

COURT FILE NUMBER 2501-01744

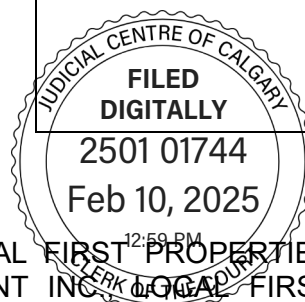
COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLANTIFF ATB FINANCIAL

DEFENDANTS LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., BROADCAST 2 PODCAST, INC. and FRONTIER MEDIA LLC

Clerk's Stamp:



DOCUMENT **AFFIDAVIT NO.1 OF GREG STEIDL**

Burnet, Duckworth & Palmer LLP
 2400, 525 – 8 Avenue SW
 Calgary, AB T2P 1G1
 Lawyers: David LeGeyt / Jessica MacKinnon
 Phone Number: (403) 260-0120 / (403) 260-0112
 Fax Number: (403) 260-0332
 Email Address: dlegeyt@bdplaw.com / jmackinnon@bdplaw.com
 File No. 38795-2829

AFFIDAVIT NO.1 OF GREG STEIDL

Sworn on February 10, 2025

I, Greg Steidl, of the City of Calgary, in the Province of Alberta, **MAKE OATH AND SAY THAT:**

1. I am a Director of Risk Advisory and Management of ATB Financial ("**ATB**" or the "**Lender**"), the Plaintiff and applicant creditor herein and as such have personal knowledge of the matters deposed to except where stated to be based on information and belief, in which case I verily believe the same to be true.
2. I have reviewed the business records of ATB relevant to its application seeking the appointment of a receiver and manager over all of the current and future assets, undertakings and property of Local First Media Group Inc. ("**Local First Media**"), Local First Properties Inc. ("**Local First Properties**" and together with Local First Media, collectively, the "**Borrowers**"), BTC USA Holdings Management Inc. ("**BTC USA**"), Local First Properties USA Inc. ("**Local First USA**"), Alaska Broadcast Communications, Inc.

("Alaska Broadcast"), Broadcast 2 Podcast, Inc. ("**Broadcast 2**") and Frontier Media LLC ("**Frontier**", and together with BTC USA, Local First USA Alaska Broadcast and Broadcast 2, collectively, the "**Guarantors**", and each a "**Guarantor**", and together with the Borrowers, collectively, the "**Debtors**") and have satisfied myself that I am possessed of sufficient information and knowledge to swear this Affidavit on behalf of ATB.

The Borrowers

3. Local First Media is a corporation incorporated under the laws of Alberta. A copy of a corporation search record of Local First Media from the Alberta Corporate Registry is attached hereto and marked as **Exhibit "1"**.
4. Local First Properties is a corporation incorporated under the laws of Alberta. A copy of a corporation search record of Local First Properties from the Alberta Corporate Registry is attached hereto and marked as **Exhibit "2"**.

The Guarantors

5. BTC USA is a corporation incorporated under the laws of the state of Delaware. A copy of a corporation search record of BTC USA from the Delaware Corporate Registry is attached hereto and marked as **Exhibit "3"**.
6. Local First USA is a corporation incorporated under the laws of the state of Delaware. A copy of a corporation search record of Local First USA from the Delaware Corporate Registry is attached hereto and marked as **Exhibit "4"**.
7. Alaska Broadcast is a corporation incorporated under the laws of the state of Alaska. A copy of a corporation search record of Alaska Broadcast from the Alaska Corporate Registry is attached hereto and marked as **Exhibit "5"**.
8. Broadcast 2 is a corporation incorporated under the laws of the state of California. A copy of a corporation search record of Broadcast from the California Corporate Registry is attached hereto and marked as **Exhibit "6"**.
9. Frontier is a corporation incorporated under the laws of the state of Alaska. A copy of a corporation search record of Frontier from the Alaska Corporate Registry is attached hereto and marked as **Exhibit "7"**.

The Loans and Indebtedness

10. ATB extended credit facilities and related services to the Borrowers (collectively, the "**Loans**") pursuant to a commitment letter dated April 10, 2023 (the "**Loan Agreement**").
11. As of February 5, 2025, the Borrowers are indebted to ATB in the amount of USD\$8,205,843.77 in respect of funds borrowed pursuant to the Loan Agreement, plus interest and costs, which continue to accrue (the "**Indebtedness**").
12. A payout statement from the Lender evidencing the Indebtedness is attached hereto and marked as **Exhibit "8"**.

The Borrower Security

13. The Borrowers granted, among others, the following security to ATB in respect of all of its obligations, indebtedness, and liabilities under the Loans:
 - (a) a general security agreement dated April 26, 2023, granted by Local First Media in favour of ATB, a copy of which is attached hereto and marked as **Exhibit "9"**;
 - (b) a general security agreement dated April 26, 2023, granted by Local First Properties in favour of ATB, a copy of which attached is hereto and marked as **Exhibit "10"**;
 - (c) a pledge agreement dated April 26, 2023, granted by Local First Media in favour of ATB, a copy attached of which is hereto and marked as **Exhibit "11"**;(collectively, the "**Borrower Security**").

Registration of Borrower Security

14. ATB has registered the Borrower Security against the Borrowers and their property, as shown by the following:
 - (a) Alberta Personal Property Registry search on the name of the Local First Media, a copy of which is attached hereto and marked as **Exhibit "12"**;
 - (b) Alberta Personal Property Registry search on the name of Local First Properties, a copy of which is attached hereto and marked as **Exhibit "13"**;

Guarantees

15. In support of the Loan Agreement are the following guarantees:
- (a) a Continuing Guarantee dated April 26, 2023, granted by Alaska Broadcast in favour of ATB, a copy of which is attached hereto and marked as **Exhibit "14"**;
 - (b) a Continuing Guarantee dated April 26, 2023, granted by BTC USA in favour of ATB, a copy of which is attached hereto and marked as **Exhibit "15"**;
 - (c) a Continuing Guarantee dated April 26, 2023, granted by Local First USA in favour of ATB, a copy of which is attached hereto and marked as **Exhibit "16"**; and
 - (d) a Limited Recourse Guarantee dated April 26, 2023, granted by Broadcast 2 Podcast in favour of ATB, a copy of which is attached hereto and marked as **Exhibit "17"**,
- (collectively, the "**Guarantees**").
16. In April of 2023, ATB became aware that the Debtors were contemplating acquiring Frontier as a subsidiary of the Debtors. In late 2023 ATB and the Debtors were negotiating the 2023 Forbearance Agreement (defined below) and during those negotiations, the Debtors advised ATB that Frontier had in fact been acquired as a subsidiary.
17. At this time, ATB demanded that Frontier execute a guarantee of the Borrowers' obligations and give ATB security as required by the Loan Agreement, however Frontier failed to do so.
18. Notwithstanding Frontier's failure to execute a guarantee, it was agreed by ATB, Frontier and all of the other Debtors that Frontier would be liable for the obligations of the Borrowers under the Loan Agreement. As a result, Frontier was added as a party to the Forbearance Agreements (defined below), and is defined as a "Guarantor" in each of the Forbearance Agreements. In addition, Frontier has executed each of the Forbearance Agreements and the Consent Receivership Order (defined below).

Guarantor Security

19. In support of the Guarantees, the Guarantors granted, among others, the following security in favour of ATB in support of their respective obligations under the Guarantees:
- (a) a Pledge Agreement dated April 26, 2023, granted by Broadcast 2 Podcast in favour of ATB, a copy of which is attached hereto and marked as **Exhibit "18"**;
 - (b) a Security Agreement dated April 26, 2023, granted by Alaska Broadcast in favour of ATB, a copy of which is attached hereto and marked as **Exhibit "19"**;
 - (c) a Security Agreement dated April 26, 2023, granted by BTC USA in favour of ATB, a copy of which is attached hereto and marked as **Exhibit "20"**;
 - (d) a Security Agreement dated April 26, 2023, granted by Local First USA in favour of ATB, a copy of which is attached hereto and marked as **Exhibit "21"**;
 - (e) a Deed of Trust dated April 26, 2023, granted by Local First USA in favour of ATB with respect to the property described therein, a copy of which is attached hereto and marked as **Exhibit "22"**,
- (collectively, the "**Guarantor Security**" and together with the Borrower Security, the "**Security**").

Registration of Guarantor Security

20. ATB has registered the Guarantor Security against the Guarantors and their property, as shown by the following:
- (a) Alberta Personal Property Registry search on the name of Alaska Broadcast, a copy of which is attached hereto and marked as **Exhibit "23"**;
 - (b) Alaska UCC search in the name of Alaska Broadcast, a copy of which is attached hereto and marked as **Exhibit "24"**;
 - (c) Alberta Personal Property Registry search on the name of BTC USA, a copy of which is attached hereto and marked as **Exhibit "25"**;
 - (d) Delaware UCC search in the name of BTC USA, a copy of which is attached hereto and marked as **Exhibit "26"**;
 - (e) Alberta Personal Property Registry search on the name of Local First USA, a copy of which is attached hereto and marked as **Exhibit "27"**;
 - (f) Delaware UCC search in the name of Local First USA, a copy of which is attached hereto and marked as **Exhibit "28"**;

- (g) Alberta Personal Property Registry search on the name of Broadcast 2, a copy of which is attached hereto and marked as **Exhibit "29"**; and
- (h) California UCC search in the name of Broadcast 2, a copy of which is attached hereto and marked as **Exhibit "30"**.

Defaults and Forbearance

- 21. By November of 2023 the Loans were in default pursuant to the terms of the Loan Agreement and the Security, and as a result ATB and the Debtors commenced negotiations about a forbearance agreement.
- 22. On or about November 24, 2023, ATB and the Debtors entered into a forbearance agreement (the "**2023 Forbearance Agreement**") whereby the Lender agreed to temporarily forbear from exercising its rights against the Debtors in exchange for certain covenants and agreements contained therein, including the agreement for a consent receivership order (the "**Consent Receivership Order**"), which was releasable upon the earlier of an Event of Default (as defined therein), or the expiry of the Forbearance Period (as defined therein). Each of the Debtors signed the 2023 Forbearance Agreement and agreed to be bound by its terms. A copy of the 2023 Forbearance Agreement is attached hereto and marked as **Exhibit "31"**.
- 23. On or about July 19, 2024, ATB and the Debtors entered into an amended and restated forbearance agreement (the "**2024 Forbearance Agreement**", and together with the 2023 Forbearance Agreement, the "**Forbearance Agreements**") whereby the Lender agreed to temporarily forbear from exercising its rights against the Debtor in exchange for certain covenants and agreements contained therein, including the agreement for a Consent Receivership Order which was releasable upon the earlier of an Event of Default (as defined therein), or the expiry of the Forbearance Period (as defined therein). Each of the Debtors signed the 2024 Forbearance Agreement and agreed to be bound by its terms. A copy of the 2024 Forbearance Agreement is attached hereto and marked as **Exhibit "32"**.
- 24. As part of the Forbearance Agreements, the Debtors agreed to the appointment of a monitor for the purposes of monitoring the business and affairs of the Borrowers on behalf of ATB. The Debtors agreed to provide the monitor with full and unrestricted access to all necessary information and to cooperate with the monitor in its engagement.

25. FTI Consulting Canada Inc. ("**FTI**") was appointed by ATB to act as the monitor under the Forbearance Agreements. However, in breach of the terms of the Forbearance Agreements, the Borrowers have not provided the necessary information to FTI for it to complete its engagement and duties as monitor.

Defaults and Forbearance Agreements

26. On or about August 20, 2024, the Lender issued a notice of default (the "**August Notice of Default and Reservation of Rights**") to the Debtors informing them of certain Events of Default (as defined in the 2024 Forbearance Agreement) that had occurred and were continuing, including (i) the Debtors' failure to abide by certain covenants contained in the 2024 Forbearance Agreement; and (ii) failure to make certain payments as required under the 2024 Forbearance Agreement (the "**Defaults**"). A copy of the August Notice of Default and Reservation of Rights is attached hereto and marked as **Exhibit "33"**.
27. The August Notice of Default and Reservation of Rights informed the Debtors that the Lender reserved all rights arising under the Defaults (as defined therein), including the right to seek immediate repayment of the facilities.
28. Following the issuance of the August Notice of Default and Reservation of Rights communication, ATB attempted to negotiate a further forbearance agreement with the Debtors, however the Debtors refused to agree to any further forbearance terms with ATB.
29. On or about December 20, 2024, the Lender issued a second notice of default (the "**December Notice of Default and Reservation of Rights**") to the Debtors informing them of certain Events of Default (as defined in the 2024 Forbearance Agreement) that had occurred and were continuing, including (i) the Debtors' failure to abide by certain covenants contained in the 2024 Forbearance Agreement; and (ii) failure to make certain payments as required under the 2024 Forbearance Agreement. A copy of the December Notice of Default and Reservation of Rights is attached hereto and marked as **Exhibit "34"**.
30. The December Notice of Default and Reservation of Rights informed the Debtors that the Lender reserved all rights arising under the Defaults (as defined therein), including the right to seek immediate repayment of the facilities.

Demands

31. As a result of the Defaults, on or about January 16, 2025, ATB issued a notice of default and demand for payment to the Borrowers (the "**Borrower Demands**"), and concurrently delivered notice of its intention to enforce its Security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada) RSC 1985 c B-3 (a "**244 Notice**"). A copy of the demand and 244 Notices issued to Local First Media and Local First Properties are attached hereto and marked as **Exhibits "35"** and **"36"**, respectively.
32. Also, on or about January 16, 2025, ATB issued notices of default and demands for payment to each of the Guarantors, (the "**Guarantor Demands**" and together with the Borrower Demands, the "**Demands**") together with 244 Notices. Copies of the demand and 244 Notices issued to each of the Guarantors are attached hereto and marked as **Exhibits "37", "38", "39", "40" and "41"**.
33. Despite the Demands for repayment of the Indebtedness by ATB, the Borrowers and the Guarantors have failed or neglected, and continue to fail or neglect to repay the Indebtedness, and they are in default of their obligations under the Loan Agreement, the Guarantees and the Security.

Appointment of Receiver

34. It is a term of the Security that if the Debtors are default of its obligations to the Lender, the Lender may apply to this Honourable Court for the appointment of a receiver and manager.
35. The Debtors are in default of their obligations to the Lender and the Lender is presently entitled to apply to this Honourable Court to appoint a receiver and manager over the Debtors.
36. Further, and as discussed above, the Debtors agreed to the Consent Receivership Order as part of the Forbearance Agreements.
37. The Lender has lost confidence in the Debtors' management and is entitled to prosecute its legal remedies under the Security. The Lender has the right to appoint or apply to this Honourable Court to appoint a receiver and manager over all of the Debtors' property, assets and undertakings. The Lender wishes to exercise that right at this time.

- SWORN BEFORE ME at the City of Calgary,)
in the Province of Alberta this 10th day of)
February, 2025.)


GREG STEIDL

14173452.3

THIS IS EXHIBIT "1" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.

SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.



A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2025/01/21
 Time of Search: 10:50 AM
 Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD
 Service Request Number: 43774196
 Customer Reference Number:

Corporate Access Number: 2024589513
Business Number: 701941809
Legal Entity Name: LOCAL FIRST MEDIA GROUP INC.

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2022/09/16 YYYY/MM/DD

Registered Office:

Street: 671 180 STREET SW
City: EDMONTON
Province: ALBERTA
Postal Code: T6W2S8

Records Address:

Street: 671 180 STREET SW
City: EDMONTON
Province: ALBERTA
Postal Code: T6W2S8

Email Address: BWOODRUFF@LOCALFIRSTMEDIAGROUP.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
WOODRUFF	BRYAN			671 - 180 STREET SW	EDMONTON	ALBERTA	T6W2S8	BWOODRUFF@LOCALFIRSTPROPERTIESUSA.COM

Directors:

Last Name: WOODRUFF
First Name: BRYAN
Street/Box Number: 2 - 151 BERKINDALE DR.
City: HAMILTON
Province: ONTARIO
Postal Code: L8E1M6

Voting Shareholders:

Last Name: BROADCAST2PODCAST INC.
Street: 14206 BARBON BECK AVENUE
City: BAKERSFIELD
Province: CALIFORNIA
Postal Code: 93311
Percent Of Voting Shares: 10

Legal Entity Name: CREATOR CAPITAL CORP.
Corporate Access Number: 2022258350
Street: 525 - 8TH AVENUE S.W., 43RD FLOOR
City: CALGARY
Province: ALBERTA
Postal Code: T2P1G1

Percent Of Voting Shares: 35

0012

Legal Entity Name: WOODRUFF MEDIA INC.
Corporate Access Number: 2024958627
Street: 525 - 8TH AVENUE S.W., 43RD FLOOR
City: CALGARY
Province: ALBERTA
Postal Code: T2P1G1
Percent Of Voting Shares: 55

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE
Share Transfers Restrictions: SEE SCHEDULE
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE SCHEDULE

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2024	2024/12/09

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2022/09/16	Incorporate Alberta Corporation
2022/09/16	Update Business Number Legal Entity
2024/10/17	Change Director / Shareholder
2024/12/09	Enter Annual Returns for Alberta and Extra-Provincial Corp.
2025/01/07	Change Address
2025/01/07	Change Agent for Service
2025/01/20	Service Provider Correct Legal Entity

Attachments:


Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2022/09/16
Restrictions on Share Transfers	ELECTRONIC	2022/09/16
Other Rules or Provisions	ELECTRONIC	2022/09/16

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



THIS IS EXHIBIT "2" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.

SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2025/01/21
 Time of Search: 10:51 AM
 Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD
 Service Request Number: 43774206
 Customer Reference Number:

Corporate Access Number: 2024610681
Business Number: 700309206
Legal Entity Name: LOCAL FIRST PROPERTIES INC.

Legal Entity Status: Start
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2022/09/26 YYYY/MM/DD
Date of Last Status Change: 2024/11/02 YYYY/MM/DD

Registered Office:

Street: 671 180 STREET SW
City: EDMONTON
Province: ALBERTA
Postal Code: T6W2S8

Records Address:

Street: 671 180 STREET SW
City: EDMONTON
Province: ALBERTA
Postal Code: T6W2S8

Email Address: BWOODRUFF@LOCALFIRSTMEDIAGROUP.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
WOODRUFF	BRYAN			671 - 180 STREET SW	EDMONTON	ALBERTA	T6W2S8	BWOODRUFF@LOCALFIRSTPROPERTIESUSA.COM

Directors:

Last Name: WOODRUFF
First Name: BRYAN
Street/Box Number: 2 - 151 BERKINDALE DR.
City: HAMILTON
Province: ONTARIO
Postal Code: L8E1M6

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE SCHEDULE
Share Transfers Restrictions: SEE SCHEDULE
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE SCHEDULE

Other Information:

0015

Outstanding Returns:

Annual returns are outstanding for the 2024, 2023 file year(s).

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2022/09/26	Incorporate Alberta Corporation
2022/09/26	Update Business Number Legal Entity
2024/10/17	Change Director / Shareholder
2024/11/02	Status Changed to Start for Failure to File Annual Returns
2025/01/07	Change Address
2025/01/07	Change Agent for Service
2025/01/20	Service Provider Correct Legal Entity

Attachments:

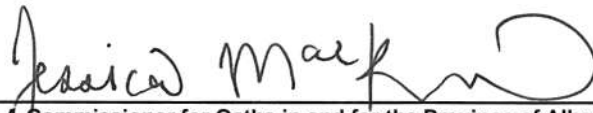
Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2022/09/26
Restrictions on Share Transfers	ELECTRONIC	2022/09/26
Other Rules or Provisions	ELECTRONIC	2022/09/26

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



THIS IS EXHIBIT "3" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.

SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.


A Commissioner for Oaths in and for the Province of Alberta

Jessica Mackinnon
Barrister & Solicitor

Client Reference File # 834395

Project Number

NAME SEARCHED	BTC USA HOLDINGS MANAGEMENT INC.
JURISDICTION SEARCHED	DELAWARE

DOMESTIC JURISDICTION	DELAWARE		
FILE NUMBER	7031330		
ENTITY KIND/TYPE	CORPORATION		
STATUS	GOOD STANDING		
INCORPORATION/FORMATION DATE	09/15/2022		
PRINCIPAL OFFICE ADDRESS	3161 CHANNEL DR, #2 JUNEAU, AK 99801		
PHONE NUMBER	(877) 692-6772		
STOCK INFORMATION	CLASS	PAR VALUE	NUMBER AUTHORIZED
	COMMON	1.00	10,000
REGISTERED AGENT	NAME	LEGALINC CORPORATE SERVICES INC.	
	STREET ADDRESS	131 CONTINENTAL DRIVE SUITE 305 NEWARK, DE 19713	
	MAILING ADDRESS	131 CONTINENTAL DRIVE SUITE 305 NEWARK, DE 19713	



FILING HISTORY

FILING TYPE	FILE DATE	NOTES
INCORPORATION	09/15/2022	
CHANGE OF AGENT	11/12/2024	

OFFICER INFORMATION

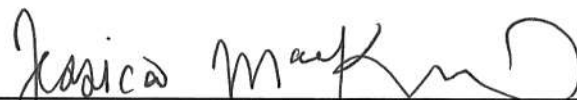
NAME	TITLE	ADDRESS
CLIFF DUMAS	PRESIDENT	3161 CHANNEL DR, #2 JUNEAU, AK 99801

DIRECTOR INFORMATION

NUMBER OF DIRECTORS	1	
NAME	TITLE	ADDRESS
CLIFF DUMAS	DIRECTOR	3161 CHANNEL DR, #2 JUNEAU, AK 99801

**THIS IS EXHIBIT "4" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

*Jessica MacKinnon
Barrister & Solicitor*



Client Reference File # 834395

Project Number

NAME SEARCHED	LOCAL FIRST PROPERTIES USA INC.
JURISDICTION SEARCHED	DELAWARE

DOMESTIC JURISDICTION	DELAWARE		
FILE NUMBER	7338415		
ENTITY KIND/TYPE	CORPORATION		
STATUS	GOOD STANDING		
INCORPORATION/FORMATION DATE	03/08/2023		
PRINCIPAL OFFICE ADDRESS	3161 CHANNEL DR, SUITE 2 JUNEAU, AK 99801		
PHONE NUMBER	(647) 917-6466		
STOCK INFORMATION	CLASS	PAR VALUE	NUMBER AUTHORIZED
	COMMON	1.00	10,000
REGISTERED AGENT	NAME	CORPORATION SERVICE COMPANY	
	STREET ADDRESS	251 LITTLE FALLS DRIVE WILMINGTON, DE 19808	
	MAILING ADDRESS	251 LITTLE FALLS DRIVE WILMINGTON, DE 19808	

FILING HISTORY

FILING TYPE	FILE DATE	NOTES
INCORPORATION	03/08/2023	

OFFICER INFORMATION

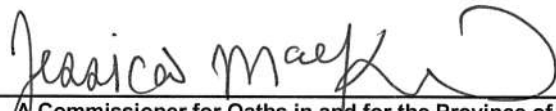
NAME	TITLE	ADDRESS
BRYAN WOODRUFF	PRESIDENT	671 – 180 TH ST, SW EDMONTON, ALBERTA T6W 2S8 CA

DIRECTOR INFORMATION

NUMBER OF DIRECTORS	2	
NAME	TITLE	ADDRESS
CLIFF DUMAS	DIRECTOR	2628 JOHN STREET JUNEAU, AK 99801
BRYAN WOODRUFF	DIRECTOR	671 – 180 TH ST, SW EDMONTON, ALBERTA T6W 2S8 CA

**THIS IS EXHIBIT "5" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Client Reference: Eldor-Wal Registrations (1987) Ltd.

Project Number: 735237

NAME SEARCHED	ALASKA BROADCAST COMMUNICATIONS, INC.
JURISDICTION SEARCHED	ALASKA

NAME	ALASKA BROADCAST COMMUNICATIONS, INC.	
NAME CHANGES	YES	
ENTITY ID	55377D	
FORMATION DATE	2/13/1995	
ENTITY TYPE	BUSINESS CORPORATION	
HOME JURISDICTION	ALASKA	
STATUS	GOOD STANDING	
NEXT BIENNIAL REPORT DUE	1/2/2025	
PERIOD OF EXISTENCE	PERPETUAL	
ENTITY OFFICE ADDRESS	MAILING ADDRESS	3161 CHANNEL DR, #2 JUNEAU, AK 99801
	PHYSICAL ADDRESS	SAME AS MAILING ADDRESS
REGISTERED AGENT	NAME	CLIFFORD DUMAS
	REGISTERED OFFICE MAILING ADDRESS	3161 CHANNEL DR, #2 JUNEAU, AK 99801
	PHYSICAL ADDRESS	SAME AS MAILING ADDRESS

January 21, 2025

OFFICIALS - NAME	TITLES	OWNED
CLIFFORD DUMAS	DIRECTOR, PRESIDENT, SECRETARY, SHAREHOLDER, TREASURER, VICE PRESIDENT	100.00

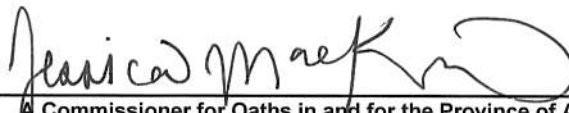
FILED DOCUMENTS – DATE FILED	TYPE
2/13/1995	CONSOLIDATION
5/18/1995	INITIAL REPORT
5/19/1995	AMENDMENT
12/18/1996	BIENNIAL REPORT
12/28/1998	BIENNIAL REPORT
5/16/2002	BIENNIAL REPORT
4/9/2003	BIENNIAL REPORT
6/2/2003	REINSTATEMENT
7/13/2005	BIENNIAL REPORT
10/3/2006	BIENNIAL REPORT
2/22/2011	BIENNIAL REPORT
2/22/2011	BIENNIAL REPORT
1/29/2014	BIENNIAL REPORT
1/29/2014	AGENT CHANGE
12/18/2014	BIENNIAL REPORT

3/6/2017	BIENNIAL REPORT
10/17/2018	BIENNIAL REPORT
12/14/2020	BIENNIAL REPORT
1/3/2003	BIENNIAL REPORT
4/6/2023	CERTIFICATE OF COMPLIANCE
11/12/2024	CHANGE OF OFFICIALS
11/12/2024	AGENT CHANGE

NAMES	EFFECTIVE DATE
ALASKA BROADCASTER, INC.	2/13/1995
ALASKA BROADCAST COMMUNICATIONS, INC.	5/19/1995

**THIS IS EXHIBIT "6" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A handwritten signature in black ink, appearing to read "Jessica MacKinnon", is written over a horizontal line.

Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Client Reference: Eldor-Wal Registrations (1987) Ltd.

Project Number: 735237

NAME SEARCHED	BROADCAST 2 PODCAST, INC.
JURISDICTION SEARCHED	CALIFORNIA

NAME	BROADCAST 2 PODCAST, INC.	
NAME CHANGES	NO	
ENTITY ID	5238516	
FORMATION DATE	9/8/2022	
ENTITY TYPE	STOCK CORPORATION – CA – GENERAL	
HOME JURISDICTION	CALIFORNIA	
STATUS	ACTIVE	
STANDING – SOS	GOOD	
STANDING – FTB	GOOD	
STANDING – AGENT	GOOD	
STANDING 0 VFCF	GOOD	
STATEMENT OF INFO DUE DATE	9/30/2025	
TYPE OF BUSINESS	BROADCAST CONSULTING AND PRODUCTION	
PRINCIPAL ADDRESS	PHYSICAL ADDRESS	14206 BARBON BECK AVE BAKERSFIELD, CA 93311
	MAILING ADDRESS	SAME AS PHYSICAL ADDRESS
AGENT - INDIVIDUAL	NAME	CLIFF DUMAS
	REGISTERED OFFICE PHYSICAL ADDRESS	14206 BARBON BECK AVE BAKERSFIELD, CA 93311
	MAILING ADDRESS	SAME AS PHYSICAL ADDRESS



January 21, 2025

OFFICERS - NAME	ADDRESS	POSITION(S)
CLIFF DUMAS	14206 BARBON BECK AVE BAKERSFIELD, CA 93311	CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER, SECRETARY

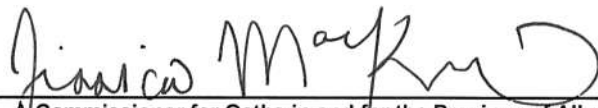
DIRECTORS - NAME	ADDRESS
CLIFF DUMAS	14206 BARBON BECK AVE BAKERSFIELD, CA 93311

FILING HISTORY – DATE	CONTROL ID	TYPE
9/8/2022	5238516	INITIAL FILING
6/23/2023	BA20231005901	STATEMENT OF INFORMATION
8/8/2024	BA20241441612	STATEMENT OF INFORMATION

Page 2 of 2

**THIS IS EXHIBIT "7" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Client Reference: Eldor-Wal Registrations (1987) Ltd.

