subject to a priority Lien; (ii) granting any other claim super priority status or a Lien equal or superior to that granted to the DIP Lenders other than the Priority Payables, including the Administration Charge and the Director's Charge (but, with respect to the Director's Charge, only to the extent of an amount equal to CDN\$1,250,000), the KERP Charge (which shall rank *pari passu*), the TPL Charge (which shall rank *pari passu*) and PMSIs; or (iii) staying, reversing, vacating or otherwise modifying this term sheet or the DIP Credit Documentation, any Court Order (including the Initial Order, the Confirming DIP Order and the DIP Priority Charge) or the entry of an order by the Court

having the equivalent effect, without the prior written consent of the DIP Lenders;

- (e) Unless consented to by the DIP Lenders, the expiry without further extension of the stay of proceedings provided for in the Initial Order;
- (f) Other than the suspension of the Borrower's brokered business, any Loan Party ceases (or threatens to cease) to carry on business in the ordinary course, except where such cessation occurs in connection with a sale of all or substantially all of the assets of a Loan Party or other restructuring or reorganization of a Loan Party, which has been consented to by the DIP Lenders;
- (g) A Cash Flow Projection is not acceptable to the DIP Lenders, acting reasonably, unless remedied to the satisfaction of the DIP Lenders within two (2) Business Days or is not delivered to the DIP Lenders within three (3) Business Days of its due date under this term sheet;
- (h) The existence of an adverse variance of actual cash flows from the CCAA Cash Flow (without taking into account any positive variance in cash flow as a result of receiving the Tax Refund or any negative variance as a result of any fees which may be payable to a CRO), by an amount exceeding: (i) with respect to the Operating Cash Flow, the greater of CDN\$1.5 million or 15% during the first two weeks following the date of the Court order approving this term sheet, measured on a cumulative basis from (but not including) May 16, 2014; and thereafter, by the greater of CDN\$1 million or 15%, measured on a cumulative basis from (but not including) May 16, 2014; and (ii) with respect to any Non-Operating Disbursements, the greater of CDN\$500,000 or 15% of the CCAA Cash Flow, measured on a cumulative basis from (but not including) May 16, 2014;
- (i) If at any time, the Updated Peak Funding Requirement exceeds by more than 10% the Original Peak Funding Requirement (without taking into account any positive variance in cash flow as a result of receiving the Tax Refund or any negative variance as a result of any fees which may be payable to a CRO).
- (j) The filing by any of the Loan Parties of any motion or proceeding which (i) is not consistent with any provision of this term sheet, the DIP Credit Documentation or the DIP Priority Charge, in a manner that is materially adverse to the interests of the DIP Lenders; (ii) seeks to obtain a "critical supplier charge" or similar protection pursuant to the CCAA to any party, other than the critical vendor payments contained in the CCAA Cash Flow; (iii) could reasonably be expected to materially adversely affect the interests of the DIP Lenders; (iv) seeks an order which, if granted, could reasonably be expected to result in a



Material Adverse Change, or (v) seeks to continue the CCAA Proceedings under the jurisdiction of a court other than the Court, unless in the case of any of the foregoing, the DIP Lenders have consented thereto in writing;

- (k) An order of the court that results in any third party lender receiving from a Loan Party any of the following, in each case, except for such amounts which are the subject of the TPL Protections, such amounts contemplated in the CCAA Cash Flow, or as otherwise provided in this term sheet or with the prior consent of the DIP Lenders: (i) any retention payment or other type of payment (in cash or otherwise); (ii) any assignment of accounts receivable or any swap of cash for accounts receivable or other property; or (iii) other property or any other amount transferred to a third party lender for its benefit;
- (l) Unless the transaction satisfies all DIP Obligations and payments that have priority over the DIP Priority Charge, in full, any proceeding, motion or application shall be commenced or filed by any Loan Party, or if commenced by another party, supported or otherwise consented to by any Loan Party, seeking the approval of any Sale Transaction or Plan that does not have the prior consent of the DIP Lenders;
- (m) The making by the Borrower or any Guarantor of a payment of any kind not permitted by the Initial Order, the TPL Protection Order, this term sheet, the DIP Credit Documentation or the CCAA Cash Flow without the prior consent of the DIP Lenders;
- (n) The occurrence and continuance of an event of default under any of the DIP Credit Documentation that is not cured or waived in accordance with the terms thereof;
- (o) Except as stayed by order of the Court, a default under, revocation or cancellation of, any material contract, licence or permit, which has or could reasonably be expected to result in a Material Adverse Change;
- (p) The removal, termination, replacement or change in the scope or extent of the authority of the CRO, without the prior consent of the DIP Lenders, acting reasonably;
- (q) The suspension, termination or revocation of any licence in any province or territory in which the Loan Parties operate;
- (r) The denial or repudiation by any Loan Party of the legality, validity, binding nature or enforceability of this term sheet, any DIP Credit Documentation or any other document or certificate delivered pursuant to the terms hereof or thereof;

- (s) Except as stayed by order of the Court, (i) the entry of one or more final judgements, writs of execution, garnishment or attachment representing a claim in excess of CDN\$ 20,000 individually, or CDN\$ 50,000 in the aggregate, against any Loan Party or the Collateral that is not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 30 days after their entry, commencement or levy (ii) any requirement by a regulatory authority that any of the Loan Parties reimburse amounts to customers of any of the Loan Parties;
- (t) Any change to the composition (including addition, removal or replacement of directors or officers) of the board of directors or officers of any Loan Party that is not acceptable to the DIP Lenders;
- (u) The occurrence of a Material Adverse Change; or
- (v) The Borrower and the Loan Parties shall require funding on or before July 31, 2014 in excess of CDN\$8,000,000, based upon all Cash Flow Projections delivered.

**REMEDIES:**

Subject to the Initial Order, upon the occurrence of an Event of Default, the Agent, if so directed by the Majority Lenders may:

- (a) Declare the DIP Obligations to be immediately due and payable;
- (b) Apply to a court: (i) for the appointment of an interim receiver, a receiver or a receiver and manager of the undertaking, property and assets of any Loan Party; (ii) for the appointment of a trustee in bankruptcy of any Loan Party; or (iii) to seek other relief;
- (c) Exercise the powers and rights of a secured party under the *Personal Property Security Act* (Manitoba), *Personal Property Security Act* (Alberta), *Personal Property Security Act* (Ontario) or any other legislation of similar effect applicable to the DIP Security; and
- (d) Exercise all such other rights and remedies under this term sheet and the DIP Credit Documentation and the Court Orders.

For greater certainty and subject to the Initial Order, the DIP Lenders shall have customary remedies under the DIP Credit Documentation, including, but not limited to, the right to realize on all or part of the DIP Security without the necessity of obtaining further relief or order from the Court, subject to applicable law.

**INDEMNITY AND RELEASE:**

Each Loan Party agrees to indemnify and hold harmless the Finance Parties and each of its directors, officers, employees, agents, attorneys, advisors and affiliates (all such persons and entities being referred to hereafter as **Indemnified Persons**) from

and against any and all actions, suits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or expenses of any kind or nature whatsoever which may be incurred by or asserted against or involve any Indemnified Person as a result of or arising out of or in any way related to or resulting from the CCAA Proceedings, any bankruptcy or insolvency proceedings, this term sheet or any other DIP Credit Documentation, and, upon demand, to pay and reimburse any Indemnified Person for any reasonable legal or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding (including, without limitation, any inquiry or investigation) or claim (whether or not any Indemnified Person is a party to any action or proceeding out of which any such expenses arise); provided, however, the Loan Parties shall not be obligated to indemnify pursuant to this paragraph any Indemnified Person against any loss, claim, damage, expense or liability to the extent it resulted from the gross negligence or wilful misconduct of such Indemnified Person as finally determined by a court of competent jurisdiction.

The indemnities granted under this term sheet shall survive any termination of the DIP Facility.

**EXPENSES:**

The Borrower will reimburse the Finance Parties for all reasonable and documented fees disbursements, out-of-pocket expenses incurred by them (including reasonable and documented legal and professional fees and expenses, on a full indemnity basis), in connection with the CCAA Proceedings (including preparation for and attendance at the Court), due diligence, negotiation and documenting of this term sheet and related documentation and the on-going monitoring and administration of each, including the fees and expenses of a tax advisor, and the enforcement of the DIP Priority Charge and any Additional DIP Security Documents.

All such fees, disbursements and expenses shall be included in the DIP Obligations and secured by the DIP Priority Charge.

**APPOINTMENT OF  
COLLATERAL AGENT:**

The DIP Lenders shall be entitled to appoint a collateral agent (the **Collateral Agent**) to accept, enter into, hold, maintain, administer and enforce all DIP Security including all Collateral subject to it and all Liens created under it and sell, assign, foreclose on, or institute proceedings with respect to, or otherwise exercise or enforce the rights and remedies of a secured party with respect to the Collateral.

**APPOINTMENT OF AGENT  
AND AGENT'S ROLE:**

- (a) Each DIP Lender appoints the Agent to act as its agent under and in connection with this term sheet and the DIP Credit Documentation.
- (b) Each DIP Lender authorises the Agent to exercise the rights, powers, authorities and discretions specifically given to the Agent under or in connection with this term sheet and the DIP Credit Documentation together with any other incidental rights, powers, authorities and discretions.
- (c) Any communication or document to be delivered to the

Agent will be effective only when received by the Agent.

- (d) Nothing in this Agreement constitutes the Agent as a trustee or fiduciary of any other person.
- (e) The Agent shall not be bound to account to any DIP Lender for any sum or the profit element of any sum received by it for its own account.
- (f) The Agent may accept deposits from, lend money to and generally engage in any kind of banking or other business with any Loan Party.

**DUTIES OF THE AGENT:**

- (a) The Agent's duties under this term sheet and the DIP Credit Documentation are solely mechanical and administrative in nature.
- (b) Except with respect to the Assignment and Assumption Agreement, the Agent shall as soon as reasonably practicable forward to a DIP Lender (with a copy to each of NRF and Goodmans) the original or a copy of any document which is delivered to the Agent for that party by any other party.
- (c) The Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another party.
- (d) The Agent shall have only those duties, obligations and responsibilities expressly specified in this term sheet or the other DIP Credit Documentation to which it is expressed to be a party (and no others shall be implied).