Project Number: 737611

NAME SEARCHED	FRONTIER MEDIA LLC
JURISDICTION SEARCHED	ALASKA

NAME	FRONTIER MEDIA LLC	
NAME CHANGES	NO	
ENTITY ID	134593	
FORMATION DATE	4/15/2011	
ENTITY TYPE	LIMITED LIABILITY COMPANY	
HOME JURISDICTION	ALASKA	
STATUS	GOOD STANDING	
NEXT BIENNIAL REPORT DUE	1/2/2025	
PERIOD OF EXISTENCE	PERPETUAL	
ENTITY OFFICE ADDRESS	MAILING ADDRESS	3161 CHANNEL DRIVE, SUITE 2 JUNEAU, AK 99801
	PHYSICAL ADDRESS	SAME AS PHYSICAL ADDRESS
REGISTERED AGENT	NAME	CLIFF DUMAS
	REGISTERED OFFICE MAILING ADDRESS	3161 CHANNEL DR JUNEAU, AK 99801
	PHYSICAL ADDRESS	SAME AS PHYSICAL ADDRESS



OFFICIALS - NAME	TITLES	OWNED
BTS USA HOLDINGS MANAGEMENT INC.	MEMBER	100.00
CLIFF DUMAS	MANAGER	

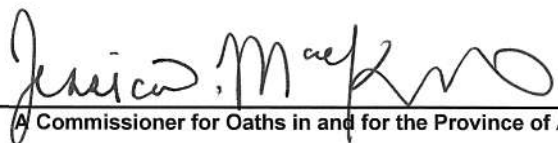
FILED DOCUMENTS – DATE FILED	TYPE
4/15/2011	CREATION DATE
1/1/2013	BIENNIAL REPORT
7/8/2015	BIENNIAL REPORT
3/28/2017	BIENNIAL REPORT
4/10/2019	BIENNIAL REPORT
12/14/2020	BIENNIAL REPORT
1/3/2023	BIENNIAL REPORT
5/8/2023	CHANGE OF OFFICIALS
11/12/2024	CHANGE OF OFFICIALS

NAMES	EFFECTIVE DATE
FRONTIER MEDIA LLC	4/15/2011



THIS IS EXHIBIT "8" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.

SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.



A Commissioner for Oaths in and for the Province of Alberta

Jessica Mackinnon
Barrister & Solicitor

ATB Financial

Eighth Avenue Place
600 - 585, 8 Avenue SW
Calgary, AB T2P 1G1

Loan Payout Estimate

The loan information and payout amounts below are provided for information purposes only and represent an estimate of the total amount outstanding for the facilities on the scheduled payout date. The actual payout figure on the date of payment may be different than the figure indicated below.

Date Completed: February 5th, 2025

Payout Date: TBD

Loan Payout Statement

To: Local First Media Group Inc.

For: Local First Media Group Inc.

	Loan(s)	Principal	Interest	Facility/ Standby Fee	Prepayment Fee	Total	Interest Per Diem
USD	760-44266462300	\$6,413,076.86	\$1,190,581.85	N/A	N/A	\$7,603,658.71	\$2,108.41
USD	760-44269401800	\$249,978.67	\$21,698.73	\$0.00	N/A	\$271,677.40	\$82.18
USD	760-46664809600	\$57,027.06	\$4,079.25	N/A	N/A	\$61,106.31	\$17.19
USD	760-47434506100	\$23,328.31	\$618.04	N/A	N/A	\$23,946.35	\$5.24
USD	BD&P legal invoices	\$96,539.31	N/A	N/A	N/A	\$96,539.31	N/A
USD	Willkie Farr Legal invoice	\$102,096.50	N/A	N/A	N/A	\$102,096.50	N/A
	Subtotal	\$6,942,046.71	\$1,216,977.87	\$0.00	\$0.00	\$8,159,024.58	

Other Products	Beneficiary	Note	Total
CAD Deposit account	760-00481453378 CAD	Overdrawn converted to USD	\$154.99
USD Deposit account	760-00481462278 USD	Overdrawn	\$11,809.20
Outstanding Forebearance Fees		\$50,000 CAD converted to USD, effective date Feb 5, 2025	\$34,855.00
Subtotal			\$46,819.19
		Grand Total for All Facilities	\$8,205,843.77

NOTE: Letters of Credit/Guarantee may not be cancelled unless we receive consent of the beneficiary and the original letter of Credit/Guarantee or sufficient cash security as determined by ATB Financial.

ATB Financial

To make sure you're on the same page, please read the following conditions that this statement is subject to the following conditions:

1. This Statement is valid for 30 days from the date of issue noted above.
2. All payments scheduled prior to the Payout Date are paid in full when due and no further charges, adjustments or advances are made to the loan prior to and including the Payout Date.
3. Payment must be received by ATB Financial at the above noted address prior to 2:00 pm on the Payout Date by wire, internal Transfer or lawyer's trust cheque.
4. The payout amount is in equivalent or excess of \$25 Million CAD must be sent by wire transfer.
5. This Statement is issued subject to any errors and omissions.
6. The variable rate advances can change with any change to the Prime rate. Contact your ATB expert to verify the balances on the Payout Date.

Please note that acceptance and/or processing of any payment by ATB in any amount less than the full amount owing as per the relevant loan agreements between you (the Borrower) and ATB shall not be deemed payment of the debt owing and you shall not be entitled to a discharge of any relevant security held by ATB until full repayment of all applicable loan balances are received by ATB.

THIS IS EXHIBIT "9" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.

SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.

A handwritten signature in black ink, appearing to read "Jessica MacKinnon", written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

GENERAL SECURITY AGREEMENT

Non-Consumer

TO: **ATB FINANCIAL ("ATB")**

BRANCH: Suite 600, 585 - 8th Avenue SW, Calgary, Alberta, T2P 1G1

FROM: **LOCAL FIRST MEDIA GROUP INC.** (the "**Debtor**")

DATE: April 26, 2023

1. DEFINITIONS

All capitalized terms used in this General Security Agreement (this "**Agreement**") and in any schedules attached hereto (as such schedules may be amended or supplemented from time to time) shall, except where defined herein, be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (the "**PPSA**") of the province or territory referred to in the "Governing Law" section of this Agreement (the "**Province**") and any regulations issued thereunder.

2. SECURITY INTEREST AND CHARGE

- (a) As general and continuing collateral security for the payment and performance of all debts, liabilities and obligations of the Debtor to ATB, howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether the Debtor be bound alone or jointly or severally with others, including, without limitation, such debts, liabilities and obligations arising under or in connection with the commitment letter dated April 10, 2023 among, *inter alios*, ATB, as lender, Local First Properties Inc. and the Debtor, as borrowers (as amended, amended and restated, renewed, modified, restated, replaced, assigned or supplemented from time to time, the "**Commitment Letter**") (the "**Indebtedness**"), the Debtor hereby assigns and grants to and in favour of ATB:
- (i) a security interest and pledge in the personal property of the Debtor selected and referred to in Schedule "A"; and
 - (ii) if so selected on Schedule "A", a mortgage by way of a floating charge on any and all present and after-acquired lands, real property, immovable property, leasehold property and other property, assets and undertaking of the Debtor not subject to the PPSA, including all such property, assets and undertaking owned or leased by or licensed to the Debtor and in which the Debtor at any time has an interest or to which the Debtor is or at any time may become entitled;
- and in all Proceeds and renewals thereof, Accessions thereto and substitutions therefor (herein collectively called the "**Collateral**").
- (b) The assignments, mortgages, pledges, charges, security interests and floating charges (if applicable) granted hereunder are hereinafter collectively called the "**Security Interests**" and individually, a "**Security Interest**". The Debtor warrants and acknowledges to and in favour of ATB that:
- (i) the Debtor has rights in all existing Collateral and the parties intend the Security Interest hereby created in any of the Debtor's existing property which is subject to the PPSA to attach upon execution and delivery hereof;
 - (ii) the parties intend the Security Interest created in any of the Debtor's after-acquired property which is subject to the PPSA to attach at the same time as it acquires rights in the after-acquired property; and
 - (iii) value has been given.
- (c) For greater certainty, where the Collateral includes all of the Debtor's present and after-acquired Personal Property, and any of such Collateral is or becomes located on lands or premises leased or subleased by the Debtor, the Collateral includes the Debtor's interest as tenant or lessee under any and all of such leases and subleases of the lands or premises.
- (d) The last day of any term reserved by any lease or agreement to lease is excepted out of the Security Interest and does not form part of the Collateral, but the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

- (e) If the grant of the Security Interest in respect of any contract, lease, agreement to lease, license, permit, approval or intellectual property right would result in the termination or breach of such contract, lease, agreement to lease, license, permit, approval or intellectual property right, then the applicable contract, lease, agreement to lease, license, permit, approval or intellectual property right will not be subject to the Security Interest but will be held in trust by the Debtor for the benefit of ATB and, on exercise by ATB of any of its rights under this Agreement following Default (as defined below), assigned by the Debtor as directed by ATB.

3. CONTINUOUS INTEREST

The Security Interest hereby created is a continuing charge, and shall secure all Indebtedness notwithstanding that the Indebtedness may be fluctuating and even may from time to time and at any time be reduced to a nil balance, and notwithstanding that monies advanced may be repaid and future advances may be made to or to the order of the Debtor or in respect of which the Debtor is liable. The Security Interest maintains priority for all Indebtedness secured hereby whether incurred or arising before or after the creation or registration of any Encumbrance (as hereinafter defined) and notwithstanding that at any time there may not be any Indebtedness then outstanding.

4. AUTHORIZED DEALING WITH COLLATERAL

Until Default (as hereinafter defined), or until ATB provides written notice to the contrary to the Debtor, the Debtor may deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions of the Commitment Letter, provided that unless permitted by the Commitment Letter, the Debtor shall not, without the prior written consent of ATB:

- (a) sell, exchange, lease, transfer or otherwise dispose of any of the Collateral or
- (b) create, incur or permit to exist any security interest, mortgage, lien, claim, charge or other encumbrance (herein collectively called the "**Encumbrances**" and individually, an "**Encumbrance**") upon any of the Collateral whether it would rank or purport to rank in priority to, equally with or behind the Security Interest granted under this Agreement, other than Permitted Encumbrances (as defined in the Commitment Letter).

Nothing in this Agreement or otherwise creates a postponement or subordination of any priority of ATB in any of the Collateral in favour of any present or future holder of an Encumbrance (including without limitation, a holder of a lease) in any of the Collateral.

If the Collateral comprises any Investment Property, Chattel Paper, Instrument, Money or Document of Title, the Debtor will, forthwith upon request, deliver the same to ATB and will allow ATB to retain possession of the same. If the Collateral comprises any Investment Property that is a Certificated Security, the Debtor will, upon request, deliver to ATB all Security Certificates relating to such Certificated Security endorsed in blank. If the Collateral comprises any Investment Property that is an Uncertificated Security or a Security Entitlement, the Debtor, on request by ATB, will, or will cause the issuer of such Investment Property to, or will cause the Securities Intermediary that holds such Investment Property to, take all steps as are necessary to give exclusive control (as that term is used in the PPSA) over such Investment Property to ATB on terms and conditions satisfactory to ATB, acting reasonably.

5. REPRESENTATIONS AND WARRANTIES OF THE DEBTOR

The Debtor hereby represents and warrants to ATB that:

- (a) the Collateral is owned by the Debtor free of all Encumbrances, save for Permitted Encumbrances (as defined in the Commitment Letter);
- (b) each Account, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "**Account Debtor**") and the amount represented by the Debtor to ATB from time to time as owing by each Account Debtor will be the correct amount actually and unconditionally owing from such Account Debtor, except for normal cash discounts where applicable;
- (c) as at the date hereof, the description of the Collateral in Schedule "A" and/or Schedule "B" hereto is complete and accurate, and, if so requested by ATB, all serial numbers and vehicle identification numbers affixed to or ascribed to any of the Collateral have been provided to ATB;
- (d) the Debtor has full power and authority to conduct its business and own its properties in all jurisdictions in which the Debtor carries on business, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or impair its ability to perform its obligations hereunder, and has full power and authority to grant to ATB the Security Interest created under this Agreement and to execute, deliver and perform all of its obligations under this Agreement;
- (e) this Agreement has been duly executed and delivered by the Debtor and constitutes a legal, valid and binding obligation of the Debtor, subject only that such enforcement may be limited by bankruptcy, insolvency and any other similar laws of general application affecting creditors' rights generally and by rules of equity limiting enforceability by specific performance;

- (f) there is no provision in any agreement to which the Debtor is a party, nor is there any statute, rule or regulation, or to the knowledge of the Debtor any judgment, decree or order of any court, binding on the Debtor which would be contravened by the execution and delivery of this Agreement;
- (g) the name of the Debtor is accurately and fully set out below, and the Debtor is not nor has it been known by any other name other than as set out below;
- (h) as at the date hereof, the Collateral is located in the Province and such other jurisdictions indicated on Schedule "A" hereto. With respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "A" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all buildings, fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations. For certainty, the Security Interests attach to all personal property Collateral, wherever located, whether or not in jurisdictions indicated on Schedule "A" hereto;
- (i) the Collateral does not consist of Consumer Goods;
- (j) the Collateral, except as previously communicated to ATB in writing, does not consist of Goods that are of a kind that are normally used in more than one jurisdiction; and
- (k) the Debtor's place of business, or if more than one place of business, the Debtor's chief executive office, is located in the Province (unless otherwise advised to ATB in writing).

6. COVENANTS OF THE DEBTOR

The Debtor hereby covenants with ATB that:

- (a) the Debtor will punctually pay all rents, taxes, rates and assessments lawfully assessed or imposed upon any property or income of the Debtor and will punctually pay all debts and obligations to labourers, workers, employees, contractors, subcontractors, suppliers of materials and other creditors which, when unpaid, might under applicable federal, provincial, state or other laws have priority over the Security Interest granted by this Agreement;
- (b) the Debtor will punctually make all payments and perform all of its obligations under any contracts under which any material Collateral is held or to which it is subject;
- (c) the Debtor will promptly give notice to ATB of:
 - (i) any change in the location of the Collateral from that specified in Section 5(h) hereof;
 - (ii) the details of any material acquisition or disposition of Collateral (whether authorized by ATB or not), including any additions to or deletions from the listing of serial numbers and vehicle identification numbers specified in Schedule "A" hereto;
 - (iii) any material loss of or damage to Collateral;
 - (iv) any change of its name or of any trade or business name used by it; and
 - (v) any change of its place of business, or if it has more than one place of business, of its chief executive office.

and the Debtor agrees not to effect or permit any of the changes referred to in paragraphs 6(c)(i), 6(c)(ii), 6(c)(iv) or 6(c)(v) above unless all filings have been made and all other actions have been taken that are required or desirable (as determined by ATB) in order for ATB to continue to have a valid and perfected Security Interest in respect of the Collateral at all times following such change;
- (d) upon the occurrence and continuance of a Default, ATB may pay or satisfy any Encumbrance, other than Permitted Encumbrances (as defined in the Commitment Letter), created in respect of any Collateral, or any sum necessary to be paid to clear title to such Collateral, and the Debtor agrees to repay the same on demand, plus interest thereon at a rate equal to the highest rate of interest payable by the Debtor on any portion of the Indebtedness;
- (e) ATB and the Debtor may from time to time agree in writing as to affirmative and negative covenants and restrictions to be performed and observed by the Debtor in respect of provision of financial information, payment of dividends, capital expenditures, incurring of additional obligations, reduction of capital, distribution of assets, amalgamation, repayment of loans, lending of money, sale and other disposition of assets and/or such other matters as ATB and the Debtor may think fit, and the Debtor agrees to perform and observe such affirmative and negative covenants and restrictions to the same extent and effect as if the same were fully set forth in this Agreement; and
- (f) the Debtor will not permit the Collateral constituting personal property to become affixed to real or other personal property (unless the Debtor owns such real or other personal property, and ATB has a Security Interest therein having the same priority as in respect of the Collateral becoming so affixed) without the prior consent of ATB in writing, and will obtain and deliver using commercially reasonable efforts, to ATB such waivers regarding the Collateral as ATB may reasonably request from any owner, landlord or mortgagee of the premises where the Collateral is or may be located.

7. DEFAULT

The occurrence and continuance of any Event of Default (as defined in the Commitment Letter) is referred to in this Agreement as a "**Default**".

8. REMEDIES

On Default:

- (a) ATB may seize or otherwise take possession of the Collateral or any part thereof and sell the same by public or private sale at such price and upon such terms as ATB in its sole discretion may determine, and the proceeds of such sale less all costs and expenses of ATB (including costs as between a solicitor and its own client on a full indemnity basis) shall be applied on the Indebtedness and the surplus, if any, shall be disposed of according to law;
- (b) ATB may apply to a court of competent jurisdiction for the sale or foreclosure of any or all of the Collateral;
- (c) ATB may enforce this Agreement by any method provided for in this Agreement, under the PPSA or under any other applicable statute or otherwise as permitted by law, and may dispose of the Collateral by any method permitted by law, including disposal by lease or deferred payment. ATB may use the Collateral in any manner as it in its sole discretion deems advisable; and
- (d) ATB may apply to a court for the appointment of a Receiver (as hereinafter defined), or may appoint by instrument any person or persons, to be a Receiver of any Collateral, and may remove any person so appointed and appoint another in his stead. The term "Receiver" as used in this Agreement includes a receiver, a manager and a receiver-manager. Any Receiver will have the power:
 - (i) to take possession of any or all of the Collateral and for that purpose to take any proceedings, in the name of the Debtor or otherwise;
 - (ii) to carry on or concur in carrying on the business of the Debtor and enter on, occupy and use (without charge by the Debtor) any of the premises, buildings, plant and undertaking of, or occupied or used by, the Debtor;
 - (iii) to sell or lease any Collateral;
 - (iv) to make any arrangement or compromise which he may think expedient in the interest of ATB;
 - (v) to pay all liabilities and expenses connected with the Collateral, including the cost of insurance and payment of taxes or other charges incurred in obtaining, maintaining possession of and preserving the Collateral, and the same shall be added to the Indebtedness and secured by the Collateral;
 - (vi) to hold as additional security any increase or profits resulting from the Collateral;
 - (vii) to exercise all rights that ATB has under this Agreement or otherwise at law;
 - (viii) with the consent of ATB in writing, to borrow money for the purpose of carrying on the business of the Debtor or for the maintenance of the Collateral or any part thereof or for other purposes approved by ATB, and any amount so borrowed together with interest thereon shall form a charge upon the Collateral in priority to the Security Interest created by this Agreement;
 - (ix) to enter into and to occupy any premises in which the Debtor has any interest; and
 - (x) to exercise any of the powers and rights of an Entitlement Holder in respect of any Security Entitlement of the Debtor.

The Debtor hereby appoints each Receiver appointed by ATB to be its attorney to effect the sale or lease of any Collateral and any deed, lease, agreement or other document signed by a Receiver under his seal pursuant hereto will have the same effect as if it were under the seal of the Debtor. Any Receiver will be deemed (for purposes relating to responsibility for the Receiver's acts or omissions) to be the agent of the Debtor and not of ATB, and the Debtor will be solely responsible for his acts or defaults and for his remuneration and expenses, and ATB will not be in any way responsible other than for any willful misconduct or negligence on the part of such Receiver appointed by ATB.

Neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities will be required to take any steps to preserve any rights against other parties pursuant to any Collateral, including without limitation, any Investment Property, Chattel Paper or Instrument constituting the Collateral or any part of it. Furthermore, ATB shall have no obligation to take any steps to preserve prior encumbrances on any Collateral whether or not in ATB's possession and shall not be liable or accountable for failure to do so. Neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities is required to keep Collateral identifiable.

ATB may exercise any or all of the foregoing rights and remedies (or any other rights and remedies available to ATB) without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except as required by applicable law) to or on the Debtor or any other person, and the Debtor by this Agreement waives each such demand, presentment, protest, advertisement and notice to the extent permitted by applicable law. None of the rights and remedies contained herein or otherwise available to ATB will be exclusive of or dependent on or merge in any other right or remedy, and one or more of such rights and remedies may be exercised independently or in combination from time to time.

9. COLLECTION OF DEBTS

After Default, ATB may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on any Collateral to ATB. The Debtor acknowledges that any payments on or other proceeds of

Collateral received by the Debtor from Account Debtors after Default under this Agreement and whether before or after notification of this Security Interest to Account Debtors shall be received and held by the Debtor in trust for ATB and shall be turned over to ATB on request. The Debtor shall furnish ATB with all information which may assist in the collection of all Accounts and any other monies or debts due to the Debtor.

10. INVESTMENT PROPERTY

On default, if the Collateral at any time includes Investment Property, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent to transfer the same or any part thereof into its own name or that of its nominee(s) so that ATB or its nominee(s) may appear on record as the sole owner thereof. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.

11. COLLATERAL IN POSSESSION OF ATB

The Debtor agrees with ATB that, with respect to any Collateral held in the possession of ATB pursuant to this Agreement ("**Retained Collateral**"):

- (a) ATB's responsibility with regard to the Retained Collateral shall be limited to exercising the same degree of care which it gives to similar property held by ATB at the branch where the Retained Collateral is held. ATB shall not in any event be obligated to protect the Retained Collateral from depreciating or becoming worthless, or to present, protest, collect, enforce or realize on any of the Retained Collateral;
- (b) ATB shall not be obliged to collect or see to the payment of revenue, income, interest or dividends upon any of the Retained Collateral, but all such revenue, income, interest or dividends, if any, when received by the Debtor, shall immediately be paid to ATB. ATB, in its sole discretion, may hold such monies as Collateral or appropriate it to any portion of the Indebtedness;
- (c) on Default, the Debtor irrevocably appoints ATB as its attorney and agent, with full powers of substitution, to sell, transfer, surrender, redeem, endorse or otherwise deal with any of the Retained Collateral as ATB, in its sole discretion, may see fit. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released; and
- (d) on Default, ATB shall have all rights and powers, but shall not be required to exercise any right or benefit which the holder or owner of the Retained Collateral may at any time have in connection with the Retained Collateral.

12. ACCELERATION

After Default, ATB, in its sole discretion, may without demand or notice of any kind, declare all or any of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable. The provisions of this Section are not intended in any way to affect any rights of ATB with respect to any Indebtedness which may now or hereafter be payable on demand.

13. NOTICE

Any notice or demand required or permitted to be made or given by ATB to the Debtor may be validly served by delivering the same or by mailing the same prepaid registered mail, addressed to the Debtor at the last known address of the Debtor or of any officer or director thereof, as shown on the records of ATB, and in the case of mailing, such notice or demand shall be deemed to have been received by the Debtor on the third business day following the date of mailing.

14. COSTS AND EXPENSES

The Debtor agrees to pay all reasonable costs, charges and expenses incurred by ATB or any Receiver appointed by it (including without restricting the generality of the foregoing, legal costs as between a solicitor and his own client on a full indemnity basis and also an allowance for the time, work and expenses of ATB or any agent, solicitor, or servant of ATB for any purpose herein provided at such rates as ATB may establish in its sole discretion from time to time) in preparing, registering or enforcing this Agreement, taking custody of, preserving, maintaining, repairing, processing, preparing for disposing of the Collateral and in enforcing or collecting the Indebtedness, and all such costs, charges and expenses shall be a first charge on the proceeds of realization, collection or disposition of the Collateral and shall be secured hereby.

15. REAL PROPERTY

- (a) For all purposes, including any application to register a crystallized floating charge under the *Land Title Act* (British Columbia) against any real property, the floating charge (if any) created by this Agreement shall be crystallized and become a fixed charge against any real property then held by the Debtor or in which the Debtor then has an interest upon the earlier of:

- (i) a declaration by ATB pursuant to Section 12 or a demand for payment otherwise being made by ATB and in either case ATB electing to crystallize the floating charge;
 - (ii) ATB taking any action to appoint a Receiver or to enforce its Security Interest or to realize upon all or any part of the Collateral, whether under Section 8(a), 8(b), 8(c) or 8(d) hereof or otherwise; or
 - (iii) ATB taking any action to register the floating charge granted hereunder or any caveat, security notice or other instrument in respect thereof against all or any part of the property which was subject to the floating charge at any real property registry or other similar office.
- (b) In accordance with the *Property Law Act* (British Columbia), the doctrine of consolidation applies to this Agreement.
- (c) For greater certainty, as to any specified lands located outside of the Province of British Columbia, ATB may register such floating charge or any caveat, security notice or other instrument in respect thereof against such specified lands at any real property registry or other similar office and such action shall, unless ATB otherwise elects in writing, only operate so as to crystallize the floating charge created hereby against, and convert such floating charge into a fixed charge on, such specified lands, and shall not operate so as to prevent the floating charge created hereby from attaching to any real property subsequently acquired by the Debtor or in which the Debtor subsequently acquires an interest.

16. REGISTRATION

The Debtor will ensure that this Agreement and all such supplementary and corrective instruments and any additional mortgage and security documents, as may be required in accordance with the terms of the Commitment Letter, and all documents, caveats, cautions, security notices and financing statements in respect thereof, are to the extent required by ATB promptly filed and refiled, registered and re-registered and deposited and re-deposited, in such manner, in such offices and places, and at such times and as often as may be required by applicable law or as may be necessary or desirable to perfect and preserve the Security Interests as a first priority mortgage, charge and security interest, subject to Permitted Encumbrances (as defined in the Commitment Letter), and the rights conferred or intended to be conferred upon ATB by the Security Interests and will cause to be furnished promptly to ATB evidence satisfactory to ATB of such filing, registering and depositing.

17. MISCELLANEOUS

- (a) Without limiting any other right of ATB, whenever the debts and liabilities of the Debtor to ATB are immediately due and payable, or ATB has the right to declare the debts and liabilities to be immediately due and payable, whether or not it has so declared, ATB may, in its sole discretion, set-off against the debts and liabilities any and all monies then owed to the Debtor by ATB in any capacity, whether due or not due, and ATB shall be deemed to have exercised such right of set-off immediately at the time of making its decision to do so even though any charge therefor is made or entered on ATB's records subsequent thereto.
- (b) ATB may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, sureties and others and with Collateral and other security as ATB may see fit without prejudice to the liability of the Debtor or to ATB's right to hold and realize the Security Interest. ATB may demand, collect and sue on the Collateral in either the Debtor's or ATB's name, at ATB's option, and may endorse the Debtor's name on any and all cheques, commercial paper and any other instruments pertaining to or constituting Collateral and for this purpose, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent, with full power of substitution. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.
- (c) Upon Default, ATB may, but shall not be required to, perform any such obligations, and the Debtor will pay to ATB, upon demand, an amount equal to the expense incurred by ATB in so doing with interest thereon from the date such expense is incurred at a rate equal to the highest rate of interest payable in accordance with the Commitment Letter by the Debtor on any portion of the Indebtedness.
- (d) This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. The Debtor may not assign this Agreement, or any of its rights or obligations under this Agreement, without the prior written consent of ATB. In any action brought by an assignee of this Agreement or the Security Interest created hereunder or any part thereof, the Debtor shall not assert against the assignee any claim or defense which the Debtor now has or hereafter may have against ATB.
- (e) If more than one person executes this Agreement as the Debtor:
 - (i) the obligations of such persons hereunder shall be joint and several;
 - (ii) the Security Interests shall secure the Indebtedness of each Debtor, whether or not any other Debtor or any other person is also liable therefor; and
 - (iii) the Collateral shall include the interest of any Debtor in the property, assets and undertaking constituting Collateral owned or otherwise held by such Debtor, whether or not any other Debtor also has an interest therein.

- (f) The Debtor acknowledges and agrees that in the event it amalgamates with any other corporation or corporations it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the Security Interests granted hereby:
 - (i) shall extend and attach to "Collateral" (as that term is herein defined) owned by each of the amalgamating corporations and the amalgamated corporation at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated corporation; and
 - (ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating corporations and the amalgamated corporation to ATB at the time of amalgamation and any "Indebtedness" of the amalgamated corporation to ATB thereafter arising.
- (g) This Agreement is in addition to and not in substitution for any other security or securities now or hereafter held by ATB and all such other securities shall remain in full force and effect. ATB will not be obliged to exhaust its recourse against the Debtor or any other person or against any other security it may hold in respect of the Indebtedness before realizing upon or otherwise dealing with the Collateral in such manner as ATB may consider desirable.
- (h) The Debtor further agrees to execute and deliver to ATB such further assurances and conveyances and supplemental deeds and instruments as may be necessary to properly carry out the intention of this Agreement, as determined by ATB, or as may be required by ATB from time to time, in each case acting reasonably.
- (i) After Default, ATB may from time to time apply and re-apply, notwithstanding any previous application, in any such manner as it, in its sole discretion, sees fit, any monies received by it from the Debtor or as a result of any enforcement or recovery proceedings, in or toward payment of any portion of the Indebtedness. The Debtor will remain liable for any Indebtedness that is outstanding following realization of all or any part of the Collateral and the application of the proceeds thereof.
- (j) For the purpose of assisting ATB in assessing the creditworthiness of the Debtor or the ownership or description of any of the Collateral, and for the purpose of collecting all or any portion of the Indebtedness owing by the Debtor to ATB, the Debtor consents to the disclosure and release to ATB of personal information, including without limitation, motor vehicle information from Alberta Registries (or any other provincial government department having jurisdiction in that area). This consent is effective from the effective date of this Agreement and shall remain in effect until all Indebtedness is fully satisfied.

18. INTERPRETATION

- (a) If a portion of this Agreement is wholly or partially invalid, then this Agreement will be interpreted as if the invalid portion had not been a part of it.
- (b) Where the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary depending upon the person referred to being male, female or body corporate.

19. GOVERNING LAW

This Agreement will be interpreted in accordance with the laws of the Province of Alberta, and the Debtor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this Agreement may be brought in the courts of such Province or in any court of competent jurisdiction, as ATB may elect, and the Debtor agrees to attorn to the same.

20. COPY OF AGREEMENT

The Debtor hereby acknowledges receipt of a copy of this Agreement, and waives any right it may have to receive a Financing Statement, Financing Change Statement or Verification Statement relating to it.

21. PARAMOUNCY

In the event of any conflict, ambiguity or inconsistency between this Agreement and the Commitment Letter, the terms of the Commitment Letter shall govern and prevail to the extent necessary to remove the conflict, ambiguity or inconsistency.

22. ELECTRONIC EXECUTION

This Agreement may be executed electronically; this Agreement may be delivered by email, facsimile or other functionally-equivalent electronic means.

[signature page follows]

IN WITNESS WHEREOF the Debtor has executed this Agreement this 26th day of April, 2023.

LOCAL FIRST MEDIA GROUP INC.

DocuSigned by:
Bryan Woodruff
219EAD2BA1824D5...
Per: _____
Name: Bryan Woodruff
Title: President

Full Address of Debtor's Chief Executive Office:

3000, 700 9th Avenue SW.
Calgary, AB T2P 3V4

Full List of all prior names by which
Debtor has been known (whether by way of
name change, amalgamation or otherwise):
None.

SCHEDULE A

Description of Collateral:

Select appropriate box or boxes. If no box is selected, the Debtor shall be deemed to have selected box (a).

- ☒ (a) All of the Debtor's present and after-acquired Personal Property, as well as a mortgage by way of a floating charge on all of the Debtor's lands, real property, immovable property, leasehold property and other property, assets and undertaking not subject to the PPSA, including all such property, assets and undertaking owned or leased by or licensed to the Debtor and in which the Debtor at any time has an interest or to which the Debtor is or at any time may become entitled.
- ☐ (b) All of the Debtor's present and after-acquired Personal Property.
- ☐ (c) All of the Debtor's present and after acquired personal property (including but not limited to Equipment, Inventory, Accounts, Chattel Paper, Documents of Title, Goods, Intangibles, Investment Property, Money and Fixtures) now or hereafter situate on, annexed to, used in connection with or arising from the business or affairs carried on at or about the lands and premises described on Schedule "B" hereto (or any other description by which such lands may be described) (the "Lands") and any proceeds thereof (including insurance proceeds) and for greater certainty including the following to the extent situate on, annexed to, used in connection with or arising from the business or affairs carried on at or about the Lands:
- (i) all Fixtures, Inventory, Equipment and other Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper (including leases), Documents of Title (whether negotiable or not), Instruments, Intangibles, bank accounts, deposits, Money and Investment Property now owned or hereafter owned or acquired by or on behalf of the Debtor;
 - (ii) all Accounts and book debts and generally all debts, dues, rents, claims, contractual rights, choses in action and demands of every nature and kind including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Debtor ("Debts");
 - (iii) all present and future contracts for the supply of work or materials or provision of services relating to the construction, operation or maintenance of the Lands and the business or affairs carried on at or about the Lands;
 - (iv) all permits, licences and concessions relating to the ownership of the Lands or the operation of the business or affairs carried on at or about the Lands;
 - (v) all deeds, documents, writings, papers, contracts, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable; and
 - (vi) all lists, records and files relating to the Debtor's business, customers and clients.
- ☐ (d) All of the Debtor's present and after-acquired Personal Property except _____:
- ☐ (e) All _____ equipment of whatever kind and wherever situated including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatever nature.
- ☐ (f) All Accounts, Instruments, debts and Chattel Paper which are now due, owing or accruing due, or which may hereafter become due, owing or accruing due, to the Debtor, together with all records (whether in writing or not) and other documents of any kind which in any way evidence or relate to any or all of the Accounts, Instruments, debts or Chattel Paper.
- ☐ (g) All of the Debtor's present and after-acquired Inventory, wherever located.
- ☐ (h) The following described Personal Property:

-
-
- ☐ (i) All harvested and unharvested crops whether growing or matured, and whether grain, roots, seeds, leaves or otherwise howsoever, and any interest of the Debtor therein, wherever located.
- ☐ (j) All _____, male or female, born or unborn, branded or unbranded, of whatever age or stage of growth , wherever located.

Listing of Serial Numbers:

The registration mark (for aircraft only) and the serial numbers or vehicle identification numbers of any motor vehicles, trailers, mobile homes, manufactured homes, boats, outboard motors for boats, or aircraft (other than those held as Inventory for sale or lease by the Debtor) constituting Collateral are as follows:

<u>Make</u>	<u>Model</u>	<u>Year of Manufacture</u>	<u>Serial Number (and Registration Mark for aircraft only)</u>
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None.

Locations of Personal Property Collateral:

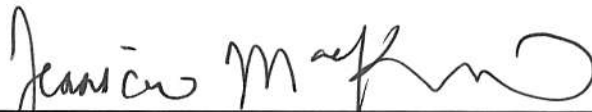
The Personal Property Collateral is located at the following location(s): Alberta.

SCHEDULE B
DESCRIPTION OF LANDS

Nil

THIS IS EXHIBIT "10" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.

SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.

A handwritten signature in black ink, appearing to read "Jessica Mackinnon", written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

Jessica Mackinnon
Barrister & Solicitor

GENERAL SECURITY AGREEMENT

Non-Consumer

TO: **ATB FINANCIAL ("ATB")**

BRANCH: Suite 600, 585 - 8th Avenue SW, Calgary, Alberta, T2P 1G1

FROM: **LOCAL FIRST PROPERTIES INC. (the "Debtor")**

DATE: April 26, 2023

1. DEFINITIONS

All capitalized terms used in this General Security Agreement (this "**Agreement**") and in any schedules attached hereto (as such schedules may be amended or supplemented from time to time) shall, except where defined herein, be interpreted pursuant to their respective meanings when used in the *Personal Property Security Act* (the "**PPSA**") of the province or territory referred to in the "Governing Law" section of this Agreement (the "**Province**") and any regulations issued thereunder.

2. SECURITY INTEREST AND CHARGE

- (a) As general and continuing collateral security for the payment and performance of all debts, liabilities and obligations of the Debtor to ATB, howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether the Debtor be bound alone or jointly or severally with others, including, without limitation, such debts, liabilities and obligations arising under or in connection with the commitment letter dated April 10, 2023 among, *inter alios*, ATB, as lender, Local First Media Group Inc. and the Debtor, as borrowers (as amended, amended and restated, renewed, modified, restated, replaced, assigned or supplemented from time to time, the "**Commitment Letter**") (the "**Indebtedness**"), the Debtor hereby assigns and grants to and in favour of ATB:
- (i) a security interest and pledge in the personal property of the Debtor selected and referred to in Schedule "A"; and
 - (ii) if so selected on Schedule "A", a mortgage by way of a floating charge on any and all present and after-acquired lands, real property, immovable property, leasehold property and other property, assets and undertaking of the Debtor not subject to the PPSA, including all such property, assets and undertaking owned or leased by or licensed to the Debtor and in which the Debtor at any time has an interest or to which the Debtor is or at any time may become entitled;
- and in all Proceeds and renewals thereof, Accessions thereto and substitutions therefor (herein collectively called the "**Collateral**").
- (b) The assignments, mortgages, pledges, charges, security interests and floating charges (if applicable) granted hereunder are hereinafter collectively called the "**Security Interests**" and individually, a "**Security Interest**". The Debtor warrants and acknowledges to and in favour of ATB that:
- (i) the Debtor has rights in all existing Collateral and the parties intend the Security Interest hereby created in any of the Debtor's existing property which is subject to the PPSA to attach upon execution and delivery hereof;
 - (ii) the parties intend the Security Interest created in any of the Debtor's after-acquired property which is subject to the PPSA to attach at the same time as it acquires rights in the after-acquired property; and
 - (iii) value has been given.
- (c) For greater certainty, where the Collateral includes all of the Debtor's present and after-acquired Personal Property, and any of such Collateral is or becomes located on lands or premises leased or subleased by the Debtor, the Collateral includes the Debtor's interest as tenant or lessee under any and all of such leases and subleases of the lands or premises.
- (d) The last day of any term reserved by any lease or agreement to lease is excepted out of the Security Interest and does not form part of the Collateral, but the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

- (e) If the grant of the Security Interest in respect of any contract, lease, agreement to lease, license, permit, approval or intellectual property right would result in the termination or breach of such contract, lease, agreement to lease, license, permit, approval or intellectual property right, then the applicable contract, lease, agreement to lease, license, permit, approval or intellectual property right will not be subject to the Security Interest but will be held in trust by the Debtor for the benefit of ATB and, on exercise by ATB of any of its rights under this Agreement following Default (as defined below), assigned by the Debtor as directed by ATB.

3. CONTINUOUS INTEREST

The Security Interest hereby created is a continuing charge, and shall secure all Indebtedness notwithstanding that the Indebtedness may be fluctuating and even may from time to time and at any time be reduced to a nil balance, and notwithstanding that monies advanced may be repaid and future advances may be made to or to the order of the Debtor or in respect of which the Debtor is liable. The Security Interest maintains priority for all Indebtedness secured hereby whether incurred or arising before or after the creation or registration of any Encumbrance (as hereinafter defined) and notwithstanding that at any time there may not be any Indebtedness then outstanding.

4. AUTHORIZED DEALING WITH COLLATERAL

Until Default (as hereinafter defined), or until ATB provides written notice to the contrary to the Debtor, the Debtor may deal with the Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions of the Commitment Letter, provided that unless permitted by the Commitment Letter, the Debtor shall not, without the prior written consent of ATB:

- (a) sell, exchange, lease, transfer or otherwise dispose of any of the Collateral or
- (b) create, incur or permit to exist any security interest, mortgage, lien, claim, charge or other encumbrance (herein collectively called the "**Encumbrances**" and individually, an "**Encumbrance**") upon any of the Collateral whether it would rank or purport to rank in priority to, equally with or behind the Security Interest granted under this Agreement, other than Permitted Encumbrances (as defined in the Commitment Letter).

Nothing in this Agreement or otherwise creates a postponement or subordination of any priority of ATB in any of the Collateral in favour of any present or future holder of an Encumbrance (including without limitation, a holder of a lease) in any of the Collateral.

If the Collateral comprises any Investment Property, Chattel Paper, Instrument, Money or Document of Title, the Debtor will, forthwith upon request, deliver the same to ATB and will allow ATB to retain possession of the same. If the Collateral comprises any Investment Property that is a Certificated Security, the Debtor will, upon request, deliver to ATB all Security Certificates relating to such Certificated Security endorsed in blank. If the Collateral comprises any Investment Property that is an Uncertificated Security or a Security Entitlement, the Debtor, on request by ATB, will, or will cause the issuer of such Investment Property to, or will cause the Securities Intermediary that holds such Investment Property to, take all steps as are necessary to give exclusive control (as that term is used in the PPSA) over such Investment Property to ATB on terms and conditions satisfactory to ATB, acting reasonably.

5. REPRESENTATIONS AND WARRANTIES OF THE DEBTOR

The Debtor hereby represents and warrants to ATB that:

- (a) the Collateral is owned by the Debtor free of all Encumbrances, save for Permitted Encumbrances (as defined in the Commitment Letter);
- (b) each Account, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "**Account Debtor**") and the amount represented by the Debtor to ATB from time to time as owing by each Account Debtor will be the correct amount actually and unconditionally owing from such Account Debtor, except for normal cash discounts where applicable;
- (c) as at the date hereof, the description of the Collateral in Schedule "A" and/or Schedule "B" hereto is complete and accurate, and, if so requested by ATB, all serial numbers and vehicle identification numbers affixed to or ascribed to any of the Collateral have been provided to ATB;
- (d) the Debtor has full power and authority to conduct its business and own its properties in all jurisdictions in which the Debtor carries on business, except to the extent any failure to do so would not reasonably be expected to have a material adverse effect on its business, operations or financial condition or impair its ability to perform its obligations hereunder, and has full power and authority to grant to ATB the Security Interest created under this Agreement and to execute, deliver and perform all of its obligations under this Agreement;
- (e) this Agreement has been duly executed and delivered by the Debtor and constitutes a legal, valid and binding obligation of the Debtor, subject only that such enforcement may be limited by bankruptcy, insolvency and any other similar laws of general application affecting creditors' rights generally and by rules of equity limiting enforceability by specific performance;

- (f) there is no provision in any agreement to which the Debtor is a party, nor is there any statute, rule or regulation, or to the knowledge of the Debtor any judgment, decree or order of any court, binding on the Debtor which would be contravened by the execution and delivery of this Agreement;
- (g) the name of the Debtor is accurately and fully set out below, and the Debtor is not nor has it been known by any other name other than as set out below;
- (h) as at the date hereof, the Collateral is located in the Province and such other jurisdictions indicated on Schedule "A" hereto. With respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "A" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all buildings, fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations. For certainty, the Security Interests attach to all personal property Collateral, wherever located, whether or not in jurisdictions indicated on Schedule "A" hereto;
- (i) the Collateral does not consist of Consumer Goods;
- (j) the Collateral, except as previously communicated to ATB in writing, does not consist of Goods that are of a kind that are normally used in more than one jurisdiction; and
- (k) the Debtor's place of business, or if more than one place of business, the Debtor's chief executive office, is located in the Province (unless otherwise advised to ATB in writing).

6. COVENANTS OF THE DEBTOR

The Debtor hereby covenants with ATB that:

- (a) the Debtor will punctually pay all rents, taxes, rates and assessments lawfully assessed or imposed upon any property or income of the Debtor and will punctually pay all debts and obligations to labourers, workers, employees, contractors, subcontractors, suppliers of materials and other creditors which, when unpaid, might under applicable federal, provincial, state or other laws have priority over the Security Interest granted by this Agreement;
- (b) the Debtor will punctually make all payments and perform all of its obligations under any contracts under which any material Collateral is held or to which it is subject;
- (c) the Debtor will promptly give notice to ATB of:
 - (i) any change in the location of the Collateral from that specified in Section 5(h) hereof;
 - (ii) the details of any material acquisition or disposition of Collateral (whether authorized by ATB or not), including any additions to or deletions from the listing of serial numbers and vehicle identification numbers specified in Schedule "A" hereto;
 - (iii) any material loss of or damage to Collateral;
 - (iv) any change of its name or of any trade or business name used by it; and
 - (v) any change of its place of business, or if it has more than one place of business, of its chief executive office.

and the Debtor agrees not to effect or permit any of the changes referred to in paragraphs 6(c)(i), 6(c)(ii), 6(c)(iv) or 6(c)(v) above unless all filings have been made and all other actions have been taken that are required or desirable (as determined by ATB) in order for ATB to continue to have a valid and perfected Security Interest in respect of the Collateral at all times following such change;
- (d) upon the occurrence and continuance of a Default, ATB may pay or satisfy any Encumbrance, other than Permitted Encumbrances (as defined in the Commitment Letter), created in respect of any Collateral, or any sum necessary to be paid to clear title to such Collateral, and the Debtor agrees to repay the same on demand, plus interest thereon at a rate equal to the highest rate of interest payable by the Debtor on any portion of the Indebtedness;
- (e) ATB and the Debtor may from time to time agree in writing as to affirmative and negative covenants and restrictions to be performed and observed by the Debtor in respect of provision of financial information, payment of dividends, capital expenditures, incurring of additional obligations, reduction of capital, distribution of assets, amalgamation, repayment of loans, lending of money, sale and other disposition of assets and/or such other matters as ATB and the Debtor may think fit, and the Debtor agrees to perform and observe such affirmative and negative covenants and restrictions to the same extent and effect as if the same were fully set forth in this Agreement; and
- (f) the Debtor will not permit the Collateral constituting personal property to become affixed to real or other personal property (unless the Debtor owns such real or other personal property, and ATB has a Security Interest therein having the same priority as in respect of the Collateral becoming so affixed) without the prior consent of ATB in writing, and will obtain and deliver using commercially reasonable efforts, to ATB such waivers regarding the Collateral as ATB may reasonably request from any owner, landlord or mortgagee of the premises where the Collateral is or may be located.

7. DEFAULT

The occurrence and continuance of any Event of Default (as defined in the Commitment Letter) is referred to in this Agreement as a "**Default**".

8. REMEDIES

On Default:

- (a) ATB may seize or otherwise take possession of the Collateral or any part thereof and sell the same by public or private sale at such price and upon such terms as ATB in its sole discretion may determine, and the proceeds of such sale less all costs and expenses of ATB (including costs as between a solicitor and its own client on a full indemnity basis) shall be applied on the Indebtedness and the surplus, if any, shall be disposed of according to law;
- (b) ATB may apply to a court of competent jurisdiction for the sale or foreclosure of any or all of the Collateral;
- (c) ATB may enforce this Agreement by any method provided for in this Agreement, under the PPSA or under any other applicable statute or otherwise as permitted by law, and may dispose of the Collateral by any method permitted by law, including disposal by lease or deferred payment. ATB may use the Collateral in any manner as it in its sole discretion deems advisable; and
- (d) ATB may apply to a court for the appointment of a Receiver (as hereinafter defined), or may appoint by instrument any person or persons, to be a Receiver of any Collateral, and may remove any person so appointed and appoint another in his stead. The term "Receiver" as used in this Agreement includes a receiver, a manager and a receiver-manager. Any Receiver will have the power:
 - (i) to take possession of any or all of the Collateral and for that purpose to take any proceedings, in the name of the Debtor or otherwise;
 - (ii) to carry on or concur in carrying on the business of the Debtor and enter on, occupy and use (without charge by the Debtor) any of the premises, buildings, plant and undertaking of, or occupied or used by, the Debtor;
 - (iii) to sell or lease any Collateral;
 - (iv) to make any arrangement or compromise which he may think expedient in the interest of ATB;
 - (v) to pay all liabilities and expenses connected with the Collateral, including the cost of insurance and payment of taxes or other charges incurred in obtaining, maintaining possession of and preserving the Collateral, and the same shall be added to the Indebtedness and secured by the Collateral;
 - (vi) to hold as additional security any increase or profits resulting from the Collateral;
 - (vii) to exercise all rights that ATB has under this Agreement or otherwise at law;
 - (viii) with the consent of ATB in writing, to borrow money for the purpose of carrying on the business of the Debtor or for the maintenance of the Collateral or any part thereof or for other purposes approved by ATB, and any amount so borrowed together with interest thereon shall form a charge upon the Collateral in priority to the Security Interest created by this Agreement;
 - (ix) to enter into and to occupy any premises in which the Debtor has any interest; and
 - (x) to exercise any of the powers and rights of an Entitlement Holder in respect of any Security Entitlement of the Debtor.

The Debtor hereby appoints each Receiver appointed by ATB to be its attorney to effect the sale or lease of any Collateral and any deed, lease, agreement or other document signed by a Receiver under his seal pursuant hereto will have the same effect as if it were under the seal of the Debtor. Any Receiver will be deemed (for purposes relating to responsibility for the Receiver's acts or omissions) to be the agent of the Debtor and not of ATB, and the Debtor will be solely responsible for his acts or defaults and for his remuneration and expenses, and ATB will not be in any way responsible other than for any willful misconduct or negligence on the part of such Receiver appointed by ATB.

Neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities will be required to take any steps to preserve any rights against other parties pursuant to any Collateral, including without limitation, any Investment Property, Chattel Paper or Instrument constituting the Collateral or any part of it. Furthermore, ATB shall have no obligation to take any steps to preserve prior encumbrances on any Collateral whether or not in ATB's possession and shall not be liable or accountable for failure to do so. Neither ATB nor any civil enforcement agent, sheriff, Receiver or person having similar responsibilities is required to keep Collateral identifiable.

ATB may exercise any or all of the foregoing rights and remedies (or any other rights and remedies available to ATB) without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except as required by applicable law) to or on the Debtor or any other person, and the Debtor by this Agreement waives each such demand, presentment, protest, advertisement and notice to the extent permitted by applicable law. None of the rights and remedies contained herein or otherwise available to ATB will be exclusive of or dependent on or merge in any other right or remedy, and one or more of such rights and remedies may be exercised independently or in combination from time to time.

9. COLLECTION OF DEBTS

After Default, ATB may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on any Collateral to ATB. The Debtor acknowledges that any payments on or other proceeds of

Collateral received by the Debtor from Account Debtors after Default under this Agreement and whether before or after notification of this Security Interest to Account Debtors shall be received and held by the Debtor in trust for ATB and shall be turned over to ATB on request. The Debtor shall furnish ATB with all information which may assist in the collection of all Accounts and any other monies or debts due to the Debtor.

10. INVESTMENT PROPERTY

On default, if the Collateral at any time includes Investment Property, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent to transfer the same or any part thereof into its own name or that of its nominee(s) so that ATB or its nominee(s) may appear on record as the sole owner thereof. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.

11. COLLATERAL IN POSSESSION OF ATB

The Debtor agrees with ATB that, with respect to any Collateral held in the possession of ATB pursuant to this Agreement ("**Retained Collateral**"):

- (a) ATB's responsibility with regard to the Retained Collateral shall be limited to exercising the same degree of care which it gives to similar property held by ATB at the branch where the Retained Collateral is held. ATB shall not in any event be obligated to protect the Retained Collateral from depreciating or becoming worthless, or to present, protest, collect, enforce or realize on any of the Retained Collateral;
- (b) ATB shall not be obliged to collect or see to the payment of revenue, income, interest or dividends upon any of the Retained Collateral, but all such revenue, income, interest or dividends, if any, when received by the Debtor, shall immediately be paid to ATB. ATB, in its sole discretion, may hold such monies as Collateral or appropriate it to any portion of the Indebtedness;
- (c) on Default, the Debtor irrevocably appoints ATB as its attorney and agent, with full powers of substitution, to sell, transfer, surrender, redeem, endorse or otherwise deal with any of the Retained Collateral as ATB, in its sole discretion, may see fit. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released; and
- (d) on Default, ATB shall have all rights and powers, but shall not be required to exercise any right or benefit which the holder or owner of the Retained Collateral may at any time have in connection with the Retained Collateral.

12. ACCELERATION

After Default, ATB, in its sole discretion, may without demand or notice of any kind, declare all or any of the Indebtedness which is not by its terms payable on demand, to be immediately due and payable. The provisions of this Section are not intended in any way to affect any rights of ATB with respect to any Indebtedness which may now or hereafter be payable on demand.

13. NOTICE

Any notice or demand required or permitted to be made or given by ATB to the Debtor may be validly served by delivering the same or by mailing the same prepaid registered mail, addressed to the Debtor at the last known address of the Debtor or of any officer or director thereof, as shown on the records of ATB, and in the case of mailing, such notice or demand shall be deemed to have been received by the Debtor on the third business day following the date of mailing.

14. COSTS AND EXPENSES

The Debtor agrees to pay all reasonable costs, charges and expenses incurred by ATB or any Receiver appointed by it (including without restricting the generality of the foregoing, legal costs as between a solicitor and his own client on a full indemnity basis and also an allowance for the time, work and expenses of ATB or any agent, solicitor, or servant of ATB for any purpose herein provided at such rates as ATB may establish in its sole discretion from time to time) in preparing, registering or enforcing this Agreement, taking custody of, preserving, maintaining, repairing, processing, preparing for disposing of the Collateral and in enforcing or collecting the Indebtedness, and all such costs, charges and expenses shall be a first charge on the proceeds of realization, collection or disposition of the Collateral and shall be secured hereby.

15. REAL PROPERTY

- (a) For all purposes, including any application to register a crystallized floating charge under the *Land Title Act* (British Columbia) against any real property, the floating charge (if any) created by this Agreement shall be crystallized and become a fixed charge against any real property then held by the Debtor or in which the Debtor then has an interest upon the earlier of:

- (i) a declaration by ATB pursuant to Section 12 or a demand for payment otherwise being made by ATB and in either case ATB electing to crystallize the floating charge;
 - (ii) ATB taking any action to appoint a Receiver or to enforce its Security Interest or to realize upon all or any part of the Collateral, whether under Section 8(a), 8(b), 8(c) or 8(d) hereof or otherwise; or
 - (iii) ATB taking any action to register the floating charge granted hereunder or any caveat, security notice or other instrument in respect thereof against all or any part of the property which was subject to the floating charge at any real property registry or other similar office.
- (b) In accordance with the *Property Law Act* (British Columbia), the doctrine of consolidation applies to this Agreement.
- (c) For greater certainty, as to any specified lands located outside of the Province of British Columbia, ATB may register such floating charge or any caveat, security notice or other instrument in respect thereof against such specified lands at any real property registry or other similar office and such action shall, unless ATB otherwise elects in writing, only operate so as to crystallize the floating charge created hereby against, and convert such floating charge into a fixed charge on, such specified lands, and shall not operate so as to prevent the floating charge created hereby from attaching to any real property subsequently acquired by the Debtor or in which the Debtor subsequently acquires an interest.

16. REGISTRATION

The Debtor will ensure that this Agreement and all such supplementary and corrective instruments and any additional mortgage and security documents, as may be required in accordance with the terms of the Commitment Letter, and all documents, caveats, cautions, security notices and financing statements in respect thereof, are to the extent required by ATB promptly filed and refiled, registered and re-registered and deposited and re-deposited, in such manner, in such offices and places, and at such times and as often as may be required by applicable law or as may be necessary or desirable to perfect and preserve the Security Interests as a first priority mortgage, charge and security interest, subject to Permitted Encumbrances (as defined in the Commitment Letter), and the rights conferred or intended to be conferred upon ATB by the Security Interests and will cause to be furnished promptly to ATB evidence satisfactory to ATB of such filing, registering and depositing.