**LIMITATIONS ON AGENT'S DUTIES:**

Responsibility for documentation

The Agent is not responsible or liable for:

- (a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Borrower or any other person in, or in connection with, the term sheet or any other DIP Credit Documentation or any report or financial information received from the Borrower or any party or the transactions contemplated in this term sheet or any DIP Credit Documentation or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any of them; or
- (b) the legality, validity, effectiveness, adequacy or enforceability of this term sheet or any DIP Credit Documentation or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any of them; or
- (c) any determination as to whether any information provided

or to be provided to any Finance Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

No duty to monitor

The Agent shall not be bound to enquire:

**RIGHTS AND  
DISCRETIONS:**

- (a) whether or not any Default has occurred;
- (b) as to the performance, default or any breach by any Party of its obligations under this term sheet or any DIP Credit Documentation; or
- (c) whether any other event specified in this term sheet or any DIP Credit Documentation has occurred.
- (a) The Agent may rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised.
- (b) The Agent may:
  - (i) assume that (A) any instructions received by it from the Majority Lenders, are duly given in accordance with the terms of this term sheet and any DIP Credit Documentation; and (B) unless it has received notice of revocation, that those instructions have not been revoked; and
  - (ii) rely on a certificate from any person (A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or (B) to the effect that such person approves of any particular dealing, transaction, step, action or thing, in each case as sufficient evidence that that is the case and, in the case of paragraph (a) above, may assume the truth and accuracy of that certificate.
- (c) The Agent may act in relation to this term sheet and any other DIP Credit Documentation through its personnel and agents and is not liable for any error of judgment made by any such person or bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part, of any such person.
- (d) The Agent may disclose to any other Finance Party any information it reasonably believes it has received as agent under this term sheet and the other DIP Credit Documentation.
- (e) Notwithstanding any provision of this term sheet or any DIP Credit Documentation to the contrary, the Agent is not

obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

**DIP LENDER  
INSTRUCTIONS:**

- (a) Unless a contrary indication appears in this term sheet or the DIP Credit Documentation, the Agent shall: (i) exercise any right, power, authority or discretion vested in it as Agent in accordance with any instructions given to it by the DIP Lenders in accordance with the percentages provided in the section entitled "*DIP Lenders' Decision-Making*" (or, if so instructed in accordance with that section, refrain from exercising any right, power, authority or discretion vested in it as Agent) and (ii) not be liable for any act (or omission) if it acts (or refrains from taking any action) in accordance with an instruction of the DIP Lenders in accordance with the percentages provided in the section entitled "*DIP Lenders' Decision-Making*".
- (b) Unless a contrary indication appears in this term sheet or any other DIP Credit Documentation, any instructions given by the Majority Lenders will be binding on all the Finance Parties.
- (c) The Agent shall be entitled to request instructions, or clarification of any instruction, from the Majority Lenders (or, if this term sheet or the relevant DIP Credit Documentation stipulates the matter is a decision for any other DIP Lender or group of DIP Lenders, from that DIP Lender or group of DIP Lenders) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Agent may refrain from acting unless and until it receives those instructions or that clarification.
- (d) The Agent may refrain from acting in accordance with the instructions of the Majority Lenders (or, if this term sheet or the relevant DIP Credit Documentation stipulates the matter is a decision for any other DIP Lender or group of DIP Lenders, from that DIP Lender or group of DIP Lenders) until it has received such security as it may require for any cost, loss or liability (together with any associated VAT) which it may incur in complying with the instructions.
- (e) In the absence of instructions from the Majority Lenders, (or, if this term sheet or the relevant DIP Credit Documentation stipulates the matter is a decision for any other DIP Lender or group of DIP Lenders, from that DIP Lender or group of DIP Lenders) the Agent may act (or refrain from taking action) as it considers to be in the best interest of the DIP Lenders.

- (f) The Agent is not authorised to act on behalf of a DIP Lender (without first obtaining that DIP Lender's consent) in any legal or arbitration proceedings relating to any DIP Credit Documentation.

#### The Administration and Mechanics of Voting

If a decision, determination or direction of the DIP Lenders or Majority Lenders is required under the terms of this term sheet or the other DIP Credit Documentation, the Agent shall communicate with each DIP Lender that it is entitled to vote and provide a deadline for response.

#### Deemed Responses

In the event that the Agent seeks instructions or a decision, determination or direction from the Majority Lenders or all of the DIP Lenders (or, if this term sheet or the relevant DIP Credit Documentation stipulates the matter is a decision for any other DIP Lender or group of DIP Lenders, from that DIP Lender or group of DIP Lenders), then to the extent that any DIP Lender fails to give such instructions or response within the deadline prescribed in the request then that DIP Lender shall be deemed to have no principal indebtedness owing to it under its DIP Facility (and a result no voting entitlement in relation to that decision) and where no DIP Lender has provided a response in connection with that decision by the deadline date for decision, each DIP Lender shall be deemed to have irrevocably approved the implementation of that decision.

#### **EXCLUSION OF AGENT'S LIABILITY:**

- (a) Without limiting paragraph (b) below in this Section, the Agent shall not be liable for any action taken by it under, or in connection with, this term sheet or any other DIP Credit Documentation, unless directly caused by its gross negligence or wilful misconduct.
- (b) No party (other than the Agent) shall take proceedings against any officer, employee or agent of the Agent in respect of any claim it might have against the Agent or in respect of any act or omission of any kind by that officer, employee or agent in relation to this term sheet or any other DIP Credit Documentation and any officer, employee or agent of the Agent may rely on this provision.
- (c) If any monies are transferred to the Agent, the Agent will not be liable for any delay (or related consequences) in crediting an account with any amount required under this term sheet or any other DIP Credit Documentation to be paid by the Agent if the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system which may be used by the Agent for that purpose.
- (d) Nothing in this term sheet or the other DIP Credit Documentation, shall oblige the Agent to carry out any

"know your customer" or other checks in relation to any person on behalf of any DIP Lender and each DIP Lender confirms to the Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Agent.

**DIP LENDERS' INDEMNITY  
TO THE AGENT:**

Each DIP Lender shall (in proportion to its share of the DIP Facility or, if the DIP Facility has been fully disbursed, to its share of the DIP Facility remaining to be disbursed immediately prior to the reduction to zero) indemnify the Agent, within three (3) Business Days of demand, against any cost, loss or liability incurred by the Agent (otherwise than by reason of the Agent's gross negligence or wilful misconduct) in acting as Agent under this term sheet or any other DIP Credit Documentation (unless the Agent has been reimbursed by a Loan Party pursuant to any DIP Credit Documentation).

**ADDITIONAL AGENCY  
PROVISIONS:**

Delegation or Assignment of Authority

The Agent may delegate or assign its role as Agent at any time and upon agreeing the terms and conditions of such delegation or assignment with its delegate or assignee (as the case may be).

Resignation

- (a) The Agent may resign at any time and appoint another party as successor by giving notice to the other Finance Parties and the Borrower.
- (b) The retiring Agent shall, make available to the successor Agent such documents and records as the successor Agent may reasonably request for the purposes of performing its functions as Agent under this term sheet, the DIP Credit Documentation and the DIP Security. The Borrower shall, within three (3) Business Days of demand, reimburse the retiring Agent for the amount of all costs and expenses (including legal fees) properly incurred by it in making available such documents and records and providing such assistance.
- (c) The Agent's resignation notice shall only take effect upon the appointment of a successor.
- (d) Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of performing its functions as Agent under this term sheet, the DIP Credit Documentation and the DIP Security but shall be entitled to the benefit of the Section above entitled "*DIP Lenders' Indemnity to the Agent*" and this Section entitled "*Agent's Resignation*" (and any agency fees for the account of the retiring Agent shall cease to accrue from (and shall be payable on) that date). Any successor and each of the other parties shall have the same rights and obligations amongst themselves as they would have



had if such successor had been an original party.

**CONDUCT OF BUSINESS  
BY THE FINANCE  
PARTIES:**

No provision of this term sheet will:

- (a) Interfere with the right of any Finance Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- (b) Oblige any Finance Party to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or
- (c) Oblige any Finance Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax.

**ADMINISTRATION OF THE  
DIP FACILITY:**

All payment to be made by a Loan Party shall be calculated and be made (and free and clear of any deduction for) set-off or counterclaim.

**CURRENCY:**

The DIP Facility shall be repaid by the Borrower or a Loan Party (as applicable and as required under this term sheet) in the currency in which the DIP Facility was obtained by it. Any payment on account of an amount payable under any DIP Credit Documentation in a particular currency (the **proper currency**) made to or for the account of a DIP Lender in a currency (the **other currency**) other than the proper currency, whether pursuant to a judgement or order of any court or tribunal or otherwise, shall constitute a discharge of such Loan Party's obligation under such DIP Credit Documentation only to the extent of the amount of the proper currency which the applicable DIP Lender is able, in the normal course of its business within one (1) Business Day after receipt by it of such payment, to purchase with the amount of the other currency so received. If the amount of the proper currency which such DIP Lender is so able to purchase is less than the amount of the proper currency originally due to it under such DIP Credit Documentation, the Loan Party, from whom such sum is due, shall indemnify and save such DIP Lender harmless from and against any loss or damage arising as a result of such deficiency.

**TAXES:**

All payments by the Borrower or any Loan Party under the DIP Credit Documentation to the DIP Lenders, including any payments required to be made from and after the exercise of any remedies available to the DIP Lenders upon an Event of Default, shall be made free and clear of, and without reduction for or on account of Taxes.

If any Taxes are required by applicable law to be withheld (**Withholding Taxes**) from any interest or other amount payable to the DIP Lenders under any DIP Credit Documentation, the amount so payable to the DIP Lenders shall be increased to the extent necessary to yield to the DIP Lenders on a net basis after payment of all Withholding Taxes, the amount payable under such DIP Credit Documentation at the rate or in the amount specified in such DIP Credit Documentation and the Borrower and any applicable Loan Party shall provide evidence satisfactory to the DIP Lenders that the Taxes have been so withheld and remitted,

provided however that Withholding Taxes shall not include any such taxes that arise by virtue of: (i) the Borrower or any applicable Loan Party not dealing at arm's length for purposes of the Tax Act with a DIP Lender; (ii) a payment being deemed to be a dividend for purposes of the Tax Act; or (iii) the application of proposed subsection 212(3.2) of the Tax Act.

**STATUS OF PERMITTED LIENS:**

Except as expressly provided in this term sheet, the designation of any Lien as a Permitted Lien is not, and shall not be deemed to be, an acknowledgement by the DIP Lenders that the Lien shall have priority over the security interests granted to the DIP Lenders in the Collateral pursuant to this term sheet, the DIP Priority Charge and the DIP Security Documents.

**FURTHER ASSURANCES:**

The Borrower shall, and shall cause each Loan Party at its own expense, from time to time do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) and things as the DIP Lenders may reasonably request for the purpose of giving effect to this term sheet and the DIP Security, perfecting, protecting and maintaining the Liens created by the DIP Security establishing compliance with the representations, warranties and conditions of this term sheet or any other DIP Credit Documentation.

**NOTICES:**

Any communication to be made under or in connection with the DIP Credit Documents shall be made in writing and, unless otherwise stated, may be made by fax, letter or e-mail.

The address, fax number and e-mail address (and the department or officer, if any, for whose attention the communication is to be made) of each party for any communication or document to be made or delivered under or in connection with the DIP Credit Documents is:

- (a) in the case of the Borrower and the Guarantors is set out in **Schedule "E"** (Initial administrative details of the Parties);
- (b) in the case of the Monitor is set out in **Schedule "E"**;
- (c) in the case of each DIP Lender, as set out in **Schedule "E"** (Initial administrative details of the Parties) or notified in writing to the Agent on or prior to the date on which it becomes a Party; and
- (d) in the case of the Agent, as set out in **Schedule "E"** (Initial administrative details of the Parties) or as notified to the DIP Lenders and the Borrower in writing on its appointment,

or any substitute address, fax number, e-mail address or department or officer as the party may notify to the Agent (or the Agent may notify to the other Parties, if a change is made by the

Agent) by not less than five Business Days' notice.

Promptly upon changing its address, fax number or e-mail address, the Agent shall notify the other parties.

**ENTIRE AGREEMENT;  
CONFLICT:**

This term sheet, including its schedules and the other DIP Credit Documentation, constitutes the entire agreement between the parties relating to the subject matter hereof. To the extent that there is any inconsistency between this term sheet and any of the other DIP Credit Documentation, this term sheet shall govern. In the event of any inconsistency between any DIP Credit Documentation and a Court Order, the Court Order shall govern.

**DIP LENDER APPROVALS:**

Any consent, approval (including, without limitation, any approval of or authorization for any waiver under or any amendment to any of the DIP Credit Documentation), instruction or other expression of the DIP Lenders under any of the DIP Credit Documentation may be obtained by an instrument in writing (which instrument in writing, for greater certainty, may be delivered by facsimile or other electronic transmission).