17. MISCELLANEOUS

- (a) Without limiting any other right of ATB, whenever the debts and liabilities of the Debtor to ATB are immediately due and payable, or ATB has the right to declare the debts and liabilities to be immediately due and payable, whether or not it has so declared, ATB may, in its sole discretion, set-off against the debts and liabilities any and all monies then owed to the Debtor by ATB in any capacity, whether due or not due, and ATB shall be deemed to have exercised such right of set-off immediately at the time of making its decision to do so even though any charge therefor is made or entered on ATB's records subsequent thereto.
- (b) ATB may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, sureties and others and with Collateral and other security as ATB may see fit without prejudice to the liability of the Debtor or to ATB's right to hold and realize the Security Interest. ATB may demand, collect and sue on the Collateral in either the Debtor's or ATB's name, at ATB's option, and may endorse the Debtor's name on any and all cheques, commercial paper and any other instruments pertaining to or constituting Collateral and for this purpose, the Debtor irrevocably authorizes and appoints ATB as its attorney and agent, with full power of substitution. These powers are coupled with an interest and are irrevocable until this Agreement is terminated and the Security Interests created by this Agreement are released.
- (c) Upon Default, ATB may, but shall not be required to, perform any such obligations, and the Debtor will pay to ATB, upon demand, an amount equal to the expense incurred by ATB in so doing with interest thereon from the date such expense is incurred at a rate equal to the highest rate of interest payable in accordance with the Commitment Letter by the Debtor on any portion of the Indebtedness.
- (d) This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. The Debtor may not assign this Agreement, or any of its rights or obligations under this Agreement, without the prior written consent of ATB. In any action brought by an assignee of this Agreement or the Security Interest created hereunder or any part thereof, the Debtor shall not assert against the assignee any claim or defense which the Debtor now has or hereafter may have against ATB.
- (e) If more than one person executes this Agreement as the Debtor:
 - (i) the obligations of such persons hereunder shall be joint and several;
 - (ii) the Security Interests shall secure the Indebtedness of each Debtor, whether or not any other Debtor or any other person is also liable therefor; and
 - (iii) the Collateral shall include the interest of any Debtor in the property, assets and undertaking constituting Collateral owned or otherwise held by such Debtor, whether or not any other Debtor also has an interest therein.

- (f) The Debtor acknowledges and agrees that in the event it amalgamates with any other corporation or corporations it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the Security Interests granted hereby:
 - (i) shall extend and attach to "Collateral" (as that term is herein defined) owned by each of the amalgamating corporations and the amalgamated corporation at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated corporation; and
 - (ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating corporations and the amalgamated corporation to ATB at the time of amalgamation and any "Indebtedness" of the amalgamated corporation to ATB thereafter arising.
- (g) This Agreement is in addition to and not in substitution for any other security or securities now or hereafter held by ATB and all such other securities shall remain in full force and effect. ATB will not be obliged to exhaust its recourse against the Debtor or any other person or against any other security it may hold in respect of the Indebtedness before realizing upon or otherwise dealing with the Collateral in such manner as ATB may consider desirable.
- (h) The Debtor further agrees to execute and deliver to ATB such further assurances and conveyances and supplemental deeds and instruments as may be necessary to properly carry out the intention of this Agreement, as determined by ATB, or as may be required by ATB from time to time, in each case acting reasonably.
- (i) After Default, ATB may from time to time apply and re-apply, notwithstanding any previous application, in any such manner as it, in its sole discretion, sees fit, any monies received by it from the Debtor or as a result of any enforcement or recovery proceedings, in or toward payment of any portion of the Indebtedness. The Debtor will remain liable for any Indebtedness that is outstanding following realization of all or any part of the Collateral and the application of the proceeds thereof.
- (j) For the purpose of assisting ATB in assessing the creditworthiness of the Debtor or the ownership or description of any of the Collateral, and for the purpose of collecting all or any portion of the Indebtedness owing by the Debtor to ATB, the Debtor consents to the disclosure and release to ATB of personal information, including without limitation, motor vehicle information from Alberta Registries (or any other provincial government department having jurisdiction in that area). This consent is effective from the effective date of this Agreement and shall remain in effect until all Indebtedness is fully satisfied.

18. INTERPRETATION

- (a) If a portion of this Agreement is wholly or partially invalid, then this Agreement will be interpreted as if the invalid portion had not been a part of it.
- (b) Where the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary depending upon the person referred to being male, female or body corporate.

19. GOVERNING LAW

This Agreement will be interpreted in accordance with the laws of the Province of Alberta, and the Debtor irrevocably agrees that any suit or proceeding with respect to any matters arising out of or in connection with this Agreement may be brought in the courts of such Province or in any court of competent jurisdiction, as ATB may elect, and the Debtor agrees to attorn to the same.

20. COPY OF AGREEMENT

The Debtor hereby acknowledges receipt of a copy of this Agreement, and waives any right it may have to receive a Financing Statement, Financing Change Statement or Verification Statement relating to it.

21. PARAMOUNCY

In the event of any conflict, ambiguity or inconsistency between this Agreement and the Commitment Letter, the terms of the Commitment Letter shall govern and prevail to the extent necessary to remove the conflict, ambiguity or inconsistency.

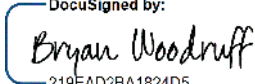
22. ELECTRONIC EXECUTION

This Agreement may be executed electronically; this Agreement may be delivered by email, facsimile or other functionally-equivalent electronic means.

[signature page follows]

IN WITNESS WHEREOF the Debtor has executed this Agreement this 26th day of April, 2023.

LOCAL FIRST PROPERTIES INC.

Per:  219EAD2BA1824D5...
Name: Bryan Woodruff
Title: President

Full Address of Debtor's Chief Executive Office:

3000, 700 9th Avenue SW.
Calgary, AB T2P 3V4

Full List of all prior names by which
Debtor has been known (whether by way of
name change, amalgamation or otherwise):

None.

SCHEDULE A

Description of Collateral:

Select appropriate box or boxes. If no box is selected, the Debtor shall be deemed to have selected box (a).

- ☒ (a) All of the Debtor's present and after-acquired Personal Property, as well as a mortgage by way of a floating charge on all of the Debtor's lands, real property, immovable property, leasehold property and other property, assets and undertaking not subject to the PPSA, including all such property, assets and undertaking owned or leased by or licensed to the Debtor and in which the Debtor at any time has an interest or to which the Debtor is or at any time may become entitled.
- ☐ (b) All of the Debtor's present and after-acquired Personal Property.
- ☐ (c) All of the Debtor's present and after acquired personal property (including but not limited to Equipment, Inventory, Accounts, Chattel Paper, Documents of Title, Goods, Intangibles, Investment Property, Money and Fixtures) now or hereafter situate on, annexed to, used in connection with or arising from the business or affairs carried on at or about the lands and premises described on Schedule "B" hereto (or any other description by which such lands may be described) (the "Lands") and any proceeds thereof (including insurance proceeds) and for greater certainty including the following to the extent situate on, annexed to, used in connection with or arising from the business or affairs carried on at or about the Lands:
- (i) all Fixtures, Inventory, Equipment and other Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper (including leases), Documents of Title (whether negotiable or not), Instruments, Intangibles, bank accounts, deposits, Money and Investment Property now owned or hereafter owned or acquired by or on behalf of the Debtor;
 - (ii) all Accounts and book debts and generally all debts, dues, rents, claims, contractual rights, choses in action and demands of every nature and kind including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Debtor ("Debts");
 - (iii) all present and future contracts for the supply of work or materials or provision of services relating to the construction, operation or maintenance of the Lands and the business or affairs carried on at or about the Lands;
 - (iv) all permits, licences and concessions relating to the ownership of the Lands or the operation of the business or affairs carried on at or about the Lands;
 - (v) all deeds, documents, writings, papers, contracts, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable; and
 - (vi) all lists, records and files relating to the Debtor's business, customers and clients.
- ☐ (d) All of the Debtor's present and after-acquired Personal Property except _____:
- ☐ (e) All _____ equipment of whatever kind and wherever situated including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatever nature.
- ☐ (f) All Accounts, Instruments, debts and Chattel Paper which are now due, owing or accruing due, or which may hereafter become due, owing or accruing due, to the Debtor, together with all records (whether in writing or not) and other documents of any kind which in any way evidence or relate to any or all of the Accounts, Instruments, debts or Chattel Paper.
- ☐ (g) All of the Debtor's present and after-acquired Inventory, wherever located.
- ☐ (h) The following described Personal Property:

-
-
- ☐ (i) All harvested and unharvested crops whether growing or matured, and whether grain, roots, seeds, leaves or otherwise howsoever, and any interest of the Debtor therein, wherever located.
- ☐ (j) All _____, male or female, born or unborn, branded or unbranded, of whatever age or stage of growth , wherever located.

Listing of Serial Numbers:

The registration mark (for aircraft only) and the serial numbers or vehicle identification numbers of any motor vehicles, trailers, mobile homes, manufactured homes, boats, outboard motors for boats, or aircraft (other than those held as Inventory for sale or lease by the Debtor) constituting Collateral are as follows:

<u>Make</u>	<u>Model</u>	<u>Year of Manufacture</u>	<u>Serial Number (and Registration Mark for aircraft only)</u>
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None.

Locations of Personal Property Collateral:

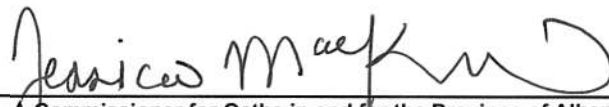
The Personal Property Collateral is located at the following location(s): Alberta.

SCHEDULE B
DESCRIPTION OF LANDS

Nil

THIS IS EXHIBIT "11" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.

SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.



A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

PLEDGE AGREEMENT

This Pledge Agreement ("Agreement") is entered into as of April 26, 2023 by and between Local First Media Group Inc., an Alberta corporation, whose address is 3000, 700 – 9th Avenue SW Calgary, Alberta T2P 3V4 ("Pledgor"), and ATB FINANCIAL, a financial institution, whose address is Suite 600, 585-8th Avenue, S.W., Calgary, Alberta T2P 1G1 (the "Secured Party").

RECITALS

A. The Secured Party is making available certain loans and credit facilities (collectively, the "Loan") to the Pledgor and Local First Properties Inc. (collectively, "Borrowers" and each, a "Borrower").

B. The Loan is evidenced by, among other agreements, that certain Commitment Letter dated April 10, 2023, by and between, *inter alios*, the Secured Party, as lender, Borrowers, as borrowers and certain other parties, as "Material Subsidiaries" (as defined in the Commitment Letter) or guarantors (as the same may be amended, amended and restated, renewed, modified, restated, replaced, assigned or supplemented from time to time, the "Commitment Letter").

C. Pledgor has agreed to enter into this Agreement and to grant the Secured Party a security interest in the Collateral (as defined below) as security for Pledgor's debts, liabilities and obligations to the Secured Party, howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether Pledgor be bound alone or jointly or severally with others, including, without limitation, such debts, liabilities and obligations arising under or in connection with the Commitment Letter (collectively, the "Obligations").

AGREEMENT

NOW THEREFORE, in consideration of the promises and the covenants contained in this Agreement, the parties hereto agree as follows:

1. Creation of a Security Interest. As security for payment and performance of all Obligations, when and as due, Pledgor hereby grants to the Secured Party a security interest in the Collateral described in Section 2 below. The security interest granted hereby will be and remain a first and prior security interest in all of the Collateral other than security interests with respect to which the Secured Party has agreed or agrees at some point in the future to take a junior or equivalent position pursuant to instruments agreed to by the Secured Party.

2. Collateral. As used in this Agreement, the following terms have the meanings specified below:

"Collateral" means, collectively:

- a) all Pledged Securities;
- b) all other shares, units investment property and rights in the capital of any Issuer held by the Pledgor and all other investment property issued by any Issuer whether in the form of

debt, equity, options, warrants or other convertible securities, which are, will or may by any series of transactions be converted into shares or units in the capital of such Issuer;

- c) all dividends (whether cash or non-cash), payments, entitlements and other distributions (including share or unit redemption proceeds), in respect of or in exchange for the Pledged Securities, or any part thereof, and all shares, units or other investment property into which the Pledged Securities may be converted whether by way of amalgamation, arrangement, or other corporate reorganization or resulting from any subdivision or consolidation of the Pledged Securities; and
- d) all replacements and substitutions for the foregoing, all certificates and other instruments representing or evidencing the foregoing, all proceeds and other property received or receivable in respect thereof, and all rights and claims of the Pledgor in respect of same.

“Issuer” means each of (i) BTC USA Holdings Management Inc., a Delaware corporation and (ii) Local First Properties USA Inc., a Delaware corporation.

“Pledged Securities” means, collectively, all shares in the capital of the Issuers held by the Pledgor and all share certificate(s) representing such shares, being, on the date hereof (i) 2,000 shares of common stock of BTC USA Holdings Management Inc. represented by share certificate number 2 and (ii) 9,000 of Local First Properties USA Inc. represented by share certificate number 1.

“Realization Event” means the occurrence of a Default or Event of Default under the Commitment Letter or if demand (whether automatic or by notice) is made by the Secured Party for payment of any of the Obligations, whichever occurs earlier.

3. Pledgor’s Obligations; Action by Secured Party.

(a) Pledgor will perform the covenants and obligations applicable to it under the Commitment Letter.

(b) To further the attachment, perfection and priority of, and the ability of the Secured Party to enforce, the Secured Party’s security interest in the Collateral, and without limitation on Pledgor’s other obligations in this Agreement, Pledgor agrees, in each case at Pledgor’s expense, to take the following actions with respect to the following Collateral:

(i) Investment Property. If Pledgor will at any time hold or acquire any Collateral consisting of certificated securities, Pledgor will, at the Secured Party’s request and option, promptly endorse, assign and deliver the same to the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify. If any Collateral consisting of securities now or hereafter acquired by Pledgor are uncertificated and are issued to Pledgor or its nominee directly by the issuer thereof, Pledgor will promptly notify the Secured Party thereof and, at the Secured Party’s request and option, pursuant to an agreement in form and substance satisfactory to the Secured Party, either (A) cause the issuer to agree to comply with instructions from the Secured Party as to such securities, without further consent of Pledgor or such nominee, or (B) arrange for the Secured Party to become the registered owner of the securities. If any Collateral consisting of securities, whether certificated or

uncertificated, or other investment property now or hereafter acquired by Pledgor are held by Pledgor or its nominee through a securities intermediary or commodity intermediary, Pledgor will promptly notify the Secured Party thereof and, at the Secured Party's request and option, pursuant to an agreement in form and substance satisfactory to the Secured Party, either (1) cause such securities intermediary or (as the case may be) commodity intermediary to agree to comply with entitlement orders or other instructions from the Secured Party to such securities intermediary as to such securities or other investment property, or (as the case may be) to apply any value distributed on account of any commodity contract as directed by the Secured Party to such commodity intermediary, in each case without further consent of Pledgor or such nominee, or (2) in the case of financial assets or other investment property held through a securities intermediary, arrange for the Secured Party to become the entitlement holder with respect to such investment property, with Pledgor being permitted, only with the consent of the Secured Party, to exercise rights to withdraw or otherwise deal with such investment property. The Secured Party agrees with Pledgor that the Secured Party will not give any such entitlement orders or instructions or directions to any such issuer, securities intermediary or commodity intermediary, and will not withhold its consent to the exercise of any withdrawal or dealing rights by Pledgor, unless a Realization Event has occurred and is continuing. The provisions of this paragraph will not apply to any financial assets credited to a securities account for which the Secured Party is the securities intermediary.

(ii) Other Actions as to Any and All Collateral. Pledgor further agrees, at the request and option of the Secured Party, to take any and all other actions the Secured Party may reasonably determine to be necessary for the attachment and perfection of, and the ability of the Secured Party to enforce, the Secured Party's security interest in any and all of the Collateral, including, without limitation, (A) executing, delivering and, where appropriate, filing financing statements and amendments relating thereto under the Uniform Commercial Code, to the extent, if any, that Pledgor's signature thereon is required therefor, together with the execution, acknowledgement (if necessary) and filing of such notices, extracts or memoranda of this Agreement, in forms reasonably acceptable to Secured Party, as may be required to be filed with the any governmental office or agency, foreign or domestic and including the United States Patent and Trademark Office, including amendments to describe additional and subsequently acquired Collateral, for the perfection of the security interest held by the Secured Party in the Intellectual Property (as defined in the Commitment Letter), (B) causing the Secured Party's names to be noted as Secured Party on any certificate of title for a titled good if such notation is a condition to attachment, perfection or priority of, or ability of the Secured Party to enforce, the Secured Party's security interest in such Collateral, (C) complying with any provision of any statute, regulation or treaty of the United States as to any Collateral if compliance with such provision is a condition to attachment, perfection or priority of, or ability of the Secured Party to enforce, the Secured Party's security interest in such Collateral, (D) obtaining governmental and other third party waivers, consents and approvals in form and substance satisfactory to Secured Party, including, without limitation, any consent of any licensor, lessor or other person obligated on Collateral, (E) obtaining waivers from mortgagees and landlords in form and substance satisfactory to the Secured Party, and (F) taking all actions under any earlier versions of the Uniform Commercial Code or under any other law, as reasonably determined by the Secured Party to be applicable in any relevant Uniform Commercial Code or other jurisdiction, including any foreign jurisdiction.

4. Protection of the Collateral. Until such time as the Obligations have been satisfied in full and the Loan otherwise terminated, Pledgor shall (i) promptly pay when due all filing fees, taxes and assessments due upon the Collateral and for the use and operation thereof; (ii) keep such of the Collateral which is reasonably insurable adequately insured against all reasonably foreseeable risks to which it is exposed as and to the extent so required pursuant to the terms of the Commitment Letter; and (iii) not create any lien or encumbrance on the Collateral except for Permitted Encumbrances (as defined in the Commitment Letter).

5. Permitted Activities.

At all times prior to a Realization Event:

(a) the Pledgor shall be entitled to exercise all voting and/or consensual powers pertaining to the Collateral for all purposes not inconsistent with the terms of this Agreement, except that the Pledgor shall not have any right to exercise any such power if the voting action or omission to act in favor of which the Pledgor intends to exercise such power would have a material adverse effect on the financial or business condition of the Issuer, impair the Collateral or violate the provisions of this Agreement or the Commitment Letter;

(b) the Secured Party shall be entitled from time to time to cause the books and records, share unit or other securities registers of the Issuer to be marked to record the pledge of the Collateral to the Secured Party; and

(c) the Pledgor shall be entitled to exercise and receive the benefit of all other rights associated with the Collateral, including the right to receive and retain any and all cash dividends, distributions, payments and entitlements on the Collateral, provided, however, that all other dividends, distributions, payments and entitlements or distributions in liquidation upon or in respect of the Collateral, or resulting from a split-up, revision or reclassification of the Collateral, or received in exchange for the Collateral, as a result of a merger, consolidation or otherwise, shall be paid or transferred directly to the Secured Party as Collateral pursuant hereto immediately upon the receipt thereof by the Pledgor.

(d) Upon the occurrence and continuance of a Realization Event, the Pledgor's rights described in clauses (a) through (c) above shall automatically cease and terminate and the Secured Party, or its nominee, without demand or notice to the Pledgor, is hereby authorized to:

- (i) cause any or all of the Collateral to be transferred on the books and share, unit or other securities registers of the Issuer to and in the name of the Secured Party or any nominee thereof;
- (ii) represent the Pledgor at any meeting of the Issuer and to have the sole and exclusive right to exercise all voting, consensual powers and other rights pertaining to the Collateral, in any manner whatsoever as the Secured Party or its nominee holding such Collateral may in its absolute discretion determine; and

- (iii) receive any and all cash dividends, distributions, payments or entitlements thereon which shall be paid or transferred directly to the Secured Party or its nominee as Collateral pursuant hereto immediately upon the receipt thereof by the Pledgor.

The Pledgor hereby grants to the Secured Party or its nominee an irrevocable proxy couple with an interest to exercise all voting and membership rights relating to the Collateral in any instance, which proxy shall only be exercisable upon the occurrence and during the continuance of a Realization Event. Upon the request of the Secured Party, the Pledgor agrees to deliver to the Secured Party such further evidence of such irrevocable proxy or such further irrevocable proxies to exercise the rights and remedies set forth herein as the Secured Party may request.

6. Rights of Secured Party.

(a) Upon the occurrence of any Realization Event, the Secured Party will be entitled to declare the outstanding balance, including accrued interest, if applicable, on the Loan immediately due and payable as to Pledgor, as a guarantor. In addition to the right of acceleration granted herein, the Secured Party will be entitled to any and all rights and remedies specified herein or available under the Uniform Commercial Code as of the date hereof.

(b) If a sale of the Collateral is to be made, the Secured Party will give Pledgor notice of the time and place of any public sale of the Collateral or of the time on or after which any private sale or other intended disposition is to be consummated, which notice will be mailed, by first class mail, postage prepaid, to Pledgor in the manner set forth in Section 10(b) hereof at least ten (10) business days prior to the time of such sale or other intended disposition.

(c) Each purchaser at any sale of the Collateral will hold the property sold absolutely free from any claim or right on the part of Pledgor, and Pledgor hereby waives, to the extent permitted by law, all rights of redemption, stay and/or appraisal which it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted and, to the extent permitted by law, any right which it may have to demand a hearing or other judicial or administrative proceeding prior to the enforcement by the Secured Party of any of their rights and remedies hereunder. Any public or private sale of the Collateral or any part of it will be held at such time or times within ordinary business hours and at such place or places as a majority in interest of the Secured Party may fix in the notice of sale, and at any such sale the Collateral, or the portion thereof to be sold, may be sold in one lot, as an entirety or in separate parcels, as a majority in interest of the Secured Party (in their sole and absolute discretion) may determine. If permitted by law, the Secured Party may bid (which bid may be, in whole or in part, in the form of cancellation of indebtedness) for the purchase of the Collateral.

(d) The Secured Party will not be obligated to make any sale of the Collateral, or any part of it, if they determine not to do so, regardless, of the fact that notice of sale of the Collateral may have been given. The Secured Party may, without notice or publication, adjourn a public or private sale of the Collateral, or cause the same to be adjourned from time to time by announcement, at the time and place fixed for sale, and such sale may, without further notice be made at the time and place to which the same was so adjourned.

6. Application of the Proceeds. All proceeds of any sale of the Collateral by the Secured Party pursuant to Section 5 will be applied as follows:

First, to the payment of all fees and expenses incurred by the Secured Party in connection with any such sale, including, but not limited to, the expenses of taking, advertising, processing, preparing and storing the Collateral to be sold, all court costs and reasonable fees of counsel for the Secured Party in connection therewith;

Second, to the payment of any outstanding Pledgor indebtedness to which the Obligations are then expressly subordinate;

Third, to the payment of accrued interest on the Loan and accrued interest on any other indebtedness of equivalent priority to the Loan, if applicable, to the date of receipt of such proceeds;

Fourth, to the payment of the outstanding balance on the Loan and any other indebtedness of equivalent priority to the Loan; and

Fifth, to Pledgor.

7. Security Filings. Pledgor hereby irrevocably authorizes the Secured Party at any time and from time to time to file in any filing office in any Uniform Commercial Code jurisdiction any initial financing statements and amendments thereto, and all appropriate financing and continuation statements that (a) indicate the Collateral as described herein, and (b) provide any other information required by the Uniform Commercial Code of New York, or any other jurisdiction, for the sufficiency or filing office acceptance of any financing statement or amendment, including whether Pledgor is an organization, the type of organization and any organizational identification number issued to Pledgor. Pledgor agrees to furnish any such information to the Secured Party promptly upon the Secured Party's request. Pledgor also ratifies its authorization for the Secured Party to have filed in any Uniform Commercial Code jurisdiction any like initial financing statements or amendments thereto if filed prior to the date hereof. Pledgor does not assume any obligation to make, amend, renew or continue any Uniform Commercial Code or other filing (financing statement or otherwise) necessary to perfect or maintain the security interest of the Secured Party in the Collateral.

8. Termination. Upon complete payment, cancellation and/or satisfaction of all Obligations, this Agreement will terminate and the Secured Party will cooperate in all respects with Pledgor and its counsel to promptly make, deliver, record, register or file all appropriate documentation necessary to remove the Secured Party's interest in the Collateral created hereby and any related notices thereof. Without limiting the foregoing or any separate legal obligation of the Secured Party to file termination statements, and for the avoidance of doubt, Pledgor will be deemed specifically authorized to file any termination statements upon full payment or other satisfaction of the Obligations.

9. [Reserved]

10. Miscellaneous.

(a) The Secured Party may delay exercising, or omit to exercise, any right or remedy under this Agreement without waiving that or any past, present or future right or remedy. Neither this Agreement, nor any term hereof, may be amended, waived, discharged or terminated except by means of an agreement in writing signed by Pledgor and the Secured Party.

(b) All notices, requests, demands and other communications hereunder will be in writing and will be deemed to have been duly given when delivered personally or by overnight courier or sent (successful transmission confirmed) by telegram, fax or electronic communication (including, without limitation, e-mail), or on the third (3) business day after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, to the parties at the addresses set forth above (or such other address as will be given in writing by either party to the others).

(c) This Agreement will bind and inure to the benefit of Pledgor and the Secured Party, its legal representatives, successors and assigns. This Agreement and the security interest created hereby are for the sole and exclusive benefit of the Secured Party and its assignees and will not operate to the benefit of any other third party.

(d) The parties agree that New York law shall govern the terms, interpretation, and enforcement of this Agreement. The parties also agree that: (i) any action, suit, or other proceeding brought relating to the terms, interpretation, or enforcement of this Agreement shall be brought exclusively in any state or federal court located in New York County, New York; (ii) this venue provision is mandatory; and (iii) they irrevocably submit to the jurisdiction of the above-referenced courts.

(e) This Agreement represents the entire agreement between Pledgor and the Secured Party with respect to the subject matter hereof and integrate and supersede all prior agreements and understandings with respect to the subject matter hereof. Time is of the essence on the payment of all amounts due to the Secured Party.

(f) If any provision of this Agreement, or the application thereof, will for any reason and to any extent be invalid or unenforceable, the remainder of this Agreement and application of such provision to other persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto. The parties further agree to replace such invalid or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purposes of the invalid and unenforceable provision.

(g) If a lawsuit, arbitration, or other proceedings are instituted by any party to enforce any of the terms or conditions of this Agreement against any other party hereto, the prevailing party in such litigation, arbitration, or proceedings shall be entitled, as an additional item of damages, to such reasonable attorneys' and other professional fees (including but not limited to expert witness fees), court costs, arbitrators' fees, arbitration administrative fees, travel expenses, and other out-of-pocket expenses or costs of such other proceedings as may be fixed by any court of competent jurisdiction, arbitrator, or other judicial or quasi-judicial body having jurisdiction thereof, whether or not such litigation or proceedings proceed to a final judgment or award.

[Remainder of page left blank; signature page follows.]

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

PLEDGOR:

LOCAL FIRST MEDIA GROUP INC.

By: _____
Name: Bryan Woodruff
Its: President

DocuSigned by:


Bryan Woodruff

219EAD2BA1824D5...

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


SECURED PARTY:

ATB FINANCIAL

By: 
Name: Shawn Bunnin
Its: Senior Director

**THIS IS EXHIBIT "12" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Search ID #: Z18286608

Transmitting Party

ELDOR-WAL REGISTRATIONS (1987) LTD.

1200, 10123 99 st NW
EDMONTON, AB T5J 3H1

Party Code: 50073881

Phone #: 780 429 5969

Reference #:

Search ID #: Z18286608

Date of Search: 2025-Jan-21

Time of Search: 10:52:37

Business Debtor Search For:

LOCAL FIRST MEDIA GROUP INC.

Both Exact and Inexact Result(s) Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID #: Z18286608

Business Debtor Search For:

LOCAL FIRST MEDIA GROUP INC.

Search ID #: Z18286608

Date of Search: 2025-Jan-21

Time of Search: 10:52:37

Registration Number: 23022230378

Registration Date: 2023-Feb-22

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2029-Feb-22 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

Current

1 LOCAL FIRST MEDIA GROUP INC.
304 EDMONTON PL NW
CALGARY, AB T3A 2K2

Secured Party / Parties

Block

Status

Current

1 7032749 CANADA INC., AS ADMINISTRATIVE AGENT
23 BOBWHITE CRES
TORONTO, ON M2L 2E2
Email: nlight@epcapital.ca

Collateral: General

Block

Description

Status

1 ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR.

Current

Search ID #: Z18286608

Business Debtor Search For:

LOCAL FIRST MEDIA GROUP INC.

Search ID #: Z18286608

Date of Search: 2025-Jan-21

Time of Search: 10:52:37

Registration Number: 23041800668

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Apr-18

Registration Status: Current

Expiry Date: 2033-Apr-18 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 LOCAL FIRST MEDIA GROUP INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Current

Secured Party / Parties

Block

Status

1 ATB FINANCIAL
SUITE 600, 585-8TH AVENUE, SW
CALGARY, AB T2P 1G1
Email: pprnotices@atb.com

Current

Collateral: General

Block

Description

Status

1 ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY

Current

Search ID #: Z18286608

Business Debtor Search For:

LOCAL FIRST MEDIA GROUP INC.