**AMENDMENTS, WAIVERS,  
ETC.:**

No waiver or delay on the part of a DIP Lender in exercising any right or privilege hereunder or under any other DIP Credit Documentation will operate as a waiver hereof or thereof unless made in writing and signed by an authorized officer of the DIP Lenders acting on the instructions of the Majority Lenders.

Subject to the Section entitled "*DIP Lenders' Decision-making*" or unless otherwise stated in this term sheet, any term of this term sheet or the other DIP Credit Documentation may be amended or waived only with the consent of the Majority Lenders and any such amendment or waiver will be binding on all Parties, provided however that no amendment may be made without the prior written consent of the Loan Parties.

The Agent may effect, on behalf of any Finance Party, any permitted amendment or waiver.

An amendment or waiver which relates to the rights or obligations of the Agent may not be effected without the consent of the Agent.

**ASSIGNMENT BY DIP  
LENDERS:**

A DIP Lender (the **Existing Lender**, for the purposes of this section) may, subject to the Right of First Refusal (as defined below) and the rights of the DIP Lenders in respect of a Related Party Transfer (as defined below), assign its rights and obligations under this term sheet, in whole or in part, to any party (the **New Lender** for the purposes of this section).

- (a) Following such transfer, the Existing Lender shall be released from its obligations (to the extent transferred) under the term sheet, the DIP Credit Documentation and the DIP Security, and the respective rights of each of the Borrower and the Existing Lender against one another shall be cancelled, and the New Lender shall assume those obligations and acquire those rights and shall

become a party to the term sheet, the DIP Credit Documentation and the DIP Security.

- (b) An assignment may be effected when the Existing Lender executes an otherwise duly completed assignment and assumption agreement substantially in the form attached as **Schedule "F"** (the **Assignment and Assumption Agreement**, and which Assignment and Assumption Agreement shall be delivered to the Agent by the Existing Lender and the New Lender, whereby the New Lender has agreed to be bound by the terms of the term sheet, the DIP Credit Documentation and the DIP Security as a DIP Lender and has agreed to a specific Commitment with respect to the DIP Facility.
- (c) Any New Lender hereunder that is a Senior Secured Noteholder shall be required (as a condition to the assignment) to deliver, and shall receive, a release in the form delivered between Coliseum and the AHC DIP Lenders concurrently with the delivery of this term sheet.
- (d) Once the transfer is effected, the Commitment of the Existing Lender shall be deemed to be reduced by the amount of the Commitment of the New Lender with respect to the DIP Facility.
- (e) The Borrower irrevocably authorizes the Agent to execute any Assignment and Assumption Agreement on its behalf, without any consultation.
- (f) The New Lender shall become a party as a "DIP Lender" and will be bound by its obligations under this term sheet, the DIP Credit Documentation and the DIP Security.
- (g) On behalf of itself and the other Loan Parties, the Borrower authorizes the Agent and the DIP Lenders to disclose to any New Lender (each, a "Transferee") and any prospective Transferee or any professional advisor of any Transferee or prospective Transferee and authorizes each of the DIP Lenders to disclose to any other DIP Lender any and all financial information in their possession concerning the Loan Parties which has been delivered to them by or on behalf of any Loan Party pursuant to this term sheet or which has been delivered to them by or on behalf of any Loan Party in connection with their credit evaluation of the Loan Parties prior to becoming a party to this term sheet, so long as any such Transferee or professional advisor agrees not to disclose any confidential, non-public information to any person other than the Transferee's affiliates, employees, accountants or legal counsel, unless required by law and authorizes each of the DIP Lenders to disclose to any other DIP Lender and to any person where disclosure is required by law, regulation, legal process or regulatory authority (for certainty under any circumstance and not

solely in connection with assignment of rights).

- (h) Each New Lender confirms to the Existing Lender and the other Finance Parties that it:
- (i) has made, and shall continue to make, its own independent investigation and assessment of the financial condition and affairs of the Borrower and each Loan Party or any related entities in connection with its participation in this term sheet or the other DIP Credit Documentation and has not relied exclusively on any information provided to it by the Existing Lender in connection with this term sheet or the other DIP Credit Documentation and
  - (ii) will continue to make its own independent appraisal of the creditworthiness of the Borrower and their related entities whilst any amount is or may be outstanding under this term sheet or the DIP Credit Documentation.

#### Related Party Transfer

No DIP Lender may transfer any of its rights and obligations (in whole or in part) under this term sheet to any third party lender indicated in **Schedule "G"** to this term sheet or any other third party lender from time to time or Related Party (a **Related Party Transfer**) without the prior written consent of each DIP Lender. The consent of each DIP Lender to a transfer must not be unreasonably withheld or delayed and shall be deemed to have been given five (5) Business Days after the Existing Lender has requested it unless the consent is expressly refused by the DIP Lender within that time.

#### Right of First Refusal

The DIP Lenders shall have a right of first refusal to participate in any transfer of the rights and obligations of any DIP Lender unless the transfer is to an affiliate of a DIP Lender (it being understood that for the purpose of this section a fund or account under common management with the transferring DIP Lender shall be considered an affiliate of such transferring DIP Lender). The DIP Lenders shall have 10 days upon receipt of notice from the Existing Lender of the proposed transfer to confirm whether or not they wish to participate (such right being the **Right of First Refusal**) and all DIP Lenders who choose to participate shall do so *pro rata* based upon the aggregate commitments of all such participating DIP Lenders, provided that if the transferring DIP Lender is: (i) an AHC DIP Lender, the other AHC DIP Lenders shall have the right to participate in priority to the other DIP Lenders; further that; (ii) Alta, or its successors or assigns, is the transferring DIP Lender, Coliseum shall have the right to participate in priority to the other DIP Lenders; and if Coliseum or its successors or assigns is the transferring DIP Lender, Alta shall

	have the right to participate in priority to the other DIP Lenders.
<b>ASSIGNMENT BY THE LOAN PARTIES:</b>	Neither this term sheet nor any right and obligation under it may be assigned by any Loan Party.
<b>TIME OF ESSENCE:</b>	Time is of the essence in this term sheet and the time for performance of the obligations of each Loan Party may be strictly enforced by the Finance Parties.
<b>SEVERABILITY:</b>	Any provision in any DIP Credit Documentation which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this term sheet or any other DIP Credit Documentation affecting the validity or enforceability of such provision in any other jurisdiction.
<b>COUNTERPARTS AND FACSIMILE SIGNATURES:</b>	This term sheet may be executed in any number of counterparts and by facsimile or other electronic transmission, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this term sheet by signing any counterpart of it.
<b>GOVERNING LAW AND JURISDICTION:</b>	This term sheet shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable in it. Each Loan Party: (i) irrevocably submits to the exclusive jurisdiction of the Court to hear and determine any claims or disputes between the Borrower, any Guarantor and any Finance Party or any other matter arising out of, or relating to, this term sheet; and (ii) waives any objections on the ground of venue or forum <i>non conveniens</i> or any similar grounds, and consents to service of process by mail or in any other manner permitted by relevant law.
<b>AMENDMENT AND RESTATEMENT AND NOVATION:</b>	As of the date hereof, this term sheet amends, restates, and replaces in its entirety the Initial Term Sheet and the Initial Term Sheet shall be read and construed as so amended, restated and replaced with the parties hereby agreeing that there is no novation of the Initial Term Sheet. On the date of this term sheet, the rights and obligations of the parties under the Initial Term Sheet shall be subsumed within and be governed by this term sheet.
<b>EXECUTION OF TERM SHEET BY CRO</b>	In executing this term sheet and making any representation, warranty or certification hereunder, including any certification in a drawdown certificate, the CRO has inquired of the Borrower's senior management and has informed himself through and relied upon the results of such inquiry. The CRO has not examined any other person, reviewed any other document, or otherwise attempted to verify the accuracy or completeness of the information that has been provided to the CRO through the inquiries made of senior management. All representations, warranties and certifications made in respect of this term sheet, including in any drawdown certificate, are expressly qualified by the actual knowledge of the CRO based on the inquiries made to date by the CRO, and it is acknowledged by the DIP Lenders that the CRO shall have no personal liability whatsoever for the

execution of this term sheet, any matter contained in this term sheet or any of the representations, warranties or certifications made herein or in any drawdown certificate; provided however that the CRO shall exercise the powers granted to the CRO under the Initial Order to cause the Loan Parties to perform their obligations and comply with their covenants hereunder.

Nothing contained in the foregoing shall prevent the DIP Lenders from enforcing their rights against a Loan Party for any breach of a representation, warranty or covenant contained in this term sheet in accordance with the terms of this term sheet.

**DEFINITIONS:**

Capitalised terms not otherwise defined herein shall have the following meanings:

**Administration Charge** has the meaning ascribed to it in the Initial Order;

**Ad Hoc Committee** means the ad hoc committee of holders of the Loan Parties' 11 ½ senior secured notes;

**Approved Transaction** means a Plan or Sale Transaction that is acceptable to the DIP Lenders;

**Business Day** means each day other than a Saturday or Sunday or a statutory or civic holiday that banks are open for business in Ontario and New York;

**CCAA Proceedings** means the proceedings in respect of the Borrower and the Guarantors before the Court commenced pursuant to the CCAA;

**Collateral** means all present and after-acquired property, assets and undertakings of the Loan Parties, including, without limitation, accounts, rights of repayments or reimbursement, claims for cash, accounts receivable of the Loan Parties and proceeds thereof, and all cash whether in any Loan Party's bank accounts or elsewhere;

**Collateral Trust Agreement** means a collateral trust and intercreditor agreement dated 31 January 2012, between, among others, the Borrower as borrower and issuer, certain guarantors and noteholders, and Computershare Trust Company of Canada as collateral trustee;

**Court** means the Ontario Superior Court of Justice, Commercial List (Toronto);

**Default** means an event which, with the giving of notice and/or lapse of time would constitute an Event of Default (as defined herein);

**DIP Credit Documentation** means this term sheet, the Initial Term Sheet, the Additional Security Documents and any other definitive documentation in respect of the DIP Facility that are in

form and substance satisfactory to the DIP Lenders;

**DIP Obligations** means any and all amounts now or hereafter owing by the Borrower and/or the Guarantors to the DIP Lenders pursuant to this term sheet or any other DIP Credit Documentation (including all principal, interest, DIP Financing Fees, Exit Amounts, any other fees, expenses, indemnities and any other amounts);

**Director's Charge** has the meaning ascribed to it in the Initial Order;

**Finance Parties** means each DIP Lender, the Agent and the Collateral Agent and **Finance Party** means any one of them;

**Indenture** means an agreement dated as of January 31, 2012 between, among others the Borrower as issuer, the Guarantors and Computershare Trust Company of Canada as Collateral Agent;

**Initial Order** means the amended and restated initial order granted by the Court on April 15, 2014 in respect of the Borrower and the Guarantors, as the same may be amended by the Court with the consent of the DIP Lenders acting reasonably;

**Initial Term Sheet** means a term sheet dated April 15, 2014 with respect to a CDN\$8,500,000 facility between the Borrower, Guarantors, Coliseum and the Agent thereunder (and any amendments or supplements to it);

**KERP** means the key employee retention plan to be agreed among the DIP Lenders and the Borrower but which in any case will not exceed CDN\$400,000, and which will rank *pari passu* in right of payment with the DIP Obligations;

**KERP Charge** means any security interest granted over the assets of any of the Loan Parties pursuant to an Order of the Court to secure any obligations owing by the Loan Parties under the KERP.

**Liens** means all mortgages, charges, encumbrances, hypothecs, liens and security interests of any kind or nature whatsoever;

**Material Contract** means any contract, licence or agreement: (i) to which any Loan Party is a party or is bound; (ii) which is material to, or necessary in, the operation of the business of any Loan Party; and (iii) which a Loan Party cannot promptly replace by an alternative and comparable contract with comparable commercial terms;

**Monitor** means FTI Consulting Canada Inc. in its capacity as Court-appointed monitor of certain of the Loan Parties and not in its personal capacity;

**Non-Operating Disbursements** shall mean total cash flow less



operating cash flow pursuant to the CCAA Cash Flow;

**Operating Cash Flow** shall mean the operating cash flow pursuant to the CCAA Cash Flow;

**Original Peak Funding Requirement** means the maximum projected draw under the DIP Facility as reflected in the CCAA Cash Flow;

**Plan** means any plan of compromise, arrangement or reorganization filed pursuant to the CCAA or any other statute, in respect of any of the Loan Parties;

**Priority Lien Credit Agreement** means the priority lien credit agreement dated as of November 29, 2013 between the Loan Parties, Coliseum and the other lenders party thereto;

**Priority Payables** means, with respect to any Loan Party, any amount payable by such Loan Party for wages, vacation pay, employee deductions, sales tax, excise tax, tax payable pursuant to Part IX of the *Excise Tax Act* (Canada) (net of GST in put credits), income tax, workers compensation, and Canada Pension Plan obligations solely to the extent that such amounts are granted a priority at law over the DIP Obligations or any other amounts to the extent secured by a Lien which ranks prior to or *pari passu* with the DIP Security, including amounts which are secured by the Administration Charge, the Director's Charge (but only to a maximum of CDN\$1,250,000) ;

**Related Party** of an entity means a person, other than a person that is solely a bona fide lender, that, at the relevant time and after reasonable inquiry, is known by the entity or a director or senior officer of the entity to be

- (a) a control person (as such term is defined in the *Securities Act* (Ontario)) of the entity,
- (b) a person of which a person referred to in paragraph (a) is a control person,
- (c) a person of which the entity is a control person,
- (d) a director or senior officer (including the chair or a vice-chair of the board of directors, a president, a vice-president, the secretary, the treasurer or the general manager of a Loan Party or any other individual who performs functions for a Loan Party similar to those normally performed by an individual occupying any such office, and for a Loan Party that is a limited partnership, includes a senior officer of the general partner of a Loan Party) of
  - (i) the entity, or
  - (ii) a person described in any other paragraph of this

definition,

- (e) a person that manages or directs, to any substantial degree, the affairs or operations of the entity under an agreement, arrangement or understanding between the person and the entity, including the general partner of an entity that is a limited partnership, but excluding a person acting under bankruptcy or insolvency law,
- (f) an affiliate of any person described in any other paragraph of this definition;

**Sale Transaction** means a sale by the Borrower or any Guarantors of all or substantially all of its assets, or on-going business operations including by way of liquidation or the acquisition of the shares of any Loan Party by another party;

**Senior Secured Note** means the 11 1/2% notes due 2017 issued by the Borrower as issuer of Parity Lien Debt (as such term is defined in the Indenture) to the Senior Secured Noteholders under the Indenture;

**Senior Secured Noteholders** means the holders of the Senior Secured Notes (including Coliseum, Alta and the Ad Hoc Committee);

**Supplemental Compliance Order** means the supplemental compliance order dated November 30, 2012 issued by Consumer Protection BC under the Business Practice and Consumer Protection Act, S.B.C. 2004, c.2 against the Borrower;

**Tax Act** means the *Income Tax Act* (Canada);

**Taxes** means any present or future taxes, levies, imposts, duties, charges, fees, deductions or withholdings of any kind or nature whatsoever or any interest or penalties payable with respect thereto now or in the future imposed, levied, collected, withheld or assessed by any country or any political subdivision of any country;

**TPL Charge** has the meaning ascribed to it in the Initial Order;

**TPL Protections** means each of the following which are without prejudice to the rights or remedies of any party, including the Finance Parties: (i) the TPL Charge; (ii) TPL Net Receipt Minimum Balance (as defined in the Initial Order); and (iii) the protections provided in the TPL Protection Order, subject and without prejudice to the rights of the DIP Lenders contained in paragraph 6 of the TPL Protection Order;

**TPL Protection Order** means the order of the Court issued on April 30, 2014; and

**Updated Peak Funding Requirement** means any revised maximum projected draw under the DIP Facility as reflected in the

updated Cash Flow Projections.

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

**TAB F**

**THIS IS EXHIBIT "F" TO THE AFFIDAVIT  
OF WILLIAM E. AZIZ SWORN BEFORE ME  
ON THIS 18<sup>th</sup> DAY OF NOVEMBER, 2014.**



\_\_\_\_\_  
A commissioner for taking Affidavits

*Patrick Krester*

**AMENDING AGREEMENT TO AMENDED AND RESTATED DEBTOR-IN-  
POSSESSION TERM SHEET**

THIS AMENDING AGREEMENT is made as of the 7<sup>th</sup> day of August, 2014 (the Amending Agreement)

AMONG:

The Cash Store Financial Services Inc. (the "Borrower"),

-and-

7252331 Canada Inc., 5515433 Manitoba Inc., Instaloans Inc., The Cash Store Inc., TCS Cash Store Inc., 1693926 Alberta Ltd. (the "Guarantors")

-and-

The other signatories hereto (collectively, the "DIP Lenders")

WHEREAS the Borrower, the Guarantors and the DIP Lenders are party to an Amended and Restated Debtor-In-Possession Term Sheet dated as of May 20, 2014 (the DIP Agreement);

AND WHEREAS the Borrower has requested, and the DIP Lenders are willing to agree, to amend certain terms of the DIP Agreement as described below;

NOW THEREFORE for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

**Article 1 - INTERPRETATION**

- 1.1 All capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the DIP Agreement.

**Article 2 - AMENDMENTS**

- 2.1 The Section of the DIP Agreement entitled "DIP Facility And Maximum Amount" is hereby amended as follows:
- (a) by inserting "and if the Second Extension Option is exercised, \$21,500,000" immediately following "CDN\$16,500,000" in the first paragraph of this section; and
  - (b) by adding the following phrase immediately after the words "(the Minimum Draw)" in the second paragraph of this section: "; provided, however, that the restrictions on the minimum quantum of the DIP Advances contained in this sentence shall not apply to any DIP Advances from the Second Extension Amount".
- 2.2 The DIP Agreement is hereby amended by inserting a new section immediately following the section entitled "Extension Option". The new section shall be entitled "Second Extension Option" and shall state the following:

On or after August 7, 2014, the Borrower may request and, if requested, the DIP Lenders agree to provide, in such amounts as are set out opposite their names in Schedule "H" in respect of the Second Extension Amount, at the date the Second Extension Option is exercised by the Borrower, an additional aggregate commitment of CDN \$5,000,000 (the Second Extension Amount), which shall mature, together with the other Commitments

provided under this term sheet, on the Maturity Date, and shall be on the terms and conditions as contemplated in this term sheet (the **Second Extension Option**).

Each DIP Lender understands that its proportionate share of the Commitments, its percentage of the vote in respect of any decision-making, determination of consent and its percentage of any fees tied to Commitments, may increase or decrease, as a result of the exercise of the Second Extension Option.

Notwithstanding any other provisions of this term sheet to the contrary, the Second Extension Amount shall only be made available, and the Borrower shall only be permitted to draw any portion of the Second Extension Amount as a DIP Advance, in accordance with the following procedures:

- (a) following written notice by the Borrower to the DIP Lenders that the Borrower is exercising the Second Extension Option, the DIP Lenders shall deliver, in accordance with their respective Commitments as set out in Schedule "H", the Second Extension Amount to a trust account held by NRF (the **Trust Account**).

Any portion of the Second Extension Amount that has not been distributed from the Trust Account as a DIP Advance in accordance with this Section shall remain in the Trust Account and shall be held in trust by NRF for the benefit of the DIP Lenders subject to escrow terms acceptable to NRF and the DIP Lenders.

- (b) DIP Advances in respect of the Second Extension Amount shall only be made from the Trust Account, and shall only be made with the authorization of the DIP Lenders, in accordance with the following steps:
- (i) the CRO, on behalf of the Borrower shall deliver to the DIP Lenders (with a copy to NRF, Goodmans and the Monitor) a written request for funding (which request may be delivered by email). The request shall describe the amount of funding requested supported by: (i) a cash flow forecast reflecting expenditures reasonably expected to be incurred in the ordinary course; and (ii) such other information reasonably requested by the DIP Lenders (the **Trust Withdrawal Request**).
  - (ii) The Trust Withdrawal Request shall be limited to the amount of money reasonably believed by the Borrower to be required for the two week period immediately following the draw date in order to operate in the ordinary course and maintain the minimum cash balance prescribed in the TPL Protection Order or, in the event that paragraph 5 of the TPL Protection Order ceases to be in effect, a minimum cash balance of CDN\$3 million;
  - (iii) a committee of DIP Lenders composed of Coliseum, Alta, Beach Point Capital Management LP (on behalf of the AHC DIP Lenders that it manages) and MSD Credit Opportunity Master Fund, L.P. (the **Lender Committee**) shall be provided with a reasonable time period to review the Trust Withdrawal Request and shall be provided with any supporting information reasonably requested from the Borrower for that purpose; and
  - (iv) if determined appropriate in the sole and unfettered discretion of members of the Lender Committee collectively holding more than 51% of the aggregate Commitments of all members of the Lender Committee (provided that such majority must also include at least one of either Beach Point Capital Management LP (on behalf of the AHC DIP Lenders

that it manages) or MSD Credit Opportunity Master Fund, L.P. and must include Coliseum), the Lender Committee will provide its written consent (which written consent shall be delivered by written direction from the requisite majority of members of the Lender Committee) to the CRO, on behalf of the Borrower, and NRF stating the amount of the permitted DIP Advance from the Trust Account.

DIP Advances in respect of the Second Extension Amount shall be subject to the satisfaction of the Funding Conditions other than the requirement to deliver a Drawdown Certificate.

In the case of any inconsistency between the provisions of this section entitled "Second Extension Option" and any other section of this term sheet, this section shall govern.

2.3 Paragraph (b) of the Section of the DIP Agreement entitled "DIP Lenders Commitments" is hereby amended by inserting the words "and if the Second Extension Option is exercised, shall be \$13,000,000" immediately following "CDN\$8,000,000".

2.4 The Section of the DIP Agreement entitled "Interest Rate" is hereby amended by:

- (a) inserting the words "other than the Second Extension Amount" immediately following the words "in respect of the Additional Commitment" in paragraph (b) of this section;
- (b) adding a new paragraph (c) immediately following paragraph (b), which shall state as follows:

"(i) in respect of all portions of the Second Extension Amount that have been delivered to the Trust Account but that have not yet become the subject of a DIP Advance, shall be 2% *per annum* payable monthly in arrears; and

(ii) in respect of all portions of the Second Extension Amount that have become the subject of a DIP Advance, shall be 17.5% *per annum* payable monthly in arrears from and after the date of such DIP Advance,

provided that, in each case, all such accrued and unpaid interest will be capitalised (and not paid in cash) and added to the outstanding principal balance of the loan and all such capitalised interest shall be due and payable on the Maturity Date,

- (c) deleting the phrase: "For the avoidance of doubt, total interest payable shall be the sum of those amounts determined in subsections (a) and (b) above" and inserting in its place the phrase "For the avoidance of doubt, total interest payable shall be the sum of those amounts determined in subsections (a), (b) and (c) above."