Search ID #: Z18286608

Date of Search: 2025-Jan-21

Time of Search: 10:52:37

Registration Number: 23041800878

Registration Type: LAND CHARGE

Registration Date: 2023-Apr-18

Registration Status: Current

Registration Term: Infinity

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

1 LOCAL FIRST MEDIA GROUP INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Current

Secured Party / Parties

Block

Status

1 ATB FINANCIAL
SUITE 600, 585-8TH AVENUE, SW
CALGARY, AB T2P 1G1
Email: pprnotices@atb.com

Current

Search ID #: Z18286608

Note:

The following is a list of matches closely approximating your Search Criteria,
which is included for your convenience and protection.

Debtor Name / Address

LOCAL FIRST PROPERTIES INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Reg.#

23041800699

SECURITY AGREEMENT

Debtor Name / Address

LOCAL FIRST PROPERTIES INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Reg.#

23041800891

LAND CHARGE

Debtor Name / Address

LOCAL FIRST PROPERTIES USA INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Reg.#

23041800857

SECURITY AGREEMENT

Debtor Name / Address

LOCAL FIRST PROPERTIES USA INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Reg.#

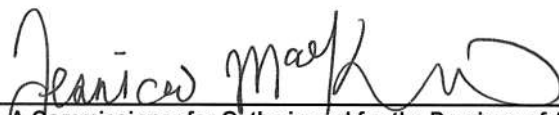
23041801022

LAND CHARGE

Result Complete

**THIS IS EXHIBIT "13" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Search ID #: Z18286612

Transmitting Party

ELDOR-WAL REGISTRATIONS (1987) LTD.

1200, 10123 99 st NW
EDMONTON, AB T5J 3H1

Party Code: 50073881

Phone #: 780 429 5969

Reference #:

Search ID #: Z18286612

Date of Search: 2025-Jan-21

Time of Search: 10:52:46

Business Debtor Search For:

LOCAL FIRST PROPERTIES INC.

Both Exact and Inexact Result(s) Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID #: Z18286612

Business Debtor Search For:

LOCAL FIRST PROPERTIES INC.

Search ID #: Z18286612

Date of Search: 2025-Jan-21

Time of Search: 10:52:46

Registration Number: 23041800699

Registration Date: 2023-Apr-18

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2033-Apr-18 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

Current

1 LOCAL FIRST PROPERTIES INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Secured Party / Parties

Block

Status

Current

1 ATB FINANCIAL
SUITE 600, 585-8TH AVENUE, SW
CALGARY, AB T2P 1G1
Email: pprnotices@atb.com

Collateral: General

Block

Description

Status

1 ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY Current

Search ID #: Z18286612

Business Debtor Search For:

LOCAL FIRST PROPERTIES INC.

Search ID #: Z18286612

Date of Search: 2025-Jan-21

Time of Search: 10:52:46

Registration Number: 23041800891

Registration Type: LAND CHARGE

Registration Date: 2023-Apr-18

Registration Status: Current

Registration Term: Infinity

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

1 LOCAL FIRST PROPERTIES INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Current

Secured Party / Parties

Block

Status

1 ATB FINANCIAL
SUITE 600, 585-8TH AVENUE, SW
CALGARY, AB T2P 1G1
Email: pprnotices@atb.com

Current

Search ID #: Z18286612

Note:

The following is a list of matches closely approximating your Search Criteria,
which is included for your convenience and protection.

Debtor Name / Address

LOCAL FIRST MEDIA GROUP INC.
304 EDMONTON PL NW
CALGARY, AB T3A 2K2

Reg.#

23022230378

SECURITY AGREEMENT

Debtor Name / Address

LOCAL FIRST MEDIA GROUP INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Reg.#

23041800668

SECURITY AGREEMENT

Debtor Name / Address

LOCAL FIRST MEDIA GROUP INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Reg.#

23041800878

LAND CHARGE

Debtor Name / Address

LOCAL FIRST PROPERTIES USA INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Reg.#

23041800857

SECURITY AGREEMENT

Debtor Name / Address

LOCAL FIRST PROPERTIES USA INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Reg.#

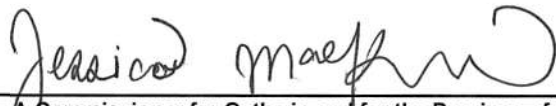
23041801022

LAND CHARGE

Result Complete

**THIS IS EXHIBIT "14" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

CONTINUING GUARANTEE
(Including Postponement and Assignment of Claims)

TO: ATB FINANCIAL

IN CARE OF: Suite 600, 585 -8th Avenue S.W., Calgary, Alberta, T2P 1G1

IN CONSIDERATION of **ATB FINANCIAL** (hereafter sometimes called "**ATB**" or "**you**") extending credit to or otherwise dealing or continuing to deal with **LOCAL FIRST MEDIA GROUP INC.** and **LOCAL FIRST PROPERTIES INC.** (hereafter collectively called the "**Customers**" and individually, a "**Customer**"), the undersigned (jointly and severally if more than one) hereby guarantees unconditionally and promises to pay to ATB all existing and future debts and liabilities of each Customer to ATB, whether such debts and liabilities are direct or indirect or by way of guarantee or otherwise, whether incurred alone or with another or others, whether heretofore or hereafter incurred, whether voluntarily or involuntarily incurred, whether due or not due, and whether absolute, inchoate, contingent, liquidated or unliquidated, and including, without limitation, interest accrued or to accrue on all such debts and liabilities at the same rate or rates payable by the applicable Customer, both before and after default, maturity, and judgment, whether such judgment be obtained against any Customer and the undersigned or any of them, including, without limitation, such debts and liabilities arising under or in connection with the commitment letter dated April 10, 2023 among, *inter alios* ATB as lender and the Customers as borrowers (as the same may be amended, amended and restated, supplemented, modified or replaced from time to time, the "**Commitment Letter**").

The undersigned (jointly and severally if more than one) further covenants and agrees with ATB as follows:

1. Without further authorization from or notice to the undersigned you may grant credit to or otherwise deal or continue to deal with any Customer from time to time, either before or after revocation hereof, in such manner, upon such terms and for such time as you may deem best, and with or without notice to the undersigned you may alter, compromise, accelerate, extend or change the time or manner for the payment by any Customer or by any person or persons liable to you of any of the debts and liabilities hereby guaranteed, increase or reduce the interest rate thereon, release or add one or more guarantors or endorsers, accept additional or substituted security or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no dealing by you with any Customer or any guarantor or endorser, no change, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the undersigned's obligations hereunder or any security furnished by the undersigned or give the undersigned any recourse against you. No loss of or in respect of any securities received by you from any Customer or any other person, whether occasioned by your fault or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you by each Customer, but you shall not be obliged to take any action or exhaust your recourse against any Customer, any other guarantor hereunder or under any other guarantee agreement, or against any other person, firm or corporation, or under any securities you may hold at any time, nor to value such securities, before requiring or being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed; **PROVIDED** always that the undersigned (or any of them, if more than one hereunder) may terminate its further liability under this continuing guarantee by thirty (30) days' notice in writing to you, and the liability hereunder of such undersigned shall continue until the expiration of thirty (30) days after the giving of such notice, and after the expiration of such notice such undersigned shall remain liable under this guarantee in respect of any sum or sums of money owing to you as aforesaid on the date such notice expired, together with interest thereafter at the rate or rates payable by the applicable Customer on such sum or sums; if there is more than one undersigned hereunder, a notice by one undersigned under this clause shall not affect the liability of any other undersigned under this guarantee.
3. If the undersigned is a corporation registered, incorporated, or continued under the *Business Corporations Act* (Alberta) the corporation will comply with all notice requirements at the times and in the manner as required under Section 45 (previously section 42) of the *Business Corporations Act* (Alberta).

4. When this guarantee is delivered to a lending officer of ATB, it shall be deemed to be finally executed and delivered by the person or persons signing the same and shall not be subject to or affected by any promise or condition affecting or limiting the (or any of the) undersigned's liability except as set forth herein, and no statement, representation, agreement or promise on the part of any officer, employee or agent of ATB, unless contained herein, forms any part of this guarantee or has induced the making thereof or shall be deemed in any way to affect the liability of the undersigned or any of the undersigned hereunder.
5. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on ATB unless made in writing over the signature of the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
6. Until all indebtedness of each Customer to you has been paid in full, the undersigned shall not have any right of subrogation or to securities held by ATB, unless expressly given to the undersigned in writing by the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
7. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or monies received hereunder to any portion of the debts and liabilities hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.
8. No change in the name, objects, share capital, business, membership, directors' powers, organization or management of any Customer shall in any way affect the obligations of the undersigned either with respect to transactions occurring before or after any such change, it being understood that where a Customer is a partnership or corporation, this guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by such Customer, notwithstanding any change or changes in the name or membership of such Customer's firm or in the name of a corporate Customer, and notwithstanding any reorganization of a corporate Customer, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
9. Where a Customer is a corporation or partnership or any entity, you shall not be concerned to see or inquire into the powers of such Customer or its directors, partners or agents acting or purporting to act on its behalf, and credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed even though the borrowing or obtaining of such credit was irregularly, fraudulently, defectively or informally affected, or in excess of the powers of such Customer or of the directors, partners or agents thereof.
10. The statement in writing from time to time by a lending officer or account manager of ATB where any Customer's accounts are kept, or of a Vice-President of ATB, as to the debts and liabilities of such Customer to you and covered by this guarantee shall be received as prima facie evidence as against the undersigned that such amount is at such time so due and payable to you and is covered hereby.
11. The undersigned shall have a continuing current liability to ATB under this guarantee to the extent of the debts and liabilities of each Customer to ATB from time to time, provided however that for the purpose of the Limitation of Actions Act of Alberta or any similar legislation, the undersigned shall not be in breach of this guarantee and no cause of action against the undersigned shall arise hereunder unless and until ATB has served written demand upon the undersigned to pay or otherwise observe or perform his obligations under this guarantee and the undersigned has failed to do so promptly following service of such demand.
12. Upon the bankruptcy or winding up or other distribution of assets of any Customer or of any surety or guarantor for any indebtedness of any Customer to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any undersigned's liability to you, and until all indebtedness of each Customer to you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the undersigned to you under this guarantee and to prove and rank for such sums paid by the undersigned and to receive the full amount of all dividends in respect

thereto, all of the same being hereby assigned and transferred to you. The undersigned shall not be released from liability if recovery from any Customer, any other guarantor (including any other guarantor under this guarantee) or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

13. The undersigned will file all claims against each Customer in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of any Customer to the undersigned and will assign to you all of the undersigned's rights thereunder. If the undersigned does not file any such claim, you, as attorney in fact of the undersigned, are hereby authorized to do so in the name of the undersigned or in your discretion to assign the claim to you or your nominee and cause proof of claim to be filed in your name or the name of your nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to you or your nominee the full amount payable on the claim in the proceeding before making any payment to the undersigned, and to the full extent necessary for that purpose the undersigned hereby assigns to you all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled. If the amount so paid is greater than the indebtedness of the applicable Customer to you then outstanding, you are authorized to pay the amount of the excess to the person entitled thereto.
14. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law. If you hold one or more other guarantees executed by the undersigned in respect of any Customer, the amount of the undersigned's liability under such other guarantee or guarantees shall be in addition to the undersigned's liability under this guarantee.
15. In case of default you may maintain an action upon this guarantee against the undersigned (or any one or more of the undersigned) whether or not any Customer is joined therein or separate action is brought against any Customer or judgment obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the undersigned (or any one undersigned if more than one hereunder) or by any number of successive actions until and unless all debts and liabilities hereby guaranteed have been paid and each of the undersigned's obligations hereunder has been fully performed.
16. The undersigned shall pay to you on demand (in addition to all debts and liabilities of each Customer hereby guaranteed) all costs, charges and expenses (including, without limitation, lawyers' fees as between solicitor and his own client on a full indemnity basis) incurred by you for the preparation, execution, perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each of such costs, charges and expenses until payment by the undersigned hereunder at a floating rate per annum equal to 3% above the prime lending rate established by you from time to time.
17. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.
18. To the extent that there is any inconsistency or ambiguity between the provisions of this guarantee and the Commitment Letter, the provisions of the Commitment Letter will govern to the extent necessary to eliminate such inconsistency or ambiguity.
19. Any notice or demand which you may wish to give may be served on any officer or director of the undersigned, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed. Any notice which the undersigned may wish to give you shall be served personally or by registered mail on the Manager or acting Manager of the ATB at the address specified on the first page of this guarantee.
20. This guarantee shall be construed in accordance with the laws of the Province of Alberta and in any action thereon the undersigned shall be estopped from denying the same; any judgment recovered in the Courts of such Province against any undersigned or its successors and/or assigns shall be binding on it and them. The

undersigned accepts and submits to the jurisdiction of the courts of the Province of Alberta in respect of this guarantee.

21. Any word herein contained importing the singular number shall include the plural and vice versa, and any word importing gender shall include the masculine, feminine and neuter gender, and any word importing a person shall include a corporation and a partnership and any entity, in each case as the context requires or permits.
22. This guarantee on the part of the undersigned shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned (jointly and severally if more than one hereunder) and on its (or on each of their) successors and assigns.
23. **POSTPONEMENT AND ASSIGNMENT OF CLAIMS:** All indebtedness, present and future, of each Customer to the undersigned together with each and every security therefor is hereby assigned to you and postponed to the present and future debts and liabilities of each Customer to you, and all monies received from any Customer or for its account by the undersigned shall be received by it in trust for you, and forthwith upon receipt paid over to you until each Customer's debts and other liabilities to you are fully paid and satisfied, all without prejudice to and without in any way limiting or lessening the liability of the undersigned to you under this guarantee.
24. **ELECTRONIC EXECUTION:** This guarantee may be executed electronically and may be delivered by email, facsimile or other functionally-equivalent means.

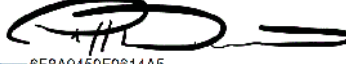
[signature page follows]

IN WITNESS WHEREOF the undersigned has executed this guarantee, this 26th day of April, 2023.

ALASKA BROADCAST COMMUNICATIONS, INC.

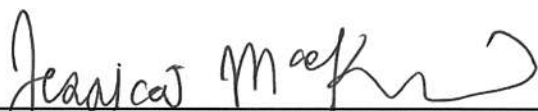
Per: _____
Name: Cliff Dumas
Title: President

DocuSigned by:
6F8A9459F9614A5...



**THIS IS EXHIBIT "15" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**

A handwritten signature in black ink, appearing to read "Jessica MacKinnon", written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

CONTINUING GUARANTEE
(Including Postponement and Assignment of Claims)

TO: ATB FINANCIAL

IN CARE OF: Suite 600, 585 -8th Avenue S.W., Calgary, Alberta, T2P 1G1

IN CONSIDERATION of **ATB FINANCIAL** (hereafter sometimes called "**ATB**" or "**you**") extending credit to or otherwise dealing or continuing to deal with **LOCAL FIRST MEDIA GROUP INC.** and **LOCAL FIRST PROPERTIES INC.** (hereafter collectively called the "**Customers**" and individually, a "**Customer**"), the undersigned (jointly and severally if more than one) hereby guarantees unconditionally and promises to pay to ATB all existing and future debts and liabilities of each Customer to ATB, whether such debts and liabilities are direct or indirect or by way of guarantee or otherwise, whether incurred alone or with another or others, whether heretofore or hereafter incurred, whether voluntarily or involuntarily incurred, whether due or not due, and whether absolute, inchoate, contingent, liquidated or unliquidated, and including, without limitation, interest accrued or to accrue on all such debts and liabilities at the same rate or rates payable by the applicable Customer, both before and after default, maturity, and judgment, whether such judgment be obtained against any Customer and the undersigned or any of them, including, without limitation, such debts and liabilities arising under or in connection with the commitment letter dated April 10, 2023 among, *inter alios* ATB as lender and the Customers as borrowers (as the same may be amended, amended and restated, supplemented, modified or replaced from time to time, the "**Commitment Letter**").

The undersigned (jointly and severally if more than one) further covenants and agrees with ATB as follows:

1. Without further authorization from or notice to the undersigned you may grant credit to or otherwise deal or continue to deal with any Customer from time to time, either before or after revocation hereof, in such manner, upon such terms and for such time as you may deem best, and with or without notice to the undersigned you may alter, compromise, accelerate, extend or change the time or manner for the payment by any Customer or by any person or persons liable to you of any of the debts and liabilities hereby guaranteed, increase or reduce the interest rate thereon, release or add one or more guarantors or endorsers, accept additional or substituted security or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no dealing by you with any Customer or any guarantor or endorser, no change, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the undersigned's obligations hereunder or any security furnished by the undersigned or give the undersigned any recourse against you. No loss of or in respect of any securities received by you from any Customer or any other person, whether occasioned by your fault or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you by each Customer, but you shall not be obliged to take any action or exhaust your recourse against any Customer, any other guarantor hereunder or under any other guarantee agreement, or against any other person, firm or corporation, or under any securities you may hold at any time, nor to value such securities, before requiring or being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed; PROVIDED always that the undersigned (or any of them, if more than one hereunder) may terminate its further liability under this continuing guarantee by thirty (30) days' notice in writing to you, and the liability hereunder of such undersigned shall continue until the expiration of thirty (30) days after the giving of such notice, and after the expiration of such notice such undersigned shall remain liable under this guarantee in respect of any sum or sums of money owing to you as aforesaid on the date such notice expired, together with interest thereafter at the rate or rates payable by the applicable Customer on such sum or sums; if there is more than one undersigned hereunder, a notice by one undersigned under this clause shall not affect the liability of any other undersigned under this guarantee.
3. If the undersigned is a corporation registered, incorporated, or continued under the *Business Corporations Act* (Alberta) the corporation will comply with all notice requirements at the times and in the manner as required under Section 45 (previously section 42) of the *Business Corporations Act* (Alberta).

4. When this guarantee is delivered to a lending officer of ATB, it shall be deemed to be finally executed and delivered by the person or persons signing the same and shall not be subject to or affected by any promise or condition affecting or limiting the (or any of the) undersigned's liability except as set forth herein, and no statement, representation, agreement or promise on the part of any officer, employee or agent of ATB, unless contained herein, forms any part of this guarantee or has induced the making thereof or shall be deemed in any way to affect the liability of the undersigned or any of the undersigned hereunder.
5. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on ATB unless made in writing over the signature of the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
6. Until all indebtedness of each Customer to you has been paid in full, the undersigned shall not have any right of subrogation or to securities held by ATB, unless expressly given to the undersigned in writing by the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
7. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or monies received hereunder to any portion of the debts and liabilities hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.
8. No change in the name, objects, share capital, business, membership, directors' powers, organization or management of any Customer shall in any way affect the obligations of the undersigned either with respect to transactions occurring before or after any such change, it being understood that where a Customer is a partnership or corporation, this guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by such Customer, notwithstanding any change or changes in the name or membership of such Customer's firm or in the name of a corporate Customer, and notwithstanding any reorganization of a corporate Customer, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
9. Where a Customer is a corporation or partnership or any entity, you shall not be concerned to see or inquire into the powers of such Customer or its directors, partners or agents acting or purporting to act on its behalf, and credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed even though the borrowing or obtaining of such credit was irregularly, fraudulently, defectively or informally affected, or in excess of the powers of such Customer or of the directors, partners or agents thereof.
10. The statement in writing from time to time by a lending officer or account manager of ATB where any Customer's accounts are kept, or of a Vice-President of ATB, as to the debts and liabilities of such Customer to you and covered by this guarantee shall be received as prima facie evidence as against the undersigned that such amount is at such time so due and payable to you and is covered hereby.
11. The undersigned shall have a continuing current liability to ATB under this guarantee to the extent of the debts and liabilities of each Customer to ATB from time to time, provided however that for the purpose of the Limitation of Actions Act of Alberta or any similar legislation, the undersigned shall not be in breach of this guarantee and no cause of action against the undersigned shall arise hereunder unless and until ATB has served written demand upon the undersigned to pay or otherwise observe or perform his obligations under this guarantee and the undersigned has failed to do so promptly following service of such demand.
12. Upon the bankruptcy or winding up or other distribution of assets of any Customer or of any surety or guarantor for any indebtedness of any Customer to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any undersigned's liability to you, and until all indebtedness of each Customer to you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the undersigned to you under this guarantee and to prove and rank for such sums paid by the undersigned and to receive the full amount of all dividends in respect

thereto, all of the same being hereby assigned and transferred to you. The undersigned shall not be released from liability if recovery from any Customer, any other guarantor (including any other guarantor under this guarantee) or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

13. The undersigned will file all claims against each Customer in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of any Customer to the undersigned and will assign to you all of the undersigned's rights thereunder. If the undersigned does not file any such claim, you, as attorney in fact of the undersigned, are hereby authorized to do so in the name of the undersigned or in your discretion to assign the claim to you or your nominee and cause proof of claim to be filed in your name or the name of your nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to you or your nominee the full amount payable on the claim in the proceeding before making any payment to the undersigned, and to the full extent necessary for that purpose the undersigned hereby assigns to you all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled. If the amount so paid is greater than the indebtedness of the applicable Customer to you then outstanding, you are authorized to pay the amount of the excess to the person entitled thereto.
14. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law. If you hold one or more other guarantees executed by the undersigned in respect of any Customer, the amount of the undersigned's liability under such other guarantee or guarantees shall be in addition to the undersigned's liability under this guarantee.
15. In case of default you may maintain an action upon this guarantee against the undersigned (or any one or more of the undersigned) whether or not any Customer is joined therein or separate action is brought against any Customer or judgment obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the undersigned (or any one undersigned if more than one hereunder) or by any number of successive actions until and unless all debts and liabilities hereby guaranteed have been paid and each of the undersigned's obligations hereunder has been fully performed.
16. The undersigned shall pay to you on demand (in addition to all debts and liabilities of each Customer hereby guaranteed) all costs, charges and expenses (including, without limitation, lawyers' fees as between solicitor and his own client on a full indemnity basis) incurred by you for the preparation, execution, perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each of such costs, charges and expenses until payment by the undersigned hereunder at a floating rate per annum equal to 3% above the prime lending rate established by you from time to time.
17. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.
18. To the extent that there is any inconsistency or ambiguity between the provisions of this guarantee and the Commitment Letter, the provisions of the Commitment Letter will govern to the extent necessary to eliminate such inconsistency or ambiguity.
19. Any notice or demand which you may wish to give may be served on any officer or director of the undersigned, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed. Any notice which the undersigned may wish to give you shall be served personally or by registered mail on the Manager or acting Manager of the ATB at the address specified on the first page of this guarantee.
20. This guarantee shall be construed in accordance with the laws of the Province of Alberta and in any action thereon the undersigned shall be estopped from denying the same; any judgment recovered in the Courts of such Province against any undersigned or its successors and/or assigns shall be binding on it and them. The

undersigned accepts and submits to the jurisdiction of the courts of the Province of Alberta in respect of this guarantee.

21. Any word herein contained importing the singular number shall include the plural and vice versa, and any word importing gender shall include the masculine, feminine and neuter gender, and any word importing a person shall include a corporation and a partnership and any entity, in each case as the context requires or permits.
22. This guarantee on the part of the undersigned shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned (jointly and severally if more than one hereunder) and on its (or on each of their) successors and assigns.
23. **POSTPONEMENT AND ASSIGNMENT OF CLAIMS:** All indebtedness, present and future, of each Customer to the undersigned together with each and every security therefor is hereby assigned to you and postponed to the present and future debts and liabilities of each Customer to you, and all monies received from any Customer or for its account by the undersigned shall be received by it in trust for you, and forthwith upon receipt paid over to you until each Customer's debts and other liabilities to you are fully paid and satisfied, all without prejudice to and without in any way limiting or lessening the liability of the undersigned to you under this guarantee.
24. **ELECTRONIC EXECUTION:** This guarantee may be executed electronically and may be delivered by email, facsimile or other functionally-equivalent means.

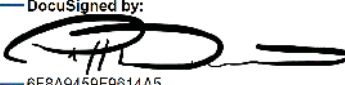
[signature page follows]

IN WITNESS WHEREOF the undersigned has executed this guarantee, this 26th day of April, 2023.

BTC USA HOLDINGS MANAGEMENT INC.

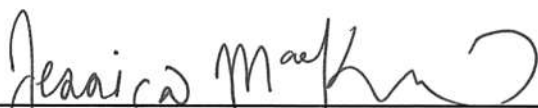
Per: _____
Name: Cliff Dumas
Title: President

DocuSigned by:
6F8A9459F9614A5...



**THIS IS EXHIBIT "16" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**

A handwritten signature in cursive script, appearing to read "Jessica MacKinnon", written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barister & Solicitor

CONTINUING GUARANTEE
(Including Postponement and Assignment of Claims)

TO: ATB FINANCIAL

IN CARE OF: Suite 600, 585 -8th Avenue S.W., Calgary, Alberta, T2P 1G1

IN CONSIDERATION of **ATB FINANCIAL** (hereafter sometimes called "**ATB**" or "**you**") extending credit to or otherwise dealing or continuing to deal with **LOCAL FIRST MEDIA GROUP INC.** and **LOCAL FIRST PROPERTIES INC.** (hereafter collectively called the "**Customers**" and individually, a "**Customer**"), the undersigned (jointly and severally if more than one) hereby guarantees unconditionally and promises to pay to ATB all existing and future debts and liabilities of each Customer to ATB, whether such debts and liabilities are direct or indirect or by way of guarantee or otherwise, whether incurred alone or with another or others, whether heretofore or hereafter incurred, whether voluntarily or involuntarily incurred, whether due or not due, and whether absolute, inchoate, contingent, liquidated or unliquidated, and including, without limitation, interest accrued or to accrue on all such debts and liabilities at the same rate or rates payable by the applicable Customer, both before and after default, maturity, and judgment, whether such judgment be obtained against any Customer and the undersigned or any of them, including, without limitation, such debts and liabilities arising under or in connection with the commitment letter dated April 10, 2023 among, *inter alios* ATB as lender and the Customers as borrowers (as the same may be amended, amended and restated, supplemented, modified or replaced from time to time, the "**Commitment Letter**").

The undersigned (jointly and severally if more than one) further covenants and agrees with ATB as follows:

1. Without further authorization from or notice to the undersigned you may grant credit to or otherwise deal or continue to deal with any Customer from time to time, either before or after revocation hereof, in such manner, upon such terms and for such time as you may deem best, and with or without notice to the undersigned you may alter, compromise, accelerate, extend or change the time or manner for the payment by any Customer or by any person or persons liable to you of any of the debts and liabilities hereby guaranteed, increase or reduce the interest rate thereon, release or add one or more guarantors or endorsers, accept additional or substituted security or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no dealing by you with any Customer or any guarantor or endorser, no change, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the undersigned's obligations hereunder or any security furnished by the undersigned or give the undersigned any recourse against you. No loss of or in respect of any securities received by you from any Customer or any other person, whether occasioned by your fault or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you by each Customer, but you shall not be obliged to take any action or exhaust your recourse against any Customer, any other guarantor hereunder or under any other guarantee agreement, or against any other person, firm or corporation, or under any securities you may hold at any time, nor to value such securities, before requiring or being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed; PROVIDED always that the undersigned (or any of them, if more than one hereunder) may terminate its further liability under this continuing guarantee by thirty (30) days' notice in writing to you, and the liability hereunder of such undersigned shall continue until the expiration of thirty (30) days after the giving of such notice, and after the expiration of such notice such undersigned shall remain liable under this guarantee in respect of any sum or sums of money owing to you as aforesaid on the date such notice expired, together with interest thereafter at the rate or rates payable by the applicable Customer on such sum or sums; if there is more than one undersigned hereunder, a notice by one undersigned under this clause shall not affect the liability of any other undersigned under this guarantee.
3. If the undersigned is a corporation registered, incorporated, or continued under the *Business Corporations Act* (Alberta) the corporation will comply with all notice requirements at the times and in the manner as required under Section 45 (previously section 42) of the *Business Corporations Act* (Alberta).

4. When this guarantee is delivered to a lending officer of ATB, it shall be deemed to be finally executed and delivered by the person or persons signing the same and shall not be subject to or affected by any promise or condition affecting or limiting the (or any of the) undersigned's liability except as set forth herein, and no statement, representation, agreement or promise on the part of any officer, employee or agent of ATB, unless contained herein, forms any part of this guarantee or has induced the making thereof or shall be deemed in any way to affect the liability of the undersigned or any of the undersigned hereunder.
5. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on ATB unless made in writing over the signature of the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
6. Until all indebtedness of each Customer to you has been paid in full, the undersigned shall not have any right of subrogation or to securities held by ATB, unless expressly given to the undersigned in writing by the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
7. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or monies received hereunder to any portion of the debts and liabilities hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.
8. No change in the name, objects, share capital, business, membership, directors' powers, organization or management of any Customer shall in any way affect the obligations of the undersigned either with respect to transactions occurring before or after any such change, it being understood that where a Customer is a partnership or corporation, this guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by such Customer, notwithstanding any change or changes in the name or membership of such Customer's firm or in the name of a corporate Customer, and notwithstanding any reorganization of a corporate Customer, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
9. Where a Customer is a corporation or partnership or any entity, you shall not be concerned to see or inquire into the powers of such Customer or its directors, partners or agents acting or purporting to act on its behalf, and credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed even though the borrowing or obtaining of such credit was irregularly, fraudulently, defectively or informally affected, or in excess of the powers of such Customer or of the directors, partners or agents thereof.
10. The statement in writing from time to time by a lending officer or account manager of ATB where any Customer's accounts are kept, or of a Vice-President of ATB, as to the debts and liabilities of such Customer to you and covered by this guarantee shall be received as prima facie evidence as against the undersigned that such amount is at such time so due and payable to you and is covered hereby.
11. The undersigned shall have a continuing current liability to ATB under this guarantee to the extent of the debts and liabilities of each Customer to ATB from time to time, provided however that for the purpose of the Limitation of Actions Act of Alberta or any similar legislation, the undersigned shall not be in breach of this guarantee and no cause of action against the undersigned shall arise hereunder unless and until ATB has served written demand upon the undersigned to pay or otherwise observe or perform his obligations under this guarantee and the undersigned has failed to do so promptly following service of such demand.
12. Upon the bankruptcy or winding up or other distribution of assets of any Customer or of any surety or guarantor for any indebtedness of any Customer to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any undersigned's liability to you, and until all indebtedness of each Customer to you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the undersigned to you under this guarantee and to prove and rank for such sums paid by the undersigned and to receive the full amount of all dividends in respect

thereto, all of the same being hereby assigned and transferred to you. The undersigned shall not be released from liability if recovery from any Customer, any other guarantor (including any other guarantor under this guarantee) or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

13. The undersigned will file all claims against each Customer in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of any Customer to the undersigned and will assign to you all of the undersigned's rights thereunder. If the undersigned does not file any such claim, you, as attorney in fact of the undersigned, are hereby authorized to do so in the name of the undersigned or in your discretion to assign the claim to you or your nominee and cause proof of claim to be filed in your name or the name of your nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to you or your nominee the full amount payable on the claim in the proceeding before making any payment to the undersigned, and to the full extent necessary for that purpose the undersigned hereby assigns to you all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled. If the amount so paid is greater than the indebtedness of the applicable Customer to you then outstanding, you are authorized to pay the amount of the excess to the person entitled thereto.
14. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law. If you hold one or more other guarantees executed by the undersigned in respect of any Customer, the amount of the undersigned's liability under such other guarantee or guarantees shall be in addition to the undersigned's liability under this guarantee.
15. In case of default you may maintain an action upon this guarantee against the undersigned (or any one or more of the undersigned) whether or not any Customer is joined therein or separate action is brought against any Customer or judgment obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the undersigned (or any one undersigned if more than one hereunder) or by any number of successive actions until and unless all debts and liabilities hereby guaranteed have been paid and each of the undersigned's obligations hereunder has been fully performed.
16. The undersigned shall pay to you on demand (in addition to all debts and liabilities of each Customer hereby guaranteed) all costs, charges and expenses (including, without limitation, lawyers' fees as between solicitor and his own client on a full indemnity basis) incurred by you for the preparation, execution, perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each of such costs, charges and expenses until payment by the undersigned hereunder at a floating rate per annum equal to 3% above the prime lending rate established by you from time to time.
17. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.
18. To the extent that there is any inconsistency or ambiguity between the provisions of this guarantee and the Commitment Letter, the provisions of the Commitment Letter will govern to the extent necessary to eliminate such inconsistency or ambiguity.
19. Any notice or demand which you may wish to give may be served on any officer or director of the undersigned, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed. Any notice which the undersigned may wish to give you shall be served personally or by registered mail on the Manager or acting Manager of the ATB at the address specified on the first page of this guarantee.
20. This guarantee shall be construed in accordance with the laws of the Province of Alberta and in any action thereon the undersigned shall be estopped from denying the same; any judgment recovered in the Courts of such Province against any undersigned or its successors and/or assigns shall be binding on it and them. The

undersigned accepts and submits to the jurisdiction of the courts of the Province of Alberta in respect of this guarantee.

21. Any word herein contained importing the singular number shall include the plural and vice versa, and any word importing gender shall include the masculine, feminine and neuter gender, and any word importing a person shall include a corporation and a partnership and any entity, in each case as the context requires or permits.
22. This guarantee on the part of the undersigned shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned (jointly and severally if more than one hereunder) and on its (or on each of their) successors and assigns.
23. **POSTPONEMENT AND ASSIGNMENT OF CLAIMS:** All indebtedness, present and future, of each Customer to the undersigned together with each and every security therefor is hereby assigned to you and postponed to the present and future debts and liabilities of each Customer to you, and all monies received from any Customer or for its account by the undersigned shall be received by it in trust for you, and forthwith upon receipt paid over to you until each Customer's debts and other liabilities to you are fully paid and satisfied, all without prejudice to and without in any way limiting or lessening the liability of the undersigned to you under this guarantee.
24. **ELECTRONIC EXECUTION:** This guarantee may be executed electronically and may be delivered by email, facsimile or other functionally-equivalent means.

[signature page follows]

IN WITNESS WHEREOF the undersigned has executed this guarantee, this 26th day of April, 2023.

LOCAL FIRST PROPERTIES USA INC.

Per: _____
Name: Bryan Woodruff
Title: President

DocuSigned by:

Bryan Woodruff

219EAD2BA1824D5...

THIS IS EXHIBIT "17" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.

SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.



Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

LIMITED RECOURSE GUARANTEE
(Including Postponement and Assignment of Claims)

TO: ATB FINANCIAL

IN CARE OF: Suite 600, 585 -8th Avenue S.W., Calgary, Alberta, T2P 1G1

IN CONSIDERATION of **ATB FINANCIAL** (hereafter sometimes called "**ATB**" or "**you**") extending credit to or otherwise dealing or continuing to deal with **LOCAL FIRST MEDIA GROUP INC.** and **LOCAL FIRST PROPERTIES INC.** (hereafter collectively called the "**Customers**" and individually, a "**Customer**"), the undersigned (jointly and severally if more than one) hereby guarantees unconditionally and promises to pay to ATB all existing and future debts and liabilities of each Customer to ATB, whether such debts and liabilities are direct or indirect or by way of guarantee or otherwise, whether incurred alone or with another or others, whether heretofore or hereafter incurred, whether voluntarily or involuntarily incurred, whether due or not due, and whether absolute, inchoate, contingent, liquidated or unliquidated, and including, without limitation, interest accrued or to accrue on all such debts and liabilities at the same rate or rates payable by the applicable Customer, both before and after default, maturity, and judgment, whether such judgment be obtained against any Customer and the undersigned or any of them, including, without limitation, such debts and liabilities arising under or in connection with the commitment letter dated April 10, 2023 among, *inter alios* ATB as lender and the Customers as borrowers (as the same may be amended, amended and restated, supplemented, modified or replaced from time to time, the "**Commitment Letter**").

The undersigned (jointly and severally if more than one) further covenants and agrees with ATB as follows:

1. Without further authorization from or notice to the undersigned you may grant credit to or otherwise deal or continue to deal with any Customer from time to time, either before or after revocation hereof, in such manner, upon such terms and for such time as you may deem best, and with or without notice to the undersigned you may alter, compromise, accelerate, extend or change the time or manner for the payment by any Customer or by any person or persons liable to you of any of the debts and liabilities hereby guaranteed, increase or reduce the interest rate thereon, release or add one or more guarantors or endorsers, accept additional or substituted security or release or subordinate any security. No exercise or non-exercise by you of any right hereby given you, no dealing by you with any Customer or any guarantor or endorser, no change, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the undersigned's obligations hereunder or any security furnished by the undersigned or give the undersigned any recourse against you. No loss of or in respect of any securities received by you from any Customer or any other person, whether occasioned by your fault or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you by each Customer, but you shall not be obliged to take any action or exhaust your recourse against any Customer, any other guarantor hereunder or under any other guarantee agreement, or against any other person, firm or corporation, or under any securities you may hold at any time, nor to value such securities, before requiring or being entitled to payment from the undersigned of all debts and liabilities hereby guaranteed; PROVIDED always that the undersigned (or any of them, if more than one hereunder) may terminate its further liability under this continuing guarantee by thirty (30) days' notice in writing to you, and the liability hereunder of such undersigned shall continue until the expiration of thirty (30) days after the giving of such notice, and after the expiration of such notice such undersigned shall remain liable under this guarantee in respect of any sum or sums of money owing to you as aforesaid on the date such notice expired, together with interest thereafter at the rate or rates payable by the applicable Customer on such sum or sums; if there is more than one undersigned hereunder, a notice by one undersigned under this clause shall not affect the liability of any other undersigned under this guarantee.
3. If the undersigned is a corporation registered, incorporated, or continued under the *Business Corporations Act* (Alberta) the corporation will comply with all notice requirements at the times and in the manner as required under Section 45 (previously section 42) of the *Business Corporations Act* (Alberta).

4. When this guarantee is delivered to a lending officer of ATB, it shall be deemed to be finally executed and delivered by the person or persons signing the same and shall not be subject to or affected by any promise or condition affecting or limiting the (or any of the) undersigned's liability except as set forth herein, and no statement, representation, agreement or promise on the part of any officer, employee or agent of ATB, unless contained herein, forms any part of this guarantee or has induced the making thereof or shall be deemed in any way to affect the liability of the undersigned or any of the undersigned hereunder.
5. No alteration or waiver of this guarantee or of any of its terms, provisions or conditions shall be binding on ATB unless made in writing over the signature of the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
6. Until all indebtedness of each Customer to you has been paid in full, the undersigned shall not have any right of subrogation or to securities held by ATB, unless expressly given to the undersigned in writing by the President and CEO, Chief Operating Officer or Chief Credit Officer of ATB.
7. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or monies received hereunder to any portion of the debts and liabilities hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your uncontrolled discretion see fit.
8. No change in the name, objects, share capital, business, membership, directors' powers, organization or management of any Customer shall in any way affect the obligations of the undersigned either with respect to transactions occurring before or after any such change, it being understood that where a Customer is a partnership or corporation, this guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by such Customer, notwithstanding any change or changes in the name or membership of such Customer's firm or in the name of a corporate Customer, and notwithstanding any reorganization of a corporate Customer, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.
9. Where a Customer is a corporation or partnership or any entity, you shall not be concerned to see or inquire into the powers of such Customer or its directors, partners or agents acting or purporting to act on its behalf, and credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the debts and liabilities hereby guaranteed even though the borrowing or obtaining of such credit was irregularly, fraudulently, defectively or informally affected, or in excess of the powers of such Customer or of the directors, partners or agents thereof.
10. The statement in writing from time to time by a lending officer or account manager of ATB where any Customer's accounts are kept, or of a Vice-President of ATB, as to the debts and liabilities of such Customer to you and covered by this guarantee shall be received as prima facie evidence as against the undersigned that such amount is at such time so due and payable to you and is covered hereby.
11. The undersigned shall have a continuing current liability to ATB under this guarantee to the extent of the debts and liabilities of each Customer to ATB from time to time, provided however that for the purpose of the Limitation of Actions Act of Alberta or any similar legislation, the undersigned shall not be in breach of this guarantee and no cause of action against the undersigned shall arise hereunder unless and until ATB has served written demand upon the undersigned to pay or otherwise observe or perform his obligations under this guarantee and the undersigned has failed to do so promptly following service of such demand.
12. Upon the bankruptcy or winding up or other distribution of assets of any Customer or of any surety or guarantor for any indebtedness of any Customer to you, your rights shall not be affected or impaired by your omission to prove your claim or to prove your full claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any undersigned's liability to you, and until all indebtedness of each Customer to you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by the undersigned to you under this guarantee and to prove and rank for such sums paid by the undersigned and to receive the full amount of all dividends in respect

thereto, all of the same being hereby assigned and transferred to you. The undersigned shall not be released from liability if recovery from any Customer, any other guarantor (including any other guarantor under this guarantee) or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

13. The undersigned will file all claims against each Customer in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of any Customer to the undersigned and will assign to you all of the undersigned's rights thereunder. If the undersigned does not file any such claim, you, as attorney in fact of the undersigned, are hereby authorized to do so in the name of the undersigned or in your discretion to assign the claim to you or your nominee and cause proof of claim to be filed in your name or the name of your nominee. In all such cases, whether in administration, bankruptcy or otherwise, the person or persons authorized to pay such claim shall pay to you or your nominee the full amount payable on the claim in the proceeding before making any payment to the undersigned, and to the full extent necessary for that purpose the undersigned hereby assigns to you all the undersigned's rights to any payments or distributions to which the undersigned otherwise would be entitled. If the amount so paid is greater than the indebtedness of the applicable Customer to you then outstanding, you are authorized to pay the amount of the excess to the person entitled thereto.
14. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law. If you hold one or more other guarantees executed by the undersigned in respect of any Customer, the amount of the undersigned's liability under such other guarantee or guarantees shall be in addition to the undersigned's liability under this guarantee.
15. In case of default you may maintain an action upon this guarantee against the undersigned (or any one or more of the undersigned) whether or not any Customer is joined therein or separate action is brought against any Customer or judgment obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against the undersigned (or any one undersigned if more than one hereunder) or by any number of successive actions until and unless all debts and liabilities hereby guaranteed have been paid and each of the undersigned's obligations hereunder has been fully performed.
16. The undersigned shall pay to you on demand (in addition to all debts and liabilities of each Customer hereby guaranteed) all costs, charges and expenses (including, without limitation, lawyers' fees as between solicitor and his own client on a full indemnity basis) incurred by you for the preparation, execution, perfection and enforcement of this guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each of such costs, charges and expenses until payment by the undersigned hereunder at a floating rate per annum equal to 3% above the prime lending rate established by you from time to time.
17. Should any one or more provisions of this guarantee be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.
18. To the extent that there is any inconsistency or ambiguity between the provisions of this guarantee and the Commitment Letter, the provisions of the Commitment Letter will govern to the extent necessary to eliminate such inconsistency or ambiguity.
19. Any notice or demand which you may wish to give may be served on any officer or director of the undersigned, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed. Any notice which the undersigned may wish to give you shall be served personally or by registered mail on the Manager or acting Manager of the ATB at the address specified on the first page of this guarantee.
20. This guarantee shall be construed in accordance with the laws of the Province of Alberta and in any action thereon the undersigned shall be estopped from denying the same; any judgment recovered in the Courts of such Province against any undersigned or its successors and/or assigns shall be binding on it and them. The

undersigned accepts and submits to the jurisdiction of the courts of the Province of Alberta in respect of this guarantee.


21. Any word herein contained importing the singular number shall include the plural and vice versa, and any word importing gender shall include the masculine, feminine and neuter gender, and any word importing a person shall include a corporation and a partnership and any entity, in each case as the context requires or permits.
22. This guarantee on the part of the undersigned shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the undersigned (jointly and severally if more than one hereunder) and on its (or on each of their) successors and assigns.
23. **LIMITED RECOURSE:** Notwithstanding anything contained herein to the contrary, your recourse against the undersigned under this guarantee shall be limited to your enforcement of your rights and remedies against the Pledged Collateral (as defined below) and no recourse for any such purpose shall be made, nor shall judgment be issued or other process levied against, any other assets or rights of the undersigned. For the purposes hereof, "**Pledged Collateral**" has the meaning ascribed to such term in the securities pledge dated as of [●], 2023, granted by the undersigned, as pledgor, in favour of ATB, as lender (as such securities pledge may be amended, modified, replaced, restated or supplemented from time to time, the "**Securities Pledge**").
24. **POSTPONEMENT AND ASSIGNMENT OF CLAIMS:** All indebtedness, present and future, of each Customer to the undersigned together with each and every security therefor is hereby assigned to you and postponed to the present and future debts and liabilities of each Customer to you, and all monies received from any Customer or for its account by the undersigned shall be received by it in trust for you, and forthwith upon receipt paid over to you until each Customer's debts and other liabilities to you are fully paid and satisfied, all without prejudice to and without in any way limiting or lessening the liability of the undersigned to you under this guarantee.
25. **ELECTRONIC EXECUTION:** This guarantee may be executed electronically and may be delivered by email, facsimile or other functionally-equivalent means.

[signature page follows]

IN WITNESS WHEREOF the undersigned has executed this guarantee, this 26th day of April, 2023.


BROADCAST 2 PODCAST, INC.

Per: _____
Name: Cliff Dumas
Title: President

DocuSigned by:

6F8A9459F9814A5...

THIS IS EXHIBIT "18" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.

SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.



A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

PLEDGE AGREEMENT

This Pledge Agreement (“Agreement”) is entered into as of April 26, 2023 by and between Broadcast 2 Podcast, Inc., a California corporation, whose address is 14206 Barbon Beck Ave, Bakersfield, CA 93311 (“Pledgor”), and ATB FINANCIAL, a financial institution, whose address is Suite 600, 585-8th Avenue, S.W., Calgary, Alberta T2P 1G1 (the “Secured Party”).

RECITALS

A. Local First Media Group, Inc. and Local First Properties Inc. (collectively, “Borrowers” and each, a “Borrower”) are borrowing money from Secured Party. Borrowers and Pledgor are affiliated and as such Pledgor will benefit from the loans and credit facilities (collectively, the “Loan”) made available to each Borrower by Secured Party. Pledgor is a guarantor of the Loan pursuant to that certain limited recourse Guarantee dated as of the date hereof (as the same may be amended, amended and restated, renewed, modified, restated, replaced, assigned or supplemented from time to time, the “Guarantee”).

B. The Loan is evidenced by, among other agreements, that certain Commitment Letter dated April 10, 2023, by and between, *inter alios*, the Secured Party, as lender, Borrowers, as borrowers, Pledgor and certain other parties, as “Material Subsidiaries” (as defined in the Commitment Letter) or guarantors (as the same may be amended, amended and restated, renewed, modified, restated, replaced, assigned or supplemented from time to time, the “Commitment Letter”).

C. Pledgor has agreed to enter into this Agreement and to grant the Secured Party a security interest in the Collateral (as defined below) as security for Pledgor’s debts, liabilities and obligations to the Secured Party, howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether Pledgor be bound alone or jointly or severally with others, including, without limitation, such debts, liabilities and obligations arising under or in connection with the Commitment Letter and the Guarantee (collectively, the “Obligations”).

AGREEMENT

NOW THEREFORE, in consideration of the promises and the covenants contained in this Agreement, the parties hereto agree as follows:

1. Creation of a Security Interest. As security for payment and performance of all Obligations, when and as due, Pledgor hereby grants to the Secured Party a security interest in the Collateral described in Section 2 below. The security interest granted hereby will be and remain a first and prior security interest in all of the Collateral other than security interests with respect to which the Secured Party has agreed or agrees at some point in the future to take a junior or equivalent position pursuant to instruments agreed to by the Secured Party.

2. Collateral. As used in this Agreement, the following terms have the meanings specified below:

“Collateral” means, collectively:

- a) all Pledged Securities;
- b) all other shares, units investment property and rights in the capital of any Issuer held by the Pledgor and all other investment property issued by any Issuer whether in the form of debt, equity, options, warrants or other convertible securities, which are, will or may by any series of transactions be converted into shares or units in the capital of such Issuer;
- c) all dividends (whether cash or non-cash), payments, entitlements and other distributions (including share or unit redemption proceeds), in respect of or in exchange for the Pledged Securities, or any part thereof, and all shares, units or other investment property into which the Pledged Securities may be converted whether by way of amalgamation, arrangement, or other corporate reorganization or resulting from any subdivision or consolidation of the Pledged Securities; and
- d) all replacements and substitutions for the foregoing, all certificates and other instruments representing or evidencing the foregoing, all proceeds and other property received or receivable in respect thereof, and all rights and claims of the Pledgor in respect of same.

“Issuer” means each of (i) BTC USA Holdings Management Inc., a Delaware corporation and (ii) Local First Properties USA Inc., a Delaware corporation.

“Pledged Securities” means, collectively, all shares in the capital of the Issuers held by the Pledgor and all share certificate(s) representing such shares, being, on the date hereof (i) 8,000 shares of common stock of BTC USA Holdings Management Inc. represented by share certificate number 1 and (ii) 1,000 shares of common stock of Local First Properties USA Inc. represented by share certificate number 2.

“Realization Event” means the occurrence of a Default or Event of Default under the Commitment Letter or if demand (whether automatic or by notice) is made by the Secured Party for payment of any of the Obligations, whichever occurs earlier.

3. Pledgor’s Obligations; Action by Secured Party.

(a) Pledgor will perform the covenants and obligations applicable to it under the Commitment Letter.

(b) To further the attachment, perfection and priority of, and the ability of the Secured Party to enforce, the Secured Party’s security interest in the Collateral, and without limitation on Pledgor’s other obligations in this Agreement, Pledgor agrees, in each case at Pledgor’s expense, to take the following actions with respect to the following Collateral:

(i) Investment Property. If Pledgor will at any time hold or acquire any Collateral consisting of certificated securities, Pledgor will, at the Secured Party’s request and option, promptly endorse, assign and deliver the same to the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify. If any Collateral consisting of securities now or hereafter acquired by Pledgor are uncertificated and are issued to Pledgor or its nominee directly by the issuer thereof, Pledgor will

promptly notify the Secured Party thereof and, at the Secured Party's request and option, pursuant to an agreement in form and substance satisfactory to the Secured Party, either (A) cause the issuer to agree to comply with instructions from the Secured Party as to such securities, without further consent of Pledgor or such nominee, or (B) arrange for the Secured Party to become the registered owner of the securities. If any Collateral consisting of securities, whether certificated or uncertificated, or other investment property now or hereafter acquired by Pledgor are held by Pledgor or its nominee through a securities intermediary or commodity intermediary, Pledgor will promptly notify the Secured Party thereof and, at the Secured Party's request and option, pursuant to an agreement in form and substance satisfactory to the Secured Party, either (1) cause such securities intermediary or (as the case may be) commodity intermediary to agree to comply with entitlement orders or other instructions from the Secured Party to such securities intermediary as to such securities or other investment property, or (as the case may be) to apply any value distributed on account of any commodity contract as directed by the Secured Party to such commodity intermediary, in each case without further consent of Pledgor or such nominee, or (2) in the case of financial assets or other investment property held through a securities intermediary, arrange for the Secured Party to become the entitlement holder with respect to such investment property, with Pledgor being permitted, only with the consent of the Secured Party, to exercise rights to withdraw or otherwise deal with such investment property. The Secured Party agrees with Pledgor that the Secured Party will not give any such entitlement orders or instructions or directions to any such issuer, securities intermediary or commodity intermediary, and will not withhold its consent to the exercise of any withdrawal or dealing rights by Pledgor, unless a Realization Event has occurred and is continuing. The provisions of this paragraph will not apply to any financial assets credited to a securities account for which the Secured Party is the securities intermediary.

(ii) Other Actions as to Any and All Collateral. Pledgor further agrees, at the request and option of the Secured Party, to take any and all other actions the Secured Party may reasonably determine to be necessary for the attachment and perfection of, and the ability of the Secured Party to enforce, the Secured Party's security interest in any and all of the Collateral, including, without limitation, (A) executing, delivering and, where appropriate, filing financing statements and amendments relating thereto under the Uniform Commercial Code, to the extent, if any, that Pledgor's signature thereon is required therefor, together with the execution, acknowledgement (if necessary) and filing of such notices, extracts or memoranda of this Agreement, in forms reasonably acceptable to Secured Party, as may be required to be filed with the any governmental office or agency, foreign or domestic and including the United States Patent and Trademark Office, including amendments to describe additional and subsequently acquired Collateral, for the perfection of the security interest held by the Secured Party in the Intellectual Property (as defined in the Commitment Letter, (B) causing the Secured Party's names to be noted as Secured Party on any certificate of title for a titled good if such notation is a condition to attachment, perfection or priority of, or ability of the Secured Party to enforce, the Secured Party's security interest in such Collateral, (C) complying with any provision of any statute, regulation or treaty of the United States as to any Collateral if compliance with such provision is a condition to attachment, perfection or priority of, or ability of the Secured Party to enforce, the Secured Party's security interest in such Collateral, (D) obtaining governmental and other third party waivers, consents and approvals in form and substance satisfactory to Secured Party, including, without limitation, any consent of any licensor, lessor or other person obligated on Collateral, (E) obtaining waivers from mortgagees and landlords in form and substance satisfactory to the Secured Party,

and (F) taking all actions under any earlier versions of the Uniform Commercial Code or under any other law, as reasonably determined by the Secured Party to be applicable in any relevant Uniform Commercial Code or other jurisdiction, including any foreign jurisdiction.

4. Protection of the Collateral. Until such time as the Obligations have been satisfied in full and the Loan otherwise terminated, Pledgor shall (i) promptly pay when due all filing fees, taxes and assessments due upon the Collateral and for the use and operation thereof; (ii) keep such of the Collateral which is reasonably insurable adequately insured against all reasonably foreseeable risks to which it is exposed as and to the extent so required pursuant to the terms of the Commitment Letter; and (iii) not create any lien or encumbrance on the Collateral except for Permitted Encumbrances (as defined in the Commitment Letter).

5. Permitted Activities.

At all times prior to a Realization Event:

(a) the Pledgor shall be entitled to exercise all voting and/or consensual powers pertaining to the Collateral for all purposes not inconsistent with the terms of this Agreement, except that the Pledgor shall not have any right to exercise any such power if the voting action or omission to act in favor of which the Pledgor intends to exercise such power would have a material adverse effect on the financial or business condition of the Issuer, impair the Collateral or violate the provisions of this Agreement or the Commitment Letter;

(b) the Secured Party shall be entitled from time to time to cause the books and records, share unit or other securities registers of the Issuer to be marked to record the pledge of the Collateral to the Secured Party; and

(c) the Pledgor shall be entitled to exercise and receive the benefit of all other rights associated with the Collateral, including the right to receive and retain any and all cash dividends, distributions, payments and entitlements on the Collateral, provided, however, that all other dividends, distributions, payments and entitlements or distributions in liquidation upon or in respect of the Collateral, or resulting from a split-up, revision or reclassification of the Collateral, or received in exchange for the Collateral, as a result of a merger, consolidation or otherwise, shall be paid or transferred directly to the Secured Party as Collateral pursuant hereto immediately upon the receipt thereof by the Pledgor.

(d) Upon the occurrence and continuance of a Realization Event, the Pledgor's rights described in clauses (a) through (c) above shall automatically cease and terminate and the Secured Party, or its nominee, without demand or notice to the Pledgor, is hereby authorized to:

- (i) cause any or all of the Collateral to be transferred on the books and share, unit or other securities registers of the Issuer to and in the name of the Secured Party or any nominee thereof;
- (ii) represent the Pledgor at any meeting of the Issuer and to have the sole and exclusive right to exercise all voting, consensual powers and other rights pertaining to the Collateral, in any manner whatsoever as the Secured Party or its nominee holding such Collateral may in its absolute discretion determine; and

- (iii) receive any and all cash dividends, distributions, payments or entitlements thereon which shall be paid or transferred directly to the Secured Party or its nominee as Collateral pursuant hereto immediately upon the receipt thereof by the Pledgor.

The Pledgor hereby grants to the Secured Party or its nominee an irrevocable proxy couple with an interest to exercise all voting and membership rights relating to the Collateral in any instance, which proxy shall only be exercisable upon the occurrence and during the continuance of a Realization Event. Upon the request of the Secured Party, the Pledgor agrees to deliver to the Secured Party such further evidence of such irrevocable proxy or such further irrevocable proxies to exercise the rights and remedies set forth herein as the Secured Party may request.

6. Rights of Secured Party.

(a) Upon the occurrence of any Realization Event, the Secured Party will be entitled to declare the outstanding balance, including accrued interest, if applicable, on the Loan immediately due and payable as to Pledgor, as a guarantor. In addition to the right of acceleration granted herein, the Secured Party will be entitled to any and all rights and remedies specified herein or available under the Uniform Commercial Code as of the date hereof.