2.5 The section of the DIP Agreement entitled "DIP Financing Fee" is hereby amended by:

- (a) deleting the word "and" from the end of paragraph (b);
- (b) deleting the "." at the end of paragraph (c) and inserting in its place "; and"; and
- (c) adding a new paragraph (d) to this section, which shall state as follows:

If the Second Extension Option is exercised, to the DIP Lenders in the amount of 5%, *pro rata* based upon their respective prescribed portion of the Commitment for the Second Extension Amount, which shall be fully earned and payable upon the date the Second



Extension Option is exercised and shall be added to the outstanding principal balance of the loan and shall be due and payable on the Maturity Date.

- 2.6 Paragraph (s) of the section of the DIP Agreement entitled "Affirmative Covenants" is hereby deleted in its entirety and replaced with the following:

Subject to paragraph (j) above, on or before 63 days following the issuance of the initial Order, the Borrower shall have obtained from the Court an Order approving the Sale Process, in form and substance satisfactory to the DIP Lenders (the **Sale Process Order**); (ii) to the extent that the "Successful Bid" pursuant to the Sale Process is a Sale Transaction, the Borrower shall have obtained an Order from the Court, in form and substance satisfactory to the DIP Lenders, approving the Sale Transaction (the **Sale Approval Order**), by no later than September 15, 2014; (iii) to the extent that the "Successful Bid" pursuant to the Sale Process is a Plan transaction, the Borrower shall have obtained an Order from the Court, authorizing the Borrower to file the Plan and to call a meeting of creditors to vote on the Plan (the **Plan Filing and Meeting Order**) by no later than September 15, 2014 and, the Borrower shall have obtained a sanction Order (the **Sanction Order**) in respect of the Plan by no later than 30 days following the date of the Plan Filing and Meeting Order;

- 2.7 Paragraph (d) of the section of the DIP Agreement entitled "Negative Covenants" is hereby amended by deleting ";" from the end of that paragraph and inserting in its place the following:

". Notwithstanding any other provision of this term sheet to the contrary, no payment, loan or transfer whatsoever shall be made to the English Entitles by any of the other Loan Parties on or after July 22, 2014."

- 2.8 The Section of the DIP Agreement entitled "Events of Default" shall be amended by

- (a) deleting paragraph (i) in its entirety and replacing it with the following:

"if at any time the Updated Peak Funding Requirement exceeds by more than 10% the Original Peak Funding Requirement plus the amount of the commitment in respect of Second Extension Option (without taking into account any positive variance in the cash flow as a result of receiving the Tax Refund or any negative variance as a result of any fees which may be payable to the CRO)."

- (b) adding a new paragraph (w), which shall state as follows:

"Any portion of the funds in the Trust Account are disbursed other than in accordance with paragraph (b) of the section of the term sheet entitled "Second Extension Option" or any third party takes any steps to challenge the validity of the trust under which the Second Extension Amount is held in the Trust Account.

- 2.9 The Section of the DIP Agreement entitled "Administration Of The DIP Facility" shall be amended by deleting the phrase "(and free and clear of any deduction for)" and inserting in its place "free and clear of any deduction for".
- 2.10 Schedule "D" to the DIP Agreement shall be amended by deleting "; and" at the end of paragraph (1) and adding a new paragraph (3), which shall list "CSF Insurance Services Limited" as an inactive affiliate.
- 2.11 Schedule "H" to the DIP Agreement shall be deleted in its entirety and replaced with a new Schedule "H" in the form attached hereto as Appendix "A".

### Article 3 - CONDITIONS TO EFFECTIVENESS

- 3.1 The amendments set out in Article 2 of this Amending Agreement shall become effective upon satisfaction of the following conditions precedent:
- (a) The Loan Parties, other than the English Entities, each delivering to the DIP Lenders their originally executed copy of this Amending Agreement.
  - (b) This amendment having been approved by an order of the Court in form and substance satisfactory to the DIP Lenders.

### Article 4 - MISCELLANEOUS

- 4.1 The Borrower shall pay all costs incurred by the DIP Lenders in preparing this Amending Agreement.
- 4.2 The execution, delivery and performance of this Amending Agreement shall not, except as expressly provided for herein, constitute an amendment of any provision of, or operate as an amendment of any right, power or remedy of the DIP Lenders under the DIP Agreement or any other DIP Credit Documentation.
- 4.3 On and after this date, each reference in the DIP Agreement to "this term sheet" or similar references in the DIP Credit Documentation and any and all other agreements, documents and instruments delivered by the Borrower or a Guarantor or any other Person shall mean and be a reference to the DIP Agreement as amended by this Amending Agreement. Except as specifically amended by this Amending Agreement, the DIP Agreement shall remain in full force and effect and is hereby ratified and confirmed.
- 4.4 On and after this date, each reference in the DIP Agreement to "Confirming DIP Order" shall include the order described in Section 3.1(b) above.
- 4.5 This Amending Agreement shall be interpreted and the rights and liabilities of the parties hereto shall be determined in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- 4.6 Save as expressly amended by this Amending Agreement, all other terms and conditions of the DIP Agreement remain in full force and effect.
- 4.7 This Amending Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures provided by electronic transmission or facsimile shall be valid and binding.
- 4.8 In executing this Amending Agreement and making any representation, warranty or certification hereunder or in the DIP Agreement, including any certification in a drawdown certificate, the CRO has inquired of the Borrower's senior management and has informed himself through and relied upon the results of such inquiry. The CRO has not examined any other person, reviewed any other document, or otherwise attempted to verify the accuracy or completeness of the information that has been provided to the CRO through the inquiries made of senior management. All representations, warranties and certifications made in respect of this Amending Agreement or the DIP Agreement, including in any drawdown certificate, are expressly qualified by the actual knowledge of the CRO based on the inquiries made to date by the CRO, and it is acknowledged by the DIP Lenders that the CRO shall have no personal liability whatsoever for the execution of this Amending Agreement, any matter contained in this Amending Agreement or any of the representations, warranties or certifications made in this Amending Agreement, the DIP Agreement or in any drawdown certificate; provided however that the CRO shall exercise the

powers granted to the CRO under the Initial Order to cause the Loan Parties to perform their obligations and comply with their covenants hereunder. Nothing contained in the foregoing shall prevent the DIP Lenders from enforcing their rights against a Loan Party for any breach of a representation, warranty or covenant contained in this Amending Agreement or the DIP Agreement in accordance with the terms of the DIP Agreement.

- 4.9 This Amending Agreement and the amendments to the DIP Agreement described herein shall be binding upon each of the Loan Parties that has executed this Amending Agreement notwithstanding the fact that any of the English Entities have not executed this Amending Agreement.

*[Remainder of page intentionally left blank. Signature page follows.]*

**TAB G**

THIS IS EXHIBIT "G" TO THE AFFIDAVIT  
OF WILLIAM E. AZIZ SWORN BEFORE ME  
ON THIS 18<sup>th</sup> DAY OF NOVEMBER, 2014.



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A commissioner for taking Affidavits

*Patrick Krestee*

## AMENDING AND WAIVER AGREEMENT TO AMENDED AND RESTATED DEBTOR-IN-POSSESSION TERM SHEET

THIS AMENDING AND WAIVER AGREEMENT is made as of the 29th day of September, 2014 (the Amending and Waiver Agreement)

**AMONG:**

The Cash Store Financial Services Inc. (the **Borrower**),

-and-

7252331 Canada Inc., 5515433 Manitoba Inc., Instaloes Inc., The Cash Store Inc., TCS Cash Store Inc., 1693926 Alberta Ltd., The Cash Store Financial Limited, CSF Insurance Services Limited and The Cash Store Limited (the "**Guarantors**"),

-and-

The other signatories hereto (collectively, the **DIP Lenders**)

**WHEREAS** the Borrower, the Guarantors and the DIP Lenders are party to that certain Amended and Restated Debtor-in-Possession Term Sheet dated as of May 20, 2014 and as amended as of August 7, 2014 (the **DIP Agreement**);

**AND WHEREAS** the Borrower has requested, and the DIP Lenders are willing to agree, to amend the DIP Agreement and waive certain covenants under the DIP Agreement as described below;

**NOW THEREFORE** for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

### Article 1 - INTERPRETATION

- 1.1 All capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the DIP Agreement.

### Article 2 - AMENDMENTS

- 2.1 The text in Paragraph (b) of the section of the DIP Agreement entitled "Maturity Date and Repayment" is deleted in its entirety and replaced with:

"(b) November 28, 2014;"

- 2.2 The section of the DIP Agreement entitled "Mandatory Prepayments" shall be amended by deleting "and" from the end of Paragraph (b) of that section, renumbering Paragraph (c) of that section Paragraph (d) and inserting after Paragraph (b) the following:

"(c) at the option of the DIP Lenders, forthwith upon issuance of an order by the Court of Appeal for Ontario dismissing the appeals of one or both of 0678786 B.C. Ltd. (formerly the McCann Family Holding Corporation) and Trimor Annuity Focus Limited Partnership #5 of the decision of the Court issued in the CCAA Proceedings on August 5, 2014 (each a "**TPL Appeal**"), or upon entering into a settlement or similar outcome in respect of one or both of the TPL Appeals (each a **Settlement**), the Borrower shall make a mandatory prepayment of the DIP Obligations in an amount equal to 100% of the amounts subject to the dismissed TPL Appeal(s) and/or Settlement(s) (the **Repaid TPL Amount**); and"

- 2.3 Paragraph (s) of the section of the DIP Agreement entitled "Affirmative Covenants" is amended by deleting both references to the date "September 15, 2014" and replacing them with "October 31, 2014".
- 2.4 The Section of the DIP Agreement entitled "DIP Facility and Maximum Amount" is hereby amended as follows:
- (a) by inserting ", and if the Third Extension Option is exercised, CDN\$26,500,000" immediately following "CDN\$21,500,000" in the first paragraph of this section; and
  - (b) by inserting "or Third Extension Amount" immediately following the phrase "; provided, however, that the restrictions on the minimum quantum of the DIP Advances contained in this sentence shall not apply to any DIP Advances from the Second Extension Amount" in the second paragraph of this section.
- 2.5 The DIP Agreement is hereby amended by inserting a new section immediately following the section entitled "Second Extension Option". The new section shall be entitled "Third Extension Option" and shall state the following:

"On or after September 24, 2014, the Borrower may request and, if requested, the DIP Lenders agree to provide, in such amounts as are set out opposite their names in Schedule "H" in respect of the Third Extension Amount, at the date the Third Extension Option is exercised by the Borrower, an additional aggregate commitment of CDN\$5,000,000 (the **Third Extension Amount**), which shall mature, together with the other Commitments provided under this term sheet, on the Maturity Date, and shall be on the terms and conditions as contemplated in this term sheet (the **Third Extension Option**)

Each DIP Lender understands that its proportionate share of the Commitments, its percentage of the vote in respect of any decision-making, determination of consent and its percentage of any fees tied to Commitments, may increase or decrease, as a result of the exercise of the Third Extension Option.