(b) If a sale of the Collateral is to be made, the Secured Party will give Pledgor notice of the time and place of any public sale of the Collateral or of the time on or after which any private sale or other intended disposition is to be consummated, which notice will be mailed, by first class mail, postage prepaid, to Pledgor in the manner set forth in Section 10(b) hereof at least ten (10) business days prior to the time of such sale or other intended disposition.

(c) Each purchaser at any sale of the Collateral will hold the property sold absolutely free from any claim or right on the part of Pledgor, and Pledgor hereby waives, to the extent permitted by law, all rights of redemption, stay and/or appraisal which it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted and, to the extent permitted by law, any right which it may have to demand a hearing or other judicial or administrative proceeding prior to the enforcement by the Secured Party of any of their rights and remedies hereunder. Any public or private sale of the Collateral or any part of it will be held at such time or times within ordinary business hours and at such place or places as a majority in interest of the Secured Party may fix in the notice of sale, and at any such sale the Collateral, or the portion thereof to be sold, may be sold in one lot, as an entirety or in separate parcels, as a majority in interest of the Secured Party (in their sole and absolute discretion) may determine. If permitted by law, the Secured Party may bid (which bid may be, in whole or in part, in the form of cancellation of indebtedness) for the purchase of the Collateral.

(d) The Secured Party will not be obligated to make any sale of the Collateral, or any part of it, if they determine not to do so, regardless, of the fact that notice of sale of the Collateral may have been given. The Secured Party may, without notice or publication, adjourn a public or private sale of the Collateral, or cause the same to be adjourned from time to time by announcement, at the time and place fixed for sale, and such sale may, without further notice be made at the time and place to which the same was so adjourned.

6. Application of the Proceeds. All proceeds of any sale of the Collateral by the Secured Party pursuant to Section 5 will be applied as follows:

First, to the payment of all fees and expenses incurred by the Secured Party in connection with any such sale, including, but not limited to, the expenses of taking, advertising, processing, preparing and storing the Collateral to be sold, all court costs and reasonable fees of counsel for the Secured Party in connection therewith;

Second, to the payment of any outstanding Pledgor indebtedness to which the Obligations are then expressly subordinate;

Third, to the payment of accrued interest on the Loan and accrued interest on any other indebtedness of equivalent priority to the Loan, if applicable, to the date of receipt of such proceeds;

Fourth, to the payment of the outstanding balance on the Loan and any other indebtedness of equivalent priority to the Loan; and

Fifth, to Pledgor.

7. Security Filings. Pledgor hereby irrevocably authorizes the Secured Party at any time and from time to time to file in any filing office in any Uniform Commercial Code jurisdiction any initial financing statements and amendments thereto, and all appropriate financing and continuation statements that (a) indicate the Collateral as described herein, and (b) provide any other information required by the Uniform Commercial Code of New York, or any other jurisdiction, for the sufficiency or filing office acceptance of any financing statement or amendment, including whether Pledgor is an organization, the type of organization and any organizational identification number issued to Pledgor. Pledgor agrees to furnish any such information to the Secured Party promptly upon the Secured Party's request. Pledgor also ratifies its authorization for the Secured Party to have filed in any Uniform Commercial Code jurisdiction any like initial financing statements or amendments thereto if filed prior to the date hereof. Pledgor does not assume any obligation to make, amend, renew or continue any Uniform Commercial Code or other filing (financing statement or otherwise) necessary to perfect or maintain the security interest of the Secured Party in the Collateral.

8. Termination. Upon complete payment, cancellation and/or satisfaction of all Obligations, this Agreement will terminate and the Secured Party will cooperate in all respects with Pledgor and its counsel to promptly make, deliver, record, register or file all appropriate documentation necessary to remove the Secured Party's interest in the Collateral created hereby and any related notices thereof. Without limiting the foregoing or any separate legal obligation of the Secured Party to file termination statements, and for the avoidance of doubt, Pledgor will be deemed specifically authorized to file any termination statements upon full payment or other satisfaction of the Obligations.

9. [Reserved]

10. Miscellaneous.

(a) The Secured Party may delay exercising, or omit to exercise, any right or remedy under this Agreement without waiving that or any past, present or future right or remedy. Neither this Agreement, nor any term hereof, may be amended, waived, discharged or terminated except by means of an agreement in writing signed by Pledgor and the Secured Party.

(b) All notices, requests, demands and other communications hereunder will be in writing and will be deemed to have been duly given when delivered personally or by overnight courier or sent (successful transmission confirmed) by telegram, fax or electronic communication (including, without limitation, e-mail), or on the third (3) business day after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, to the parties at the addresses set forth above (or such other address as will be given in writing by either party to the others).

(c) This Agreement will bind and inure to the benefit of Pledgor and the Secured Party, its legal representatives, successors and assigns. This Agreement and the security interest created hereby are for the sole and exclusive benefit of the Secured Party and its assignees and will not operate to the benefit of any other third party.

(d) The parties agree that New York law shall govern the terms, interpretation, and enforcement of this Agreement. The parties also agree that: (i) any action, suit, or other proceeding brought relating to the terms, interpretation, or enforcement of this Agreement shall be brought exclusively in any state or federal court located in New York County, New York; (ii) this venue provision is mandatory; and (iii) they irrevocably submit to the jurisdiction of the above-referenced courts.

(e) This Agreement represents the entire agreement between Pledgor and the Secured Party with respect to the subject matter hereof and integrate and supersede all prior agreements and understandings with respect to the subject matter hereof. Time is of the essence on the payment of all amounts due to the Secured Party.

(f) If any provision of this Agreement, or the application thereof, will for any reason and to any extent be invalid or unenforceable, the remainder of this Agreement and application of such provision to other persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto. The parties further agree to replace such invalid or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purposes of the invalid and unenforceable provision.

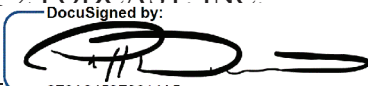
(g) If a lawsuit, arbitration, or other proceedings are instituted by any party to enforce any of the terms or conditions of this Agreement against any other party hereto, the prevailing party in such litigation, arbitration, or proceedings shall be entitled, as an additional item of damages, to such reasonable attorneys' and other professional fees (including but not limited to expert witness fees), court costs, arbitrators' fees, arbitration administrative fees, travel expenses, and other out-of-pocket expenses or costs of such other proceedings as may be fixed by any court of competent jurisdiction, arbitrator, or other judicial or quasi-judicial body having jurisdiction thereof, whether or not such litigation or proceedings proceed to a final judgment or award.

[Remainder of page left blank; signature page follows.]

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

PLEDGOR:


BROADCAST 2 PODCAST, INC.

By: 
Name: Cliff Dumas
Its: President

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

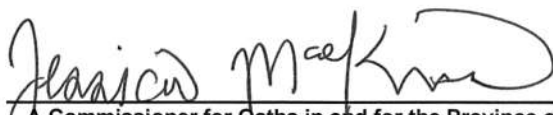
SECURED PARTY:

ATB FINANCIAL

By: 
Name: Shawn Bunnin
Its: Senior Director

THIS IS EXHIBIT "19" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.

SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

SECURITY AGREEMENT

This Security Agreement ("Agreement") is entered into as of April 26, 2023 by and between Alaska Broadcast Communications, Inc., an Alaska corporation, whose address is 3161 Channel Dr., #2, Juneau, AK 99801 ("Grantor"), and ATB FINANCIAL, a financial institution, whose address is Suite 600, 585-8th Avenue, S.W., Calgary, Alberta T2P 1G1 (the "Secured Party").

RECITALS

A. Local First Media Group Inc. and Local First Properties Inc. (collectively, "Borrowers" and each, a "Borrower") are borrowing money from Secured Party. Borrowers and Grantor are affiliated and as such Guarantor will benefit from the loans and credit facilities (collectively, the "Loan") made available to each Borrower by Secured Party. Grantor is a guarantor of the Loan pursuant to that certain Continuing Guarantee (Including Postponement and Assignment of Claims) dated as of the date hereof (as the same may be amended, amended and restated, renewed, modified, restated, replaced, assigned or supplemented from time to time, the "Guarantee").

B. The Loan is evidenced by, among other agreements, that certain Commitment Letter dated April 10, 2023, by and between, *inter alios*, the Secured Party, as lender, Borrowers, as borrowers, and certain other parties, including, without limitation, Grantor, as "Material Subsidiaries" or guarantors (as the same may be amended, amended and restated, renewed, modified, restated, replaced, assigned or supplemented from time to time, the "Commitment Letter").

C. Grantor has agreed to enter into this Agreement and to grant the Secured Party a security interest in the Collateral (as defined below) as security for Grantor's debts, liabilities and obligations to the Secured Party, howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether Grantor be bound alone or jointly or severally with others, including, without limitation, such debts, liabilities and obligations arising under or in connection with the Commitment Letter or the Guarantee (collectively, the "Obligations").

AGREEMENT

NOW THEREFORE, in consideration of the promises and the covenants contained in this Agreement, the parties hereto agree as follows:

1. Creation of a Security Interest. As security for payment and performance of all Obligations, when and as due, Grantor hereby grants to the Secured Party a security interest in the Collateral described in Section 2 below. The security interest granted hereby will be and remain a first and prior security interest in all of the Collateral other than security interests with respect to which the Secured Party has agreed or agrees at some point in the future to take a junior or equivalent position pursuant to instruments agreed to by the Secured Party.
2. Collateral. The collateral that is subject to the security interest created hereby consists of all tangible and intangible assets of Guarantor now owned or hereafter acquired, wherever located,

of any class whatsoever, together with all proceeds thereon and products thereof, to the fullest extent permitted by the Uniform Commercial Code (or any successor thereto) in effect in the State of New York (and, if and to the extent applied, any other state) (the “Uniform Commercial Code”), including, without limitation, all personal property and Fixtures of every kind and nature including without limitation all Goods (including Inventory, Equipment and any accessions thereto), Instruments (including promissory notes), Money, Documents, Accounts, Chattel Paper (whether tangible or electronic), Deposit Accounts, Commodity Accounts, Securities Accounts, Letter-of-Credit Rights (whether or not the letter of credit is evidenced by a writing), Commercial Tort Claims, Securities and all other Investment Property, supporting obligations, any other contract rights or rights to the payment of money, insurance claims and proceeds, and all General Intangibles (including all Payment Intangibles), along with all other rights including Intellectual Property (as defined below) owned by Grantor and any interest in any item of collateral and all additions or accessions to and replacements, substitutions, improvements, income and Proceeds of any item of collateral (collectively, the “Collateral”).

Notwithstanding the foregoing, the Collateral shall not include any interest in any permits or licenses, including, without limitation, the FCC Licenses (as defined here), if the grant of a security interest therein is prohibited as a matter of law, rule or regulation, in each case after giving effect to any applicable Uniform Commercial Code and other applicable law; provided that Collateral shall include, to the maximum extent permitted by law, the proceeds of any such permits or licenses, the economic value thereof, all rights incident or appurtenant thereto and the right to receive all monies, consideration and proceeds derived from or in connection with the sale, assignment or transfer thereof.

“FCC Licenses” shall include any United States Federal Communications Commission broadcast licenses now or hereafter assigned to any Grantor. “Intellectual Property” shall constitute all right, title and interest (including patent rights, copyrights, trademarks, service marks, trade names, trade secret rights, mask work rights, sui generis database rights and applications therefor, and all other intellectual property rights of any sort throughout the world) relating to any and all inventions (whether or not patentable), works of authorship, mask works, designs, know-how, ideas and information owned or controlled by Grantor or created by Grantor’s consultants and employees in the course of performing services for Grantor. “Proceeds” means “Proceeds,” as such term is defined in the Uniform Commercial Code and, in any event, shall include, without limitation, (a) any and all accounts, chattel paper, instruments, cash or other forms of money or currency or other proceeds payable to Grantor from time to time in respect of the Collateral, (b) any and all proceeds of any insurance, indemnity, warranty payable to Grantor from time to time with respect to any of the Collateral, (c) any and all payments (in any form whatsoever) made or due and payable to Grantor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any governmental authority (or any person acting under color of governmental authority), and (d) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral. Terms used herein that are defined in the Uniform Commercial Code but not defined herein have the meanings given to them in the Uniform Commercial Code.

3. Grantor’s Obligations; Action by Secured Party.

(a) Grantor will perform the covenants and obligations applicable to it under the Commitment Letter and the Guarantee.

(b) To further the attachment, perfection and priority of, and the ability of the Secured Party to enforce, the Secured Party's security interest in the Collateral, and without limitation on Grantor's other obligations in this Agreement, Grantor agrees, in each case at Grantor's expense, to take the following actions with respect to the following Collateral:

(i) Promissory Notes and Tangible Chattel Paper. If Grantor will at any time hold or acquire any promissory notes or tangible chattel paper, Grantor will, at the Secured Party's request and option, promptly endorse, assign and deliver the same to the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify.

(ii) Deposit Accounts. For each deposit account that Grantor at any time opens or maintains, Grantor will, at the Secured Party's request and option, pursuant to an agreement in form and substance satisfactory to the Secured Party, either (A) cause the depository bank to comply at any time with instructions from the Secured Party to such depository bank directing the disposition of funds from time to time credited to such deposit account, without further consent of Grantor, or (B) arrange for the Secured Party to become the customer of the depository bank with respect to the deposit account, with Grantor being permitted, only with the consent of the Secured Party, to exercise rights to withdraw funds from such deposit account; provided, however, that the Secured Party agrees with Grantor that the Secured Party will not give any such instructions or withhold any withdrawal rights from Grantor, unless an Event of Default (as defined in the Commitment Letter) has occurred and is continuing. The provisions of this paragraph will not apply to (1) any deposit account for which Grantor, the depository bank and the Secured Party have entered into a cash collateral agreement specially negotiated among Grantor, the depository bank and the Secured Party for the specific purpose set forth therein, (2) a deposit account for which the Secured Party is the depository bank and is in automatic control, and (3) deposit accounts specially and exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of Grantor's salaried employees.

(iii) Investment Property. If Grantor will at any time hold or acquire any certificated securities, Grantor will, at the Secured Party's request and option, promptly endorse, assign and deliver the same to the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify. If any securities now or hereafter acquired by Grantor are uncertificated and are issued to Grantor or its nominee directly by the issuer thereof, Grantor will promptly notify the Secured Party thereof and, at the Secured Party's request and option, pursuant to an agreement in form and substance satisfactory to the Secured Party, either (A) cause the issuer to agree to comply with instructions from the Secured Party as to such securities, without further consent of Grantor or such nominee, or (B) arrange for the Secured Party to become the registered owner of the securities. If any securities, whether certificated or uncertificated, or other investment property now or hereafter acquired by Grantor are held by Grantor or its nominee through a securities intermediary or commodity intermediary, Grantor will promptly notify the Secured Party thereof and, at the Secured Party's request and option, pursuant to an agreement in form and substance satisfactory to the Secured Party, either (1) cause such securities intermediary or (as the case may be) commodity intermediary to agree to comply with entitlement orders or other instructions from the Secured Party to such securities intermediary as to such securities or other investment property, or (as the case may be) to apply any value distributed on account of any commodity contract as

directed by the Secured Party to such commodity intermediary, in each case without further consent of Grantor or such nominee, or (2) in the case of financial assets or other investment property held through a securities intermediary, arrange for the Secured Party to become the entitlement holder with respect to such investment property, with Grantor being permitted, only with the consent of the Secured Party, to exercise rights to withdraw or otherwise deal with such investment property; provided, however, that the Secured Party agrees with Grantor that the Secured Party will not give any such entitlement orders or instructions or directions to any such issuer, securities intermediary or commodity intermediary, and will not withhold its consent to the exercise of any withdrawal or dealing rights by Grantor, unless an Event of Default has occurred and is continuing. The provisions of this paragraph will not apply to any financial assets credited to a securities account for which the Secured Party is the securities intermediary.

(iv) Collateral in the Possession of a Bailee. If any Collateral is at any time in the possession of a bailee, Grantor will promptly notify the Secured Party thereof and, at the Secured Party's request and option, will promptly obtain an acknowledgement from the bailee, in form and substance satisfactory to the Secured Party, that the bailee holds such Collateral for the benefit of the Secured Party, and that such bailee agrees to comply, without further consent of Grantor, with instructions from the Secured Party as to such Collateral. The Secured Party agrees with Grantor that the Secured Party will not give any such instructions unless an Event of Default has occurred and is continuing or would occur after taking into account any action by Grantor with respect to the bailee.

(v) Electronic Chattel Paper and Transferable Records. If the Collateral shall at any time and in whole or in part be evidenced by any electronic chattel paper or any "transferable record," as that term is defined in Section 201 of the federal Electronic Signatures in Global and National Commerce Act, or in Section 16 of the Uniform Electronic Transactions Act as in effect in any relevant jurisdiction, Grantor will promptly notify the Secured Party thereof and, at the request and option of the Secured Party, will take such action as the Secured Party may reasonably request to vest in the Secured Party control, under Section 104.9105 of the New York Uniform Commercial Code (or the counterpart provision of the Uniform Commercial Code of any other applicable jurisdiction), of such electronic chattel paper or control under Section 201 of the federal Electronic Signatures in Global and National Commerce Act or, as the case may be, Section 16 of the Uniform Electronic Transactions Act, as so in effect in such jurisdiction, of such transferable record. The Secured Party agrees with Grantor that the Secured Party will arrange, pursuant to procedures satisfactory to the Secured Party and so long as such procedures will not result in the Secured Party's loss of control, for Grantor to make alterations to the electronic chattel paper or transferable record permitted under Section 104.9105 of the New York Uniform Commercial Code (or the counterpart provision of the Uniform Commercial Code of any other applicable jurisdiction) or, as the case may be, Section 201 of the federal Electronic Signatures in Global and National Commerce Act or Section 16 of the Uniform Electronic Transactions Act for a party in control to make without loss of control, unless an Event of Default has occurred and is continuing or would occur after taking into account any action by Grantor with respect to such electronic chattel paper or transferable record.

(vi) Other Actions as to Any and All Collateral. Grantor further agrees, at the request and option of the Secured Party, to take any and all other actions the Secured Party may reasonably determine to be necessary for the attachment and perfection of, and the ability of the Secured Party to enforce, the Secured Party's security interest in any and all of the Collateral,

including, without limitation, (A) executing, delivering and, where appropriate, filing financing statements and amendments relating thereto under the Uniform Commercial Code, to the extent, if any, that Grantor's signature thereon is required therefor, together with the execution, acknowledgement (if necessary) and filing of such notices, extracts or memoranda of this Agreement, in forms reasonably acceptable to Secured Party, as may be required to be filed with the any governmental office or agency, foreign or domestic and including the United States Patent and Trademark Office, including amendments to describe additional and subsequently acquired Collateral, for the perfection of the security interest held by the Secured Party in the Intellectual Property, (B) causing the Secured Party's names to be noted as Secured Party on any certificate of title for a titled good if such notation is a condition to attachment, perfection or priority of, or ability of the Secured Party to enforce, the Secured Party's security interest in such Collateral, (C) complying with any provision of any statute, regulation or treaty of the United States as to any Collateral if compliance with such provision is a condition to attachment, perfection or priority of, or ability of the Secured Party to enforce, the Secured Party's security interest in such Collateral, (D) obtaining, using commercially reasonable efforts, governmental and other third party waivers, consents and approvals in form and substance satisfactory to Secured Party, including, without limitation, any consent of any licensor, lessor or other person obligated on Collateral, (E) obtaining, using commercially reasonable efforts, waivers from mortgagees and landlords in form and substance satisfactory to the Secured Party, and (F) taking all actions under any earlier versions of the Uniform Commercial Code or under any other law, as reasonably determined by the Secured Party to be applicable in any relevant Uniform Commercial Code or other jurisdiction, including any foreign jurisdiction.

4. Protection of the Collateral.

(a) Until such time as the Obligations have been satisfied in full and the Loan otherwise terminated, Grantor shall (i) promptly pay when due all filing fees, taxes and assessments due upon the Collateral and for the use and operation thereof; (ii) keep such of the Collateral which is reasonably insurable adequately insured against all reasonably foreseeable risks to which it is exposed as and to the extent so required pursuant to the terms of the Commitment Letter; and (iii) not create any lien or encumbrance on the Collateral except for Permitted Encumbrances (as defined in the Commitment Letter).

(b) Furthermore, until such time as the Obligations have been satisfied in full and the Loan otherwise terminated, Grantor shall exercise due and proper care in the use, repair and servicing of the Collateral. Grantor will, at its own expense, make all repairs and replacements required to maintain the Collateral in good working condition in accordance with manufacturers' specifications, and will pay all other operating expenses relating to the Collateral. Grantor shall have the right, upon ten (10) days prior written notice to the Secured Party, to make any alterations, additions or improvements which do not render the Collateral in such a condition that it cannot, prior to the satisfaction of Grantor's obligations under Section 4(a) above, be restored to its original condition, reasonable wear and tear for such type of equipment alone excepted; provided that no such alteration, addition or improvement shall be made by Grantor if as a result thereof any warranties made by the supplier of the Collateral would be canceled or terminated. If Grantor should become in default of any of its obligations hereunder, Grantor will restore the Collateral to its original condition, reasonable wear and tear alone excepted. All replacement parts and additions incorporated to the Collateral shall become subject to the security interest created hereby. Grantor agrees to maintain and provide upon request of the Secured Party all internal maintenance reports

relating to the Collateral.

5. Rights of Secured Party.

(a) Upon the occurrence of any Event of Default, the Secured Party will be entitled to declare the outstanding balance, including accrued interest, if applicable, on the Loan immediately due and payable as to Grantor, as a guarantor. In addition to the right of acceleration granted herein, upon the occurrence and continuance of an Event of Default, the Secured Party will be entitled to any and all rights and remedies available under the Uniform Commercial Code as of the date hereof.

(b) If a sale of the Collateral is to be made, the Secured Party will give Grantor notice of the time and place of any public sale of the Collateral or of the time on or after which any private sale or other intended disposition is to be consummated, which notice will be mailed, by first class mail, postage prepaid, to Grantor in the manner set forth in Section 10(b) hereof at least ten (10) days prior to the time of such sale or other intended disposition.

(c) Each purchaser at any sale of the Collateral will hold the property sold absolutely free from any claim or right on the part of Grantor, and Grantor hereby waives, to the extent permitted by law, all rights of redemption, stay and/or appraisal which it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted and, to the extent permitted by law, any right which it may have to demand a hearing or other judicial or administrative proceeding prior to the enforcement by the Secured Party of any of their rights and remedies hereunder. Any public or private sale of the Collateral or any part of it will be held at such time or times within ordinary business hours and at such place or places as a majority in interest of the Secured Party may fix in the notice of sale, and at any such sale the Collateral, or the portion thereof to be sold, may be sold in one lot, as an entirety or in separate parcels, as a majority in interest of the Secured Party (in their sole and absolute discretion) may determine. If permitted by law, the Secured Party may bid (which bid may be, in whole or in part, in the form of cancellation of indebtedness) for the purchase of the Collateral.

(d) The Secured Party will not be obligated to make any sale of the Collateral, or any part of it, if they determine not to do so, regardless, of the fact that notice of sale of the Collateral may have been given. The Secured Party may, without notice or publication, adjourn a public or private sale of the Collateral, or cause the same to be adjourned from time to time by announcement, at the time and place fixed for sale, and such sale may, without further notice be made at the time and place to which the same was so adjourned.

6. Application of the Proceeds. All proceeds of any sale of the Collateral by the Secured Party pursuant to Section 5 will be applied as follows:

First, to the payment of all fees and expenses incurred by the Secured Party in connection with any such sale, including, but not limited to, the expenses of taking, advertising, processing, preparing and storing the Collateral to be sold, all court costs and reasonable fees of counsel for the Secured Party in connection therewith;

Second, to the payment of any outstanding Grantor indebtedness to which the Obligations are then expressly subordinate;

Third, to the payment of accrued interest on the Loan and accrued interest on any other indebtedness of equivalent priority to the Loan, if applicable, to the date of receipt of such proceeds;

Fourth, to the payment of the outstanding balance on the Loan and any other indebtedness of equivalent priority to the Loan; and

Fifth, to Grantor.

7. Security Filings. Grantor hereby irrevocably authorizes the Secured Party at any time and from time to time to file in any filing office in any Uniform Commercial Code jurisdiction any initial financing statements and amendments thereto, and all appropriate financing and continuation statements and collateral agreements and filings with the United States Patent and Trademark Office (“USPTO”) and the equivalent foreign agencies (if and as applicable), that (a) indicate the Collateral as described herein, and (b) provide any other information required by the Uniform Commercial Code of New York, or any other jurisdiction, or the USPTO for the sufficiency or filing office acceptance of any financing statement or amendment, including whether Grantor is an organization, the type of organization and any organizational identification number issued to Grantor. Grantor agrees to furnish any such information to the Secured Party promptly upon the Secured Party’s request. Grantor also ratifies its authorization for the Secured Party to have filed in any Uniform Commercial Code jurisdiction any like initial financing statements or amendments thereto if filed prior to the date hereof. Grantor does not assume any obligation to make, amend, renew or continue any Uniform Commercial Code or other filing (financing statement or otherwise) necessary to perfect or maintain the security interest of the Secured Party in the Collateral.

8. Termination. Upon complete payment, cancellation and/or satisfaction of all Obligations, this Agreement will terminate and the Secured Party will cooperate in all respects with Grantor and its counsel to promptly make, deliver, record, register or file all appropriate documentation necessary to remove the Secured Party’s interest in the Collateral created hereby and any related notices thereof. Without limiting the foregoing or any separate legal obligation of the Secured Party to file termination statements, and for the avoidance of doubt, Grantor will be deemed specifically authorized to file any termination statements upon full payment or other satisfaction of the Obligations.

9. Bankruptcy Representations

(a) Grantor acknowledges and agrees that the representations, warranties, covenants and agreements contained in this Section 9 constitute a material inducement to Secured Party to enter into this Agreement and the transactions contemplated hereby and thereby and that without the inclusion of this Section 9, Secured Party would not have entered into this Agreement.

(b) Grantor acknowledges, warrants, represents, and agrees that neither the execution and delivery of this Agreement nor the performance of any actions required hereunder or thereunder are being consummated by Grantor with or as a result of any actual intent by Grantor, to hinder, delay, or defraud any entity to which Grantor, is now or will hereafter become indebted.

(c) Grantor acknowledges and agrees that the benefits to inure to Grantor pursuant to this Agreement constitute more than “reasonably equivalent value” (as such term is used in Section 548 of the Bankruptcy Code) in exchange for the benefits to be provided by Grantor to the Secured Party pursuant to this Agreement.

(d) Grantor covenants and agrees that, in the event that Grantor or any security for the indebtedness secured hereby shall become the subject of any proceeding under the Bankruptcy Code and to the extent then permitted under the Bankruptcy Code, Secured Party shall be entitled to obtain, upon ex parte application therefor and without further notice or action of any kind or nature whatsoever, (i) an order from the Bankruptcy Court prohibiting the use of Secured Party’s “cash collateral” (as such term is defined in Section 363 of the Bankruptcy Code) in connection with the indebtedness secured hereby and (ii) an order from the Bankruptcy Court granting immediate relief from the automatic stay pursuant to Section 362 of the Bankruptcy Code so as to permit Secured Party to exercise all of its or their respective rights and remedies pursuant to this Agreement and other documents and instruments the obligations of Grantor under which are secured by this Agreement, and at law and in equity.

(e) Grantor represents and warrants to the Secured Party that Grantor has no intent of filing for bankruptcy under the Bankruptcy Code or any other applicable federal or state law relating to bankruptcy, insolvency, or other debtor relief.

10. Miscellaneous.

(a) The Secured Party may delay exercising, or omit to exercise, any right or remedy under this Agreement without waiving that or any past, present or future right or remedy. Neither this Agreement, nor any term hereof, may be amended, waived, discharged or terminated except by means of an agreement in writing signed by Grantor and the Secured Party.

(b) All notices, requests, demands and other communications hereunder will be in writing and will be deemed to have been duly given when delivered personally or by overnight courier or sent (successful transmission confirmed) by telegram, fax or electronic communication (including, without limitation, e-mail), or on the third (3) business day after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, to the parties at the addresses set forth above (or such other address as will be given in writing by either party to the others).

(c) This Agreement will bind and inure to the benefit of Grantor and the Secured Party, its legal representatives, successors and assigns. This Agreement and the security interest created hereby are for the sole and exclusive benefit of the Secured Party and its assignees and will not operate to the benefit of any other third party.

(d) The parties agree that New York law shall govern the terms, interpretation, and enforcement of this Agreement. The parties also agree that: (i) any action, suit, or other proceeding brought relating to the terms, interpretation, or enforcement of this Agreement shall be brought exclusively in any state or federal court located in New York County, New York; (ii) this venue provision is mandatory; and (iii) they irrevocably submit to the jurisdiction of the above-referenced courts.

(e) This Agreement represents the entire agreement between Grantor and the Secured Party with respect to the subject matter hereof and integrate and supersede all prior agreements and understandings with respect to the subject matter hereof. Time is of the essence on the payment of all amounts due to the Secured Party.

(f) If any provision of this Agreement, or the application thereof, will for any reason and to any extent be invalid or unenforceable, the remainder of this Agreement and application of such provision to other persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto. The parties further agree to replace such invalid or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purposes of the invalid and unenforceable provision.

(g) If a lawsuit, arbitration, or other proceedings are instituted by any party to enforce any of the terms or conditions of this Agreement against any other party hereto, the prevailing party in such litigation, arbitration, or proceedings shall be entitled, as an additional item of damages, to such reasonable attorneys' and other professional fees (including but not limited to expert witness fees), court costs, arbitrators' fees, arbitration administrative fees, travel expenses, and other out-of-pocket expenses or costs of such other proceedings as may be fixed by any court of competent jurisdiction, arbitrator, or other judicial or quasi-judicial body having jurisdiction thereof, whether or not such litigation or proceedings proceed to a final judgment or award.


[Remainder of page left blank; signature page follows.]

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

GRANTOR:

ALASKA BROADCAST COMMUNICATIONS, INC.

By: _____
Name: Cliff Dumas
Its: President

DocuSigned by:

6F8A9459F9614A5...

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

SECURED PARTY:

ATB FINANCIAL


By: _____

Name: Shawn Bunnin

Its: Senior Director

THIS IS EXHIBIT "20" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.

SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

SECURITY AGREEMENT

This Security Agreement ("Agreement") is entered into as of April 26, 2023 by and between BTC USA Holdings Management Inc., a Delaware corporation, whose address is 14206 Barbon Beck Ave, Bakersfield, CA 93311 ("Grantor"), and ATB FINANCIAL, a financial institution, whose address is Suite 600, 585-8th Avenue, S.W., Calgary, Alberta T2P 1G1 (the "Secured Party").

RECITALS

A. Local First Media Group Inc. and Local First Properties Inc. (collectively, "Borrowers" and each, a "Borrower") are borrowing money from Secured Party. Borrowers and Grantor are affiliated and as such Guarantor will benefit from the loans and credit facilities (collectively, the "Loan") made available to each Borrower by Secured Party. Grantor is a guarantor of the Loan pursuant to that certain Continuing Guarantee (Including Postponement and Assignment of Claims) dated as of the date hereof (as the same may be amended, amended and restated, renewed, modified, restated, replaced, assigned or supplemented from time to time, the "Guarantee").

B. The Loan is evidenced by, among other agreements, that certain Commitment Letter dated April 10, 2023, by and between, *inter alios*, the Secured Party, as lender, Borrowers, as borrowers, and certain other parties, including, without limitation, Grantor, as "Material Subsidiaries" or guarantors (as the same may be amended, amended and restated, renewed, modified, restated, replaced, assigned or supplemented from time to time, the "Commitment Letter").

C. Grantor has agreed to enter into this Agreement and to grant the Secured Party a security interest in the Collateral (as defined below) as security for Grantor's debts, liabilities and obligations to the Secured Party, howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether Grantor be bound alone or jointly or severally with others, including, without limitation, such debts, liabilities and obligations arising under or in connection with the Commitment Letter or the Guarantee (collectively, the "Obligations").

AGREEMENT

NOW THEREFORE, in consideration of the promises and the covenants contained in this Agreement, the parties hereto agree as follows:

1. Creation of a Security Interest. As security for payment and performance of all Obligations, when and as due, Grantor hereby grants to the Secured Party a security interest in the Collateral described in Section 2 below. The security interest granted hereby will be and remain a first and prior security interest in all of the Collateral other than security interests with respect to which the Secured Party has agreed or agrees at some point in the future to take a junior or equivalent position pursuant to instruments agreed to by the Secured Party.
2. Collateral. The collateral that is subject to the security interest created hereby consists of all tangible and intangible assets of Guarantor now owned or hereafter acquired, wherever located,

of any class whatsoever, together with all proceeds thereon and products thereof, to the fullest extent permitted by the Uniform Commercial Code (or any successor thereto) in effect in the State of New York (and, if and to the extent applied, any other state) (the “Uniform Commercial Code”), including, without limitation, all personal property and Fixtures of every kind and nature including without limitation all Goods (including Inventory, Equipment and any accessions thereto), Instruments (including promissory notes), Money, Documents, Accounts, Chattel Paper (whether tangible or electronic), Deposit Accounts, Commodity Accounts, Securities Accounts, Letter-of-Credit Rights (whether or not the letter of credit is evidenced by a writing), Commercial Tort Claims, Securities and all other Investment Property, supporting obligations, any other contract rights or rights to the payment of money, insurance claims and proceeds, and all General Intangibles (including all Payment Intangibles), along with all other rights including Intellectual Property (as defined below) owned by Grantor and any interest in any item of collateral and all additions or accessions to and replacements, substitutions, improvements, income and Proceeds of any item of collateral (collectively, the “Collateral”).

Notwithstanding the foregoing, the Collateral shall not include any interest in any permits or licenses, including, without limitation, the FCC Licenses (as defined here), if the grant of a security interest therein is prohibited as a matter of law, rule or regulation, in each case after giving effect to any applicable Uniform Commercial Code and other applicable law; provided that Collateral shall include, to the maximum extent permitted by law, the proceeds of any such permits or licenses, the economic value thereof, all rights incident or appurtenant thereto and the right to receive all monies, consideration and proceeds derived from or in connection with the sale, assignment or transfer thereof.

“FCC Licenses” shall include any United States Federal Communications Commission broadcast licenses now or hereafter assigned to any Grantor. “Intellectual Property” shall constitute all right, title and interest (including patent rights, copyrights, trademarks, service marks, trade names, trade secret rights, mask work rights, sui generis database rights and applications therefor, and all other intellectual property rights of any sort throughout the world) relating to any and all inventions (whether or not patentable), works of authorship, mask works, designs, know-how, ideas and information owned or controlled by Grantor or created by Grantor’s consultants and employees in the course of performing services for Grantor. “Proceeds” means “Proceeds,” as such term is defined in the Uniform Commercial Code and, in any event, shall include, without limitation, (a) any and all accounts, chattel paper, instruments, cash or other forms of money or currency or other proceeds payable to Grantor from time to time in respect of the Collateral, (b) any and all proceeds of any insurance, indemnity, warranty payable to Grantor from time to time with respect to any of the Collateral, (c) any and all payments (in any form whatsoever) made or due and payable to Grantor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any governmental authority (or any person acting under color of governmental authority), and (d) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral. Terms used herein that are defined in the Uniform Commercial Code but not defined herein have the meanings given to them in the Uniform Commercial Code.

3. Grantor’s Obligations; Action by Secured Party.

(a) Grantor will perform the covenants and obligations applicable to it under the Commitment Letter and the Guarantee.

(b) To further the attachment, perfection and priority of, and the ability of the Secured Party to enforce, the Secured Party's security interest in the Collateral, and without limitation on Grantor's other obligations in this Agreement, Grantor agrees, in each case at Grantor's expense, to take the following actions with respect to the following Collateral:

(i) Promissory Notes and Tangible Chattel Paper. If Grantor will at any time hold or acquire any promissory notes or tangible chattel paper, Grantor will, at the Secured Party's request and option, promptly endorse, assign and deliver the same to the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify.

(ii) Deposit Accounts. For each deposit account that Grantor at any time opens or maintains, Grantor will, at the Secured Party's request and option, pursuant to an agreement in form and substance satisfactory to the Secured Party, either (A) cause the depository bank to comply at any time with instructions from the Secured Party to such depository bank directing the disposition of funds from time to time credited to such deposit account, without further consent of Grantor, or (B) arrange for the Secured Party to become the customer of the depository bank with respect to the deposit account, with Grantor being permitted, only with the consent of the Secured Party, to exercise rights to withdraw funds from such deposit account; provided, however, that the Secured Party agrees with Grantor that the Secured Party will not give any such instructions or withhold any withdrawal rights from Grantor, unless an Event of Default (as defined in the Commitment Letter) has occurred and is continuing. The provisions of this paragraph will not apply to (1) any deposit account for which Grantor, the depository bank and the Secured Party have entered into a cash collateral agreement specially negotiated among Grantor, the depository bank and the Secured Party for the specific purpose set forth therein, (2) a deposit account for which the Secured Party is the depository bank and is in automatic control, and (3) deposit accounts specially and exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of Grantor's salaried employees.

(iii) Investment Property. If Grantor will at any time hold or acquire any certificated securities, Grantor will, at the Secured Party's request and option, promptly endorse, assign and deliver the same to the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify. If any securities now or hereafter acquired by Grantor are uncertificated and are issued to Grantor or its nominee directly by the issuer thereof, Grantor will promptly notify the Secured Party thereof and, at the Secured Party's request and option, pursuant to an agreement in form and substance satisfactory to the Secured Party, either (A) cause the issuer to agree to comply with instructions from the Secured Party as to such securities, without further consent of Grantor or such nominee, or (B) arrange for the Secured Party to become the registered owner of the securities. If any securities, whether certificated or uncertificated, or other investment property now or hereafter acquired by Grantor are held by Grantor or its nominee through a securities intermediary or commodity intermediary, Grantor will promptly notify the Secured Party thereof and, at the Secured Party's request and option, pursuant to an agreement in form and substance satisfactory to the Secured Party, either (1) cause such securities intermediary or (as the case may be) commodity intermediary to agree to comply with entitlement orders or other instructions from the Secured Party to such securities intermediary as to such securities or other investment property, or (as the case may be) to apply any value distributed on account of any commodity contract as

directed by the Secured Party to such commodity intermediary, in each case without further consent of Grantor or such nominee, or (2) in the case of financial assets or other investment property held through a securities intermediary, arrange for the Secured Party to become the entitlement holder with respect to such investment property, with Grantor being permitted, only with the consent of the Secured Party, to exercise rights to withdraw or otherwise deal with such investment property; provided, however, that the Secured Party agrees with Grantor that the Secured Party will not give any such entitlement orders or instructions or directions to any such issuer, securities intermediary or commodity intermediary, and will not withhold its consent to the exercise of any withdrawal or dealing rights by Grantor, unless an Event of Default has occurred and is continuing. The provisions of this paragraph will not apply to any financial assets credited to a securities account for which the Secured Party is the securities intermediary.

(iv) Collateral in the Possession of a Bailee. If any Collateral is at any time in the possession of a bailee, Grantor will promptly notify the Secured Party thereof and, at the Secured Party's request and option, will promptly obtain an acknowledgement from the bailee, in form and substance satisfactory to the Secured Party, that the bailee holds such Collateral for the benefit of the Secured Party, and that such bailee agrees to comply, without further consent of Grantor, with instructions from the Secured Party as to such Collateral. The Secured Party agrees with Grantor that the Secured Party will not give any such instructions unless an Event of Default has occurred and is continuing or would occur after taking into account any action by Grantor with respect to the bailee.

(v) Electronic Chattel Paper and Transferable Records. If the Collateral shall at any time and in whole or in part be evidenced by any electronic chattel paper or any "transferable record," as that term is defined in Section 201 of the federal Electronic Signatures in Global and National Commerce Act, or in Section 16 of the Uniform Electronic Transactions Act as in effect in any relevant jurisdiction, Grantor will promptly notify the Secured Party thereof and, at the request and option of the Secured Party, will take such action as the Secured Party may reasonably request to vest in the Secured Party control, under Section 104.9105 of the New York Uniform Commercial Code (or the counterpart provision of the Uniform Commercial Code of any other applicable jurisdiction), of such electronic chattel paper or control under Section 201 of the federal Electronic Signatures in Global and National Commerce Act or, as the case may be, Section 16 of the Uniform Electronic Transactions Act, as so in effect in such jurisdiction, of such transferable record. The Secured Party agrees with Grantor that the Secured Party will arrange, pursuant to procedures satisfactory to the Secured Party and so long as such procedures will not result in the Secured Party's loss of control, for Grantor to make alterations to the electronic chattel paper or transferable record permitted under Section 104.9105 of the New York Uniform Commercial Code (or the counterpart provision of the Uniform Commercial Code of any other applicable jurisdiction) or, as the case may be, Section 201 of the federal Electronic Signatures in Global and National Commerce Act or Section 16 of the Uniform Electronic Transactions Act for a party in control to make without loss of control, unless an Event of Default has occurred and is continuing or would occur after taking into account any action by Grantor with respect to such electronic chattel paper or transferable record.

(vi) Other Actions as to Any and All Collateral. Grantor further agrees, at the request and option of the Secured Party, to take any and all other actions the Secured Party may reasonably determine to be necessary for the attachment and perfection of, and the ability of the Secured Party to enforce, the Secured Party's security interest in any and all of the Collateral,

including, without limitation, (A) executing, delivering and, where appropriate, filing financing statements and amendments relating thereto under the Uniform Commercial Code, to the extent, if any, that Grantor's signature thereon is required therefor, together with the execution, acknowledgement (if necessary) and filing of such notices, extracts or memoranda of this Agreement, in forms reasonably acceptable to Secured Party, as may be required to be filed with the any governmental office or agency, foreign or domestic and including the United States Patent and Trademark Office, including amendments to describe additional and subsequently acquired Collateral, for the perfection of the security interest held by the Secured Party in the Intellectual Property, (B) causing the Secured Party's names to be noted as Secured Party on any certificate of title for a titled good if such notation is a condition to attachment, perfection or priority of, or ability of the Secured Party to enforce, the Secured Party's security interest in such Collateral, (C) complying with any provision of any statute, regulation or treaty of the United States as to any Collateral if compliance with such provision is a condition to attachment, perfection or priority of, or ability of the Secured Party to enforce, the Secured Party's security interest in such Collateral, (D) obtaining, using commercially reasonable efforts, governmental and other third party waivers, consents and approvals in form and substance satisfactory to Secured Party, including, without limitation, any consent of any licensor, lessor or other person obligated on Collateral, (E) obtaining, using commercially reasonable efforts, waivers from mortgagees and landlords in form and substance satisfactory to the Secured Party, and (F) taking all actions under any earlier versions of the Uniform Commercial Code or under any other law, as reasonably determined by the Secured Party to be applicable in any relevant Uniform Commercial Code or other jurisdiction, including any foreign jurisdiction.

4. Protection of the Collateral.

(a) Until such time as the Obligations have been satisfied in full and the Loan otherwise terminated, Grantor shall (i) promptly pay when due all filing fees, taxes and assessments due upon the Collateral and for the use and operation thereof; (ii) keep such of the Collateral which is reasonably insurable adequately insured against all reasonably foreseeable risks to which it is exposed as and to the extent so required pursuant to the terms of the Commitment Letter; and (iii) not create any lien or encumbrance on the Collateral except for Permitted Encumbrances (as defined in the Commitment Letter).

(b) Furthermore, until such time as the Obligations have been satisfied in full and the Loan otherwise terminated, Grantor shall exercise due and proper care in the use, repair and servicing of the Collateral. Grantor will, at its own expense, make all repairs and replacements required to maintain the Collateral in good working condition in accordance with manufacturers' specifications, and will pay all other operating expenses relating to the Collateral. Grantor shall have the right, upon ten (10) days prior written notice to the Secured Party, to make any alterations, additions or improvements which do not render the Collateral in such a condition that it cannot, prior to the satisfaction of Grantor's obligations under Section 4(a) above, be restored to its original condition, reasonable wear and tear for such type of equipment alone excepted; provided that no such alteration, addition or improvement shall be made by Grantor if as a result thereof any warranties made by the supplier of the Collateral would be canceled or terminated. If Grantor should become in default of any of its obligations hereunder, Grantor will restore the Collateral to its original condition, reasonable wear and tear alone excepted. All replacement parts and additions incorporated to the Collateral shall become subject to the security interest created hereby. Grantor agrees to maintain and provide upon request of the Secured Party all internal maintenance reports

relating to the Collateral.

5. Rights of Secured Party.

(a) Upon the occurrence of any Event of Default, the Secured Party will be entitled to declare the outstanding balance, including accrued interest, if applicable, on the Loan immediately due and payable as to Grantor, as a guarantor. In addition to the right of acceleration granted herein, upon the occurrence and continuance of an Event of Default, the Secured Party will be entitled to any and all rights and remedies available under the Uniform Commercial Code as of the date hereof.

(b) If a sale of the Collateral is to be made, the Secured Party will give Grantor notice of the time and place of any public sale of the Collateral or of the time on or after which any private sale or other intended disposition is to be consummated, which notice will be mailed, by first class mail, postage prepaid, to Grantor in the manner set forth in Section 10(b) hereof at least ten (10) days prior to the time of such sale or other intended disposition.

(c) Each purchaser at any sale of the Collateral will hold the property sold absolutely free from any claim or right on the part of Grantor, and Grantor hereby waives, to the extent permitted by law, all rights of redemption, stay and/or appraisal which it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted and, to the extent permitted by law, any right which it may have to demand a hearing or other judicial or administrative proceeding prior to the enforcement by the Secured Party of any of their rights and remedies hereunder. Any public or private sale of the Collateral or any part of it will be held at such time or times within ordinary business hours and at such place or places as a majority in interest of the Secured Party may fix in the notice of sale, and at any such sale the Collateral, or the portion thereof to be sold, may be sold in one lot, as an entirety or in separate parcels, as a majority in interest of the Secured Party (in their sole and absolute discretion) may determine. If permitted by law, the Secured Party may bid (which bid may be, in whole or in part, in the form of cancellation of indebtedness) for the purchase of the Collateral.

(d) The Secured Party will not be obligated to make any sale of the Collateral, or any part of it, if they determine not to do so, regardless, of the fact that notice of sale of the Collateral may have been given. The Secured Party may, without notice or publication, adjourn a public or private sale of the Collateral, or cause the same to be adjourned from time to time by announcement, at the time and place fixed for sale, and such sale may, without further notice be made at the time and place to which the same was so adjourned.

6. Application of the Proceeds. All proceeds of any sale of the Collateral by the Secured Party pursuant to Section 5 will be applied as follows:

First, to the payment of all fees and expenses incurred by the Secured Party in connection with any such sale, including, but not limited to, the expenses of taking, advertising, processing, preparing and storing the Collateral to be sold, all court costs and reasonable fees of counsel for the Secured Party in connection therewith;

Second, to the payment of any outstanding Grantor indebtedness to which the Obligations are then expressly subordinate;

Third, to the payment of accrued interest on the Loan and accrued interest on any other indebtedness of equivalent priority to the Loan, if applicable, to the date of receipt of such proceeds;

Fourth, to the payment of the outstanding balance on the Loan and any other indebtedness of equivalent priority to the Loan; and

Fifth, to Grantor.

7. Security Filings. Grantor hereby irrevocably authorizes the Secured Party at any time and from time to time to file in any filing office in any Uniform Commercial Code jurisdiction any initial financing statements and amendments thereto, and all appropriate financing and continuation statements and collateral agreements and filings with the United States Patent and Trademark Office (“USPTO”) and the equivalent foreign agencies (if and as applicable), that (a) indicate the Collateral as described herein, and (b) provide any other information required by the Uniform Commercial Code of New York, or any other jurisdiction, or the USPTO for the sufficiency or filing office acceptance of any financing statement or amendment, including whether Grantor is an organization, the type of organization and any organizational identification number issued to Grantor. Grantor agrees to furnish any such information to the Secured Party promptly upon the Secured Party’s request. Grantor also ratifies its authorization for the Secured Party to have filed in any Uniform Commercial Code jurisdiction any like initial financing statements or amendments thereto if filed prior to the date hereof. Grantor does not assume any obligation to make, amend, renew or continue any Uniform Commercial Code or other filing (financing statement or otherwise) necessary to perfect or maintain the security interest of the Secured Party in the Collateral.

8. Termination. Upon complete payment, cancellation and/or satisfaction of all Obligations, this Agreement will terminate and the Secured Party will cooperate in all respects with Grantor and its counsel to promptly make, deliver, record, register or file all appropriate documentation necessary to remove the Secured Party’s interest in the Collateral created hereby and any related notices thereof. Without limiting the foregoing or any separate legal obligation of the Secured Party to file termination statements, and for the avoidance of doubt, Grantor will be deemed specifically authorized to file any termination statements upon full payment or other satisfaction of the Obligations.

9. Bankruptcy Representations

(a) Grantor acknowledges and agrees that the representations, warranties, covenants and agreements contained in this Section 9 constitute a material inducement to Secured Party to enter into this Agreement and the transactions contemplated hereby and thereby and that without the inclusion of this Section 9, Secured Party would not have entered into this Agreement.

(b) Grantor acknowledges, warrants, represents, and agrees that neither the execution and delivery of this Agreement nor the performance of any actions required hereunder or thereunder are being consummated by Grantor with or as a result of any actual intent by Grantor, to hinder, delay, or defraud any entity to which Grantor, is now or will hereafter become indebted.

(c) Grantor acknowledges and agrees that the benefits to inure to Grantor pursuant to this Agreement constitute more than “reasonably equivalent value” (as such term is used in Section 548 of the Bankruptcy Code) in exchange for the benefits to be provided by Grantor to the Secured Party pursuant to this Agreement.

(d) Grantor covenants and agrees that, in the event that Grantor or any security for the indebtedness secured hereby shall become the subject of any proceeding under the Bankruptcy Code and to the extent then permitted under the Bankruptcy Code, Secured Party shall be entitled to obtain, upon ex parte application therefor and without further notice or action of any kind or nature whatsoever, (i) an order from the Bankruptcy Court prohibiting the use of Secured Party’s “cash collateral” (as such term is defined in Section 363 of the Bankruptcy Code) in connection with the indebtedness secured hereby and (ii) an order from the Bankruptcy Court granting immediate relief from the automatic stay pursuant to Section 362 of the Bankruptcy Code so as to permit Secured Party to exercise all of its or their respective rights and remedies pursuant to this Agreement and other documents and instruments the obligations of Grantor under which are secured by this Agreement, and at law and in equity.

(e) Grantor represents and warrants to the Secured Party that Grantor has no intent of filing for bankruptcy under the Bankruptcy Code or any other applicable federal or state law relating to bankruptcy, insolvency, or other debtor relief.

10. Miscellaneous.

(a) The Secured Party may delay exercising, or omit to exercise, any right or remedy under this Agreement without waiving that or any past, present or future right or remedy. Neither this Agreement, nor any term hereof, may be amended, waived, discharged or terminated except by means of an agreement in writing signed by Grantor and the Secured Party.

(b) All notices, requests, demands and other communications hereunder will be in writing and will be deemed to have been duly given when delivered personally or by overnight courier or sent (successful transmission confirmed) by telegram, fax or electronic communication (including, without limitation, e-mail), or on the third (3) business day after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, to the parties at the addresses set forth above (or such other address as will be given in writing by either party to the others).

(c) This Agreement will bind and inure to the benefit of Grantor and the Secured Party, its legal representatives, successors and assigns. This Agreement and the security interest created hereby are for the sole and exclusive benefit of the Secured Party and its assignees and will not operate to the benefit of any other third party.

(d) The parties agree that New York law shall govern the terms, interpretation, and enforcement of this Agreement. The parties also agree that: (i) any action, suit, or other proceeding brought relating to the terms, interpretation, or enforcement of this Agreement shall be brought exclusively in any state or federal court located in New York County, New York; (ii) this venue provision is mandatory; and (iii) they irrevocably submit to the jurisdiction of the above-referenced courts.

(e) This Agreement represents the entire agreement between Grantor and the Secured Party with respect to the subject matter hereof and integrate and supersede all prior agreements and understandings with respect to the subject matter hereof. Time is of the essence on the payment of all amounts due to the Secured Party.

(f) If any provision of this Agreement, or the application thereof, will for any reason and to any extent be invalid or unenforceable, the remainder of this Agreement and application of such provision to other persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto. The parties further agree to replace such invalid or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purposes of the invalid and unenforceable provision.

(g) If a lawsuit, arbitration, or other proceedings are instituted by any party to enforce any of the terms or conditions of this Agreement against any other party hereto, the prevailing party in such litigation, arbitration, or proceedings shall be entitled, as an additional item of damages, to such reasonable attorneys' and other professional fees (including but not limited to expert witness fees), court costs, arbitrators' fees, arbitration administrative fees, travel expenses, and other out-of-pocket expenses or costs of such other proceedings as may be fixed by any court of competent jurisdiction, arbitrator, or other judicial or quasi-judicial body having jurisdiction thereof, whether or not such litigation or proceedings proceed to a final judgment or award.

[Remainder of page left blank; signature page follows.]

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

GRANTOR:

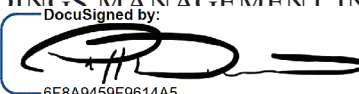
BTC USA HOLDINGS MANAGEMENT INC.

By: _____

Name: Cliff Dumas

Its: President

DocuSigned by:

A handwritten signature in black ink, appearing to be "Cliff Dumas", is written over a blue line. The signature is stylized with a large loop and a trailing flourish.

6F8A9459F9614A5...

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

SECURED PARTY:

ATB FINANCIAL

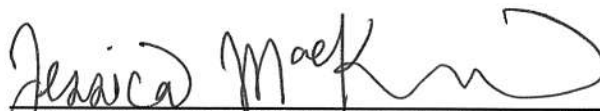
By: 

Name: Shawn Bunnin

Its: Senior Director

**THIS IS EXHIBIT "21" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

SECURITY AGREEMENT

This Security Agreement ("Agreement") is entered into as of April 26, 2023 by and between Local First Properties USA Inc., a Delaware corporation, whose address is 3000, 700 – 9th Avenue SW, Calgary, Alberta T2P 3V4 ("Grantor"), and ATB FINANCIAL, a financial institution, whose address is Suite 600, 585-8th Avenue, S.W., Calgary, Alberta T2P 1G1 (the "Secured Party").

RECITALS

A. Local First Media Group Inc. and Local First Properties Inc. (collectively, "Borrowers" and each, a "Borrower") are borrowing money from Secured Party. Borrowers and Grantor are affiliated and as such Guarantor will benefit from the loans and credit facilities (collectively, the "Loan") made available to each Borrower by Secured Party. Grantor is a guarantor of the Loan pursuant to that certain Continuing Guarantee (Including Postponement and Assignment of Claims) dated as of the date hereof (as the same may be amended, amended and restated, renewed, modified, restated, replaced, assigned or supplemented from time to time, the "Guarantee").

B. The Loan is evidenced by, among other agreements, that certain Commitment Letter dated April 10, 2023, by and between, *inter alios*, the Secured Party, as lender, Borrowers, as borrowers, and certain other parties, including, without limitation, Grantor, as "Material Subsidiaries" or guarantors (as the same may be amended, amended and restated, renewed, modified, restated, replaced, assigned or supplemented from time to time, the "Commitment Letter").

C. Grantor has agreed to enter into this Agreement and to grant the Secured Party a security interest in the Collateral (as defined below) as security for Grantor's debts, liabilities and obligations to the Secured Party, howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether Grantor be bound alone or jointly or severally with others, including, without limitation, such debts, liabilities and obligations arising under or in connection with the Commitment Letter or the Guarantee (collectively, the "Obligations").

AGREEMENT

NOW THEREFORE, in consideration of the promises and the covenants contained in this Agreement, the parties hereto agree as follows:

1. Creation of a Security Interest. As security for payment and performance of all Obligations, when and as due, Grantor hereby grants to the Secured Party a security interest in the Collateral described in Section 2 below. The security interest granted hereby will be and remain a first and prior security interest in all of the Collateral other than security interests with respect to which the Secured Party has agreed or agrees at some point in the future to take a junior or equivalent position pursuant to instruments agreed to by the Secured Party.
2. Collateral. The collateral that is subject to the security interest created hereby consists of all tangible and intangible assets of Guarantor now owned or hereafter acquired, wherever located,

of any class whatsoever, together with all proceeds thereon and products thereof, to the fullest extent permitted