Notwithstanding any other provisions of this term sheet to the contrary, the Third Extension Amount shall only be made available, and the Borrower shall only be permitted to draw any portion of the Third Extension Amount as a DIP Advance, in accordance with the following procedures:

- (a) following written notice by the Borrower to the DIP Lenders that the Borrower is exercising the Third Extension Option, DIP Advances in respect of the Third Extension Amount shall only be made with authorization of the DIP Lenders, in accordance with the following steps:
  - (i) the CRO, on behalf of the Borrower shall deliver to the DIP Lenders (with a copy to NRF, Goodmans and the Monitor) a written request for funding (which request may be delivered by email). The request shall describe the amount of funding requested supported by: (i) a cash flow forecast reflecting expenditures reasonably expected to be incurred in the ordinary course; and (ii) such other information reasonably requested by the DIP Lenders (the **Draw Request**).
  - (ii) the Draw Request shall be limited to the amount of money reasonably believed by the Borrower to be required for the two week period immediately following the draw date in order to operate in the ordinary course and maintain the minimum cash balance prescribed in the TPL

Protection Order or, in the event that paragraph 5 of the TPL Protection Order ceases to be in effect, a minimum cash balance of CDN\$3 million;

- (iii) the Lender Committee shall be provided with a reasonable time period to review the Draw Request and shall be provided with any supporting information reasonably requested from the Borrower for that purpose; and
- (iv) if determined appropriate in the sole and unfettered discretion of the members of the Lender Committee collectively holding more than 51% of the aggregate Commitments of all members of the Lender Committee (provided that such majority must also include at least one of either Beach Point Capital Management LP (on behalf of the AHC DIP Lenders) or MSD Credit Opportunity Master Fund, L.P. and must include Coliseum), the Lender Committee will provide its written consent (which written consent shall be delivered by written direction from the requisite majority of members of the Lender Committee) to the CRO, on behalf of the Borrower, stating the amount of the permitted DIP Advance.

DIP Advances in respect of the Third Extension Amount shall be subject to satisfaction of the Funding Conditions other than the requirement to deliver a Drawdown Certificate.

In the case of any inconsistency between the provisions of this section entitled "Third Extension Option" and any other section of this term sheet, this section shall govern."

- 2.6 Paragraph (b) of the section of the DIP Agreement entitled "DIP Lenders' Commitments" is hereby amended by inserting the words "and if the Third Extension Option is exercised, shall be CDN\$18,000,000" immediately following the phrase "and if the Second Extension Option is exercised, shall be \$13,000,000".
- 2.7 The section of the DIP Agreement entitled "DIP Financing Fee" is hereby amended by:
  - (a) deleting the word "and" from the end of paragraph (c);
  - (b) deleting the "." at the end of paragraph (d) and inserting in its place "; and"; and
  - (c) adding a new paragraph (d) to this section, which shall state as follows:
 

"if the Third Extension Option is exercised, to the DIP Lenders in the amount of 5%, *pro rata* based upon their respective prescribed portion of the Commitment for the Third Extension Amount, which shall be fully earned and payable upon the date the Third Extension Option is exercised and shall be added to the outstanding principal balance of the loan and shall be due and payable on the Maturity Date."
- 2.8 Schedule "H" to the DIP Agreement shall be deleted in its entirety and replaced with a new Schedule "H" in the form attached hereto as Appendix "A".

### Article 3 - WAIVER

- 3.1 For the singular purpose of permitting the Borrower to utilize for operational purposes that certain Tax Refund as recently received by the Borrower from the Tax and Revenue Administration (Alberta) on September 12, 2014 in the amount of \$1,257,334.80 (the **September Tax Refund**), and subject to the other terms of this Amending and Waiver Agreement, the DIP Lenders hereby agree to waive the requirements to hold the September Tax Refund in trust in a segregated account for the benefit of the DIP Lenders and to make a mandatory prepayment in the amount of



the September Tax Refund contained at Paragraph (l) of the section of the DIP Agreement entitled "Affirmative Covenants" and the requirement to make a mandatory prepayment in the amount of the September Tax Refund at Paragraph (b) of the section of the DIP Agreement entitled "Mandatory Prepayments".

- 3.2 Notwithstanding the waiver in Section 3.1 above, at the option of the DIP Lenders, upon the issuance of an order by the Court of Appeal for Ontario in respect of a TPL Appeal, or upon a Settlement being entered into, the Borrower shall be required to make a mandatory prepayment of the DIP Obligations in an amount equal to 100% of the September Tax Refund, provided however, that if the DIP Lenders exercise their option under the new Paragraph (c) of the section of the DIP Agreement entitled "Mandatory Prepayments" to require the Borrower to repay the Repaid TPL Amount and the Repaid TPL Amount exceeds the amount of the September Tax Refund, the Borrower shall not also be required to pay an amount equal to 100% of the September Tax Refund. If the Repaid TPL Amount is less than the amount of the September Tax Refund, the Lenders may require the Borrower to make a mandatory prepayment equal to the difference between the amount of the September Tax Refund and the TPL Repaid Amount.
- 3.3 The waiver in Section 3.1 above is effective only in this instance and for the specific purpose stated herein. It shall not be, or be deemed to be, a consent to, or waiver of, any preceding or subsequent breach of the DIP Agreement or any other covenant or provision of the DIP Agreement or any of the other DIP Credit Documentation nor shall it operate as a waiver of any right, power or remedy of the DIP Lenders under the DIP Agreement and the other DIP Credit Documentation.

#### **Article 4 - AMENDMENTS AND WAIVER FEE**

- 4.1 In consideration of the amendments and waiver provided herein, the Borrower shall pay to the DIP Lenders a fee of \$62,500 (the **Amendments and Waiver Fee**). Such Amendments and Waiver Fee shall be fully earned on the date hereof and added to the DIP Obligations. Such Amendments and Waiver Fee shall be allocated to each of the DIP Lenders pro-rata in accordance with their respective Additional Commitments.

#### **Article 5 - CONDITIONS TO EFFECTIVENESS**

- 5.1 The amendments set out in Article 2 and the waiver set out in Article 3 of this Amending and Waiver Agreement shall become effective upon satisfaction of the following conditions precedent:
- (a) The Loan Parties each delivering to the DIP Lenders their originally executed copy of this Amending and Waiver Agreement; and
  - (b) The addition of the Amendments and Waiver Fee to the DIP Obligations.

#### **Article 6 - MISCELLANEOUS**

- 6.1 The Borrower shall pay all costs incurred by the DIP Lenders in preparing this Amending and Waiver Agreement.
- 6.2 The execution, delivery and performance of this Amending and Waiver Agreement shall not, except as expressly provided for herein, constitute an amendment of any provision of, or operate as an amendment of any right, power or remedy of the DIP Lenders under the DIP Agreement or any other DIP Credit Documentation.
- 6.3 On and after this date, each reference in the DIP Agreement to "this term sheet" or similar references in the DIP Credit Documentation and any and all other agreements, documents and instruments delivered by the Borrower or a Guarantor or any other Person shall mean and be a

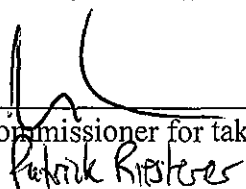
reference to the DIP Agreement as amended by this Amending and Waiver Agreement. Except as specifically amended by this Amending and Waiver Agreement, the DIP Agreement shall remain in full force and effect and is hereby ratified and confirmed.

- 6.4 This Amending and Waiver Agreement shall be interpreted and the rights and liabilities of the parties hereto shall be determined in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- 6.5 Save as expressly amended by this Amending and Waiver Agreement, all other terms and conditions of the DIP Agreement remain in full force and effect.
- 6.6 This Amending and Waiver Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures provided by electronic transmission or facsimile shall be valid and binding.
- 6.7 In executing this Amending and Waiver Agreement and making any representation, warranty or certification hereunder or in the DIP Agreement, including any certification in a drawdown certificate, the CRO has inquired of the Borrower's senior management and has informed himself through and relied upon the results of such inquiry. The CRO has not examined any other person, reviewed any other document, or otherwise attempted to verify the accuracy or completeness of the information that has been provided to the CRO through the inquiries made of senior management. All representations, warranties and certifications made in respect of this Amending and Waiver Agreement or the DIP Agreement, including in any drawdown certificate, are expressly qualified by the actual knowledge of the CRO based on the inquiries made to date by the CRO, and it is acknowledged by the DIP Lenders that the CRO shall have no personal liability whatsoever for the execution of this Amending and Waiver Agreement, any matter contained in this Amending and Waiver Agreement or any of the representations, warranties or certifications made in this Amending and Waiver Agreement, the DIP Agreement or in any drawdown certificate; provided however that the CRO shall exercise the powers granted to the CRO under the Initial Order to cause the Loan Parties to perform their obligations and comply with their covenants hereunder. Nothing contained in the foregoing shall prevent the DIP Lenders from enforcing their rights against a Loan Party for any breach of a representation, warranty or covenant contained in this Amending and Waiver Agreement or the DIP Agreement in accordance with the terms of the DIP Agreement.
- 6.8 This Amending and Waiver Agreement and the amendments to the DIP Agreement described herein shall be binding upon each of the Loan Parties that has executed this Amending and Waiver Agreement notwithstanding the fact that any of the English Entities have not executed this Amending and Waiver Agreement.

*[Remainder of page intentionally left blank. Signature page follows.]*

**TAB H**

**THIS IS EXHIBIT "H" TO THE AFFIDAVIT  
OF WILLIAM E. AZIZ SWORN BEFORE ME  
ON THIS 18<sup>th</sup> DAY OF NOVEMBER, 2014.**

  
\_\_\_\_\_  
A commissioner for taking Affidavits  
Patrick Risher

**Riesterer, Patrick**

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**Subject:** In the matter of the CCAA Proceedings of The Cash Store Financial Services Inc., Court File No. CV-14-10518-00CL

Please find attached the Motion Record of the Applicants, which is served on you pursuant to the *Rules of Civil Procedure* in respect of the Motion of the Applicants, returnable Friday, November 21, 2014 at 361 University Avenue in Toronto at 8:30 am. This email contains important information about the Motion.

The Motion is for an Order that (i) extends the stay of proceedings against the Applicants until February 27, 2015; and (ii) approves the third Amending Agreement to Amended and Restated Debtor-in-Possession Term Sheet.

In addition, the affidavit of William Aziz included in the Motion Record provides an update regarding the Transaction with National Money Mart Company and efforts to satisfy or obtain waivers of the conditions precedent. Finally, it describes the distributions that will be made to the DIP Lenders on closing of the Transaction in accordance with the Amended and Restated Debtor-in-Possession Term Sheet, as amended, which distributions will be made without further attendance before the Court.

Yours very truly,

**OSLER**

Patrick Riesterer  
Associate

416.862.5947 DIRECT  
416.862.8666 FACSIMILE  
[priesterer@osler.com](mailto:priesterer@osler.com)

Osler, Hoskin & Harcourt LLP  
Box 50, 1 First Canadian Place  
Toronto, Ontario, Canada M5X 1B8

[osler.com](http://osler.com)

**TAB I**

**THIS IS EXHIBIT "P" TO THE AFFIDAVIT  
OF WILLIAM E. AZIZ SWORN BEFORE ME  
ON THIS 18<sup>th</sup> DAY OF NOVEMBER, 2014.**



\_\_\_\_\_  
A commissioner for taking Affidavits

*Patrick Ressler*

**CONTINGENCY FEE RETAINER AGREEMENT**

This contingency fee retainer agreement is made as of November 14, 2014, and is made:

**B E T W E E N:**

**Thornton Grout Finnigan LLP**  
 Canadian Pacific Tower  
 Toronto-Dominion Centre  
 100 Wellington Street West, Suite 3200  
 Toronto, ON M5K 1K7  
 Tel: 416-304-1616  
 Fax: 416-304-1313

("TGF")

- and -

**Voorheis & Co. LLP**  
 333 Bay Street, Suite 810  
 Toronto, ON M5H 2R2  
 Tel: 416-947-1400  
 Fax: 416-947-1256

("VCo")

-and-

**William E. Aziz,**  
**in his capacity as Chief Restructuring Officer ("CRO") of**  
**The Cash Store Financial Services Inc., The Cash Store Inc.,**  
**TCS Cash Store Inc., Instalozans Inc., 7252331 Canada Inc., 5515433 Manitoba Inc., and**  
**1693926 Alberta Ltd. doing business as "The Title Store"**  
 15511 123 Avenue  
 Edmonton, AB T5V 0C3  
 [REDACTED]

(the "Client")



**Joint Retainer**

1. The Client is jointly retaining TGF and VCo (together, "Counsel") to provide litigation advice and services in respect of certain claims and potential claims of the Client as outlined below. The Client agrees that the Contingency Fee set out herein for work undertaken by Counsel on the Client's behalf shall be divided between Counsel in proportion to the work done and responsibilities assumed.

**Scope of Retainer**

2. Counsel is being retained to provide litigation advice and services in respect of certain claims and potential claims of the Client against certain former directors and officers, professional advisors, counter-parties and other third parties for a number of causes of action including but not limited to negligence, malfeasance, oppression, breach of fiduciary and statutory duties, breach of contract, knowing assistance and knowing receipt in connection with the operation of business of The Cash Store Financial Services Inc. ("CSF") including its related, affiliated and investee companies, CSF's public disclosure including its audited and unaudited financial statements, certain related party transactions, CSF's January 2012 purchase of a loan portfolio from third party lenders ("TPLs"), the valuation of the loan portfolio, CSF's issuance of \$132.5 million aggregate principal amount of Senior Secured Notes and related disclosures, the payment of retention payments to TPLs, CSF's regulatory compliance and such further and other matters as may be agreed between the CRO and Counsel (together, the "Claims").

### Instructions

3. Counsel is authorized to act for the Client in this engagement on the reasonable instructions of the CRO, or such other person the CRO may advise Counsel in writing as authorized to instruct Counsel.

### Choice of Contingency Retainer

4. In representing the Client's interests in respect of the Claims, Counsel will be incurring a significant amount of time and out-of-pocket expenses for and on behalf of the Client. In retaining the services of counsel, the Client has the option of retaining solicitors by way of an hourly rate retainer, whereby each hour or portion of an hour spent by the solicitor on the Client's file is charged at a specified hourly rate. Hourly rates vary among solicitors and the Client can consult other solicitors to compare rates. The hourly rates charged by Counsel, as at October 2014, are as follows:

John Finnigan, called to the Ontario Bar 1984	\$900/hour
John Porter, called to the Ontario Bar 1984	\$900/hour
Megan Keenberg, called to the Ontario Bar 2007	\$500/hour
Deborah Palter, called to the Ontario Bar 1996	\$625/hour
Wes Voorheis, called to the Ontario Bar 1979	\$1,150/hour
Michael Woolcombe, called to the Ontario Bar 1996	\$985/hour
Shane Priemer, called to the Ontario Bar 2004	\$600/hour
Lawyers with four to six years experience	\$375 to \$475/hour
Lawyers with one to three years experience	\$275 to \$350/hour
Law Clerks	\$275/ hour

5. Notwithstanding that the Client has been advised of the hourly rates charged by Counsel, and notwithstanding that the Client has had the opportunity to compare the hourly rates charged by Counsel with the hourly rates charged by other solicitors, the Client has

chosen to retain Counsel, jointly, by way of a contingency fee agreement. The Client understands and acknowledges that all the usual protections and controls on retainers between a solicitor and a client, as defined by the Law Society of Upper Canada and the common law, apply to this Contingency Fee Retainer Agreement. The Client understands that hourly rates are subject to increase on January 1 each year. The Clients will be notified in writing of any hourly rate increases before such increases take effect.

#### **Amount of Contingency Fee**

6. The contingency fee paid by the Client to Counsel is equal to 33.33% of all amounts recovered on behalf of the Client for all damages and losses, including interest thereon, arising from any of the pursued Claims, excluding taxes and disbursements (the “Contingency Fee”), regardless of the source of recovery whether by way of settlement of the Client’s Claims, or by way of a judgment following a trial.

#### **Distribution of Litigation Proceeds**

7. The proceeds of any settlement or final order of the Court on any prosecuted Claims (the “Litigation Proceeds”) shall be distributed as follows:
  - (a) Counsel will not be entitled to any payment in respect of fees unless or until Litigation Proceeds are received by the Client, subject to the termination provisions of this Agreement set out below.

- (b) The Client will be responsible for paying all reasonable disbursements and all applicable taxes as they are incurred. Any Litigation Proceeds that are specifically allocated to disbursements will be paid to the Client as reimbursement.
  - (c) Any Litigation Proceeds that are specifically allocated to costs will be paid to Counsel and credited against the Contingency Fee.
  - (d) Any Litigation Proceeds that are not specifically designated as allocations for costs or disbursements shall be included in the damages and interest award to which the Contingency Fee applies.
  - (e) Counsel will be paid the Contingency Fee plus HST on the remainder of the Litigation Proceeds allocated to damages, losses and interest.
  - (f) The remainder of the Litigation Proceeds will be paid to the Client.
8. By way of example, and for illustrative purposes only, we offer the following sample calculation. Suppose, after trial, a court ordered an award to the Client as follows:

Damages	\$20,000,000
Interest	\$2,000,000
Costs	\$2,500,000
Disbursements	\$500,000
Grand Total	<u>\$25,000,000</u>

9. The Contingency Fee would be applied to the \$20,000,000 damages award and the \$2,000,000 interest award (i.e., 33.33% of \$22,000,000, being \$7,332,600). The \$2,500,000 costs award (which is assumed for this illustration to include HST) would be

paid to Counsel and credited against the Contingency Fee. In this example, \$2,500,000 in costs will be paid to Counsel directly by an adverse party or parties, and credited against the Contingency Fee of \$7,332,600, reducing the amount payable by the Client to Counsel from \$7,332,600 to \$4,832,600. The Client would be responsible for paying all applicable taxes on this amount to Counsel. In this example 13% HST would be applied to the Fee of \$4,832,600 for a total payment of \$5,460,838. The Contingency Fee will be divided as between TGF and VCo as they determine. The remainder of the Litigation Proceeds will be paid to the Client. The \$500,000 disbursement award would be paid directly to the Client as reimbursement for disbursement costs incurred and paid. In this example, the Client's total recovery would be \$19,539,162 being \$25,000,000 less the Contingency Fee (plus tax) of \$5,460,838.

10. It is agreed that Counsel shall not recover more in fees than the Client recovers as damages or by way of settlement.

#### **Costs Awards/ Contributions**

11. The Client may be awarded costs by adverse or other parties, in addition to any monetary award for damages and interest. Unless otherwise ordered by a judge, the Client is entitled to receive any costs contribution or award, on a partial indemnity scale or a substantial indemnity scale, payable by an adverse party. By executing this Contingency Fee Retainer Agreement, the Client authorizes and directs that all funds claimed by Counsel for fees and costs shall be paid to Counsel in trust from any Litigation Proceeds. The amount of the Contingency Fee payable to Counsel shall exclude any amount

awarded and collected or agreed to that is separately specified as being in respect of costs.

12. During the course of the litigation proceedings contemplated under this Agreement, motions may be brought in court on the Client's behalf or defended on the Client's behalf. In the event that the Court awards costs to be paid to the Client by an adverse party, Counsel will render an interim account and any account so rendered will be paid to Counsel and credited to the Contingency Fee that will be charged to the Client.

#### **Client Obligations**

##### ***Disbursements***

13. It is agreed that the Client will be responsible for all reasonable disbursements over the course of the file, as they are incurred, subject to potential reimbursement by an adverse party or parties as set out above in the event of recovery of a specified disbursement award.

##### ***Adverse Costs Awards and Security for Costs***

14. In the event that costs of other parties are awarded against the Client or against Counsel, those costs are solely the responsibility of the Client and not the responsibility of Counsel. The Client will also bear the sole responsibility for the satisfaction of any orders of the Court requiring payment into court for security for costs.

***Litigation Trust Account***

15. To provide some assurance in regards to the obligations referred to in paragraphs 13 and 14 of this Agreement, the Client will, as required to fund these obligations and in any event by not later than March 31, 2015, fund a trust account with \$1,000,000 (the “**Litigation Trust Account**”) which will be available to (i) pay disbursements and taxes thereon; (ii) pay any adverse costs awards against the Client or Counsel, and (iii) satisfy any orders or agreements to provide security for costs in respect of the prosecuted Claims. Any balance in the Litigation Trust Account will be returned to the Client at the conclusion of the prosecuted Claims.
  
16. In connection with any contemplated distributions by the Client to its creditors of its existing assets or any Litigation Proceeds that the Client hereafter receives from time to time, the Client and the CRO will consult with Counsel and endeavour in good faith to ensure that the Client holds back and retains, either in its own account or in the Litigation Trust Account, an appropriate amount of cash to satisfy the Client’s then reasonably anticipated obligations in relation to future disbursements, possible cost awards and any existing or possible orders for security for costs.

***Alternative Funding Arrangements***

17. As an alternative to the obligations set forth in paragraphs 15 and 16 of this Agreement, the CRO, should he determine it to be appropriate and in the best interests of the Client and its stakeholders, shall have the discretion at any time to negotiate and implement arrangements with one or more third parties (which, for clarity, may include members of

the Ad Hoc Committee of Cash Store Noteholders) whereby that party or parties will fund all disbursements, will indemnify the Client and Counsel for adverse cost awards and will fund a payment into court (or otherwise provide appropriate security for) any amount ordered by the Court to be posted as security for costs. Any such alternative arrangements must be acceptable to Counsel, acting reasonably, and the costs of obtaining these arrangements will be paid by the Client (and may include, at the CRO's discretion, a participation in the Client's share of future Litigation Proceeds). In the event such alternative arrangements are implemented in relation to all of the Client's aforementioned obligations, any balance remaining in the Litigation Trust Account will be returned to the Client.

#### **Right to Assess Solicitor's Bill**

18. The Client has the right to ask the Superior Court of Justice to review and approve the bill submitted to the Client by Counsel if payment of their fees and disbursements is made by way of this Contingency Fee Retainer Agreement. Should the Client wish to exercise this right, the Client may apply to the Superior Court of Justice for an assessment of the solicitor's bill rendered in respect of this Contingency Fee Retainer Agreement within six months after its delivery.

#### **Termination of this Contingency Fee Retainer Agreement**

19. The parties may mutually agree at any time during the course of Counsel's representation of the Client, by written agreement between the Client and Counsel, to terminate this Contingency Fee Retainer Agreement and to enter into an hourly rate retainer agreement.



In that event, the terms of this Agreement no longer apply to the calculation of fees to be charged by Counsel for the services performed by Counsel. Instead, Counsel will charge the Client on an hourly rate for all the work they have already done on the Client's behalf from the inception of the file and all the work Counsel will continue to do on the Client's behalf to the completion of the file, either by way of settlement or by way of judgment after trial, based on the hourly rates set out in paragraph 4 of this Agreement (as such rates may be increased in accordance with paragraph 5).

20. In the event of a termination for cause by the Client, or a termination by Counsel, Counsel will be paid (a) a percentage of any Litigation Proceeds that the Client thereafter becomes entitled to, not to exceed 33.33%, to be determined by the CRO, after consultation with Counsel regarding same, based on the contribution made by Counsel to the realization of those Litigation Proceeds prior to termination; and (b) all disbursements incurred by Counsel prior to the termination and all taxes exigible on fees and disbursements. For these purposes, cause shall mean a failure by Counsel to reasonably pursue the Claims in a diligent and responsible manner which failure has materially harmed the Client and continues after reasonable notice thereof from the CRO to Counsel. Any dispute as to whether the Client had cause for termination, or as to the entitlement of Counsel to any Litigation Proceeds based on their contribution (as contemplated by paragraph 20 or 21 of this Agreement), will be submitted to a single, mutually appointed arbitrator in Ontario, pursuant to the *Arbitration Act* (Ontario) for final and binding arbitration.

21. In the event of a termination other than for cause by the Client, Counsel will be paid the greater of (a) the amount calculated by multiplying the time spent working on the Claims to the termination date by Counsel's usual hourly rates for the lawyers involved plus disbursements and all applicable taxes; and (b) 33.33% of any Litigation Proceeds that the Client becomes entitled to within twenty-four (24) months following the termination date, together with a percentage of any Litigation Proceeds that the Client becomes entitled to more than twenty-four (24) months following the termination date, not to exceed 33.33%, to be determined by the CRO, after consulting the Counsel regarding same, based on the contribution made by Counsel to the realization of those Litigation Proceeds prior to termination. In the event of a termination other than for cause by the Client, Counsel will also be paid all outstanding disbursements incurred by Counsel prior to the termination date and all taxes exigible on fees and disbursements.
22. Any termination of this Agreement by Counsel will be done in compliance with the applicable rules and regulations under the *Solicitors Act* and the Rules of Professional Conduct.
23. For the purposes of these termination provisions, the Client agrees to promptly provide Counsel with any judgment, order or settlement documents awarded or entered into at any time before or after any termination of this Agreement.
24. Until such time as all bills, accounts, disbursements and expenses have been paid to Counsel by the Client, Counsel retains a solicitor's lien on the Client's file, and will only release the file to a new solicitor upon satisfactory arrangements being made for the

protection and payment of the accounts of Counsel from any settlement or judgment after trial.

25. Unless otherwise terminated in accordance with the provisions set forth herein, this engagement ends when Counsel's work on the engagement is completed and the final account is rendered.

#### **Acknowledgments by Counsel**

26. Counsel acknowledges and agrees that the prosecution of any Claims against former directors and officers of the Client shall be conducted in a manner that the CRO determines is not adverse to certain agreed upon claims currently being pursued on behalf of CSF shareholders and noteholders and the insurance that is responsive thereto.
27. Counsel also acknowledges and agrees that nothing in this Agreement shall impair or affect in any way the ability of Client to advance and implement a plan of compromise or arrangement in the CCAA proceedings which proposes to settle and release any Claims against certain agreed upon parties as part of a global settlement proposal or otherwise, and on terms that may be approved by creditors and the court (a "CCAA Plan"), as the case may be, without the consent or participation of Counsel or any compensation therefor; provided that, where any of these particular Claims are settled in any such CCAA Plan following material and/or successful prosecution of such Claims by Litigation Counsel, then, following consultation among the CRO and Counsel,

compensation for Counsel in respect of any such Claims may be as proposed in any such CCAA Plan to be presented to creditors and the court for approval.

#### **No Recovery by Client**

28. In the event that no money is recovered by the Client by way of settlement or judgment, no fees shall be charged or billed to the Client by Counsel. As noted above, the Client remains responsible for the payment to Counsel of all reasonable disbursements as they are incurred, regardless of the outcome of the case. Further, in the event that any costs of other parties are awarded against the Client, those costs are the sole responsibility of the Client. Counsel will consult with the Client at various times during the course of litigation about the likelihood of the Claims being lost and no recovery obtained.

#### **Appeals**

29. The Client acknowledges that costs for an appeal of any judgment or order, or for services rendered for the collection of said judgment or order, are separate and apart from the services performed under this Agreement and are not covered by this Agreement. In the event of an appeal or in the event that collection on a judgment is necessary, a new retainer agreement shall be entered into between the Client and Counsel.

#### **Confidentiality**

30. Counsel undertakes not to disclose or misuse the Client's confidential information subject only to applicable law and professional rules of conduct.

**Conflicts**

31. While Counsel is engaged by the Client, Counsel will not act for another client whose interests conflict with the Client's interests in this matter, unless the Client consents. In this regard, provided that (i) the other matter is not the same as or related to any matter in which Counsel is currently representing the Client, and (ii) Counsel protects the Client's confidential information, the Client agrees not to object to Counsel's representation of another client in any engagement that is adverse to the Client's interests (including in litigation). Another client's interests will not normally be considered adverse to the Client's interests merely because the other client is a business competitor or is asserting legal positions that are inconsistent with legal positions asserted by the Client, or is adverse in interest to entities in which the Client has a relationship through ownership or otherwise.
32. The Client acknowledges that, after the Client is no longer a client of Counsel, that Counsel may represent other clients whose interests are adverse to the Client's, provided that Counsel protects the Client's confidential information.

**Compliance with Ontario Law**

33. This Agreement is made in compliance with the legislation and regulations governing contingency fee retainer arrangements in the Province of Ontario. By signing this Contingency Fee Retainer Agreement, the Client expressly consents to Counsel sending the Client commercial electronic messages, from time to time, in accordance with Canada's anti-SPAM legislation.


**Voluntary Execution**

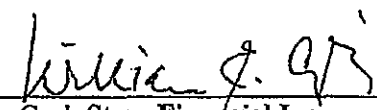
34. By executing this Agreement, the Client acknowledges that it has had the opportunity to obtain independent legal advice and has nonetheless chosen to enter into this Agreement willingly and voluntarily without undue influence or coercion of any sort. The Client further confirms that by executing this Agreement that Client has had an opportunity to review the terms of the Agreement before signing and understands all the terms and conditions set out herein.

**Court Approval**

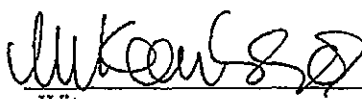
35. This Agreement is conditional on approval by the Court supervising the CCAA proceeding for Cash Store Financial Inc. Approval of this Agreement will be sought forthwith upon the execution of this Agreement by Counsel and the Client.

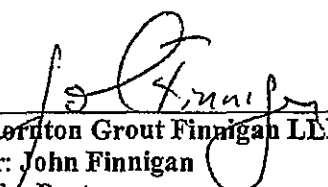
DATE: November 17, 2014

  
 \_\_\_\_\_  
 Witness  
 Patrick Riestera

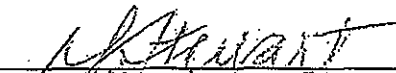
  
 \_\_\_\_\_  
 The Cash Store Financial Inc.  
 Per: William E. Aziz  
 Title: Chief Restructuring Officer

DATE: November 18, 2014

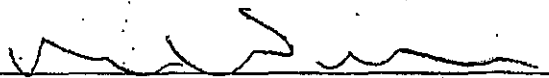
  
 \_\_\_\_\_  
 Witness  
 M. KEENBERG

  
 \_\_\_\_\_  
 Thornton Grout Finnigan LLP  
 Per: John Finnigan  
 Title: Partner

DATE: November 17, 2014



Witness



Voorheis & Co. LLP

Per: Michael Woolcombe

Title: Partner

**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

**AFFIDAVIT OF WILLIAM E. AZIZ**

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Counsel for the Chief Restructuring Officer



**TAB 3**

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

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

THE HONOURABLE REGIONAL	)	FRIDAY, THE 21 <sup>ST</sup> DAY
	)	
SENIOR JUSTICE MORAWETZ	)	OF NOVEMBER, 2014

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

**ORDER**

**THIS MOTION**, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 361 University Avenue, Toronto, Ontario.

**ON READING** the affidavit of William E. Aziz sworn November 18, 2014 and the Exhibits thereto (the "**Tenth Aziz Affidavit**") and the Twelfth Report of FTI Consulting Canada Inc. in its capacity as Monitor (the "**Monitor**"), and on hearing the submissions of counsel for the Chief Restructuring Officer, the DIP Lenders, the Monitor, the Ad Hoc Committee, and such other counsel present, no other person appearing although duly served as appears from the affidavit of service sworn and filed:

**SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

**STAY EXTENSION**

2. **THIS COURT ORDERS** that the Stay Period provided in the Amended and Restated Initial Order dated April 15, 2014 (the “**Initial Order**”) in these proceedings, as amended, be and is hereby extended until and including February 27, 2015, or such later date as this Court may order.

**DEFINITIONS**

3. **THIS COURT ORDERS** that all capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Initial Order, as amended, or the Order of this Court dated May 17, 2014 (the “**May 17 Order**”), or the Order of this Court dated August 7, 2014 (the “**August 7 Order**”), or the Order of this Court dated September 29, 2014 (the “**September 29 Order**”).

**DIP FINANCING**

4. **THIS COURT ORDERS** that the Applicants are hereby authorized and empowered to enter into, and directed to execute and deliver, the third Amending Agreement to Amended and Restated Debtor-in-Possession Term Sheet substantially in the form attached as Exhibit “A” to the Tenth Aziz Affidavit (the “**Third DIP Amendment**”), which amends the Amended and Restated Term Sheet, as amended.

Draft

5. **THIS COURT ORDERS** that the Third DIP Amendment be and is hereby approved.

6. **THIS COURT ORDERS** that from and after the date of this Order, all references in the Initial Order to the “Term Sheet” shall refer to the Amended and Restated Term Sheet, as amended by the DIP Amendment (as defined in the August 7 Order), the Second DIP Amendment (as defined in the September 29 Order), and the Third DIP Amendment, and the terms “DIP Facility”, “DIP Lenders”, “Agent”, “DIP Obligations” and “Definitive Documents” shall refer to such terms as defined in or relating to the Amended and Restated Term Sheet, as amended by the DIP Amendment, the Second DIP Amendment and the Third DIP Amendment.

7. **THIS COURT ORDERS** that the Applicants are authorized and empowered to borrow under the DIP Facility provided for under, and subject to the terms of, the Amended and Restated Term Sheet, as amended by the DIP Amendment, the Second DIP Amendment and the Third DIP Amendment, and that the DIP Obligations thereunder and under the Definitive Documents, shall continue to have the benefit and the priority of the DIP Priority Charge (as such term is defined in the Initial Order, as amended).

8. **THIS COURT ORDERS** that the DIP Lenders shall be entitled to rely on this Order, the September 29 Order, the August 7 Order, the May 17 Order and the Initial Order, each as issued, and the DIP Priority Charge for all advances made under the Term Sheet, the Amended and Restated Term Sheet (as amended by the DIP Amendment, the Second DIP Amendment and the Third DIP Amendment) and the Definitive Documents.

Draft

**LITIGATION COUNSEL RETAINER**

9. **THIS COURT ORDERS THAT** the Litigation Counsel Retainer (as defined the Tenth Aziz Affidavit) and the activities contemplated therein be and are hereby approved.

**GENERAL PROVISIONS**

10. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United Kingdom, or in the United States, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

11. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

12. **THIS COURT ORDERS** that the Eleventh Report of the Monitor dated October 10, 2014, and the Monitor's activities described therein are hereby approved.

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Draft

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

**ORDER**

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Fax: (416) 862-6666

Counsel for the Chief Restructuring Officer of the Applicants

Draft

**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., Instalozans Inc., 7252331 Canada Inc., 5515433 Manitoba Inc., and 1693926 Alberta Ltd Doing Business as "The Title Store"**

*Ontario*  
**SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**MOTION RECORD OF THE APPLICANTS**

(Motion Returnable November 21, 2014)

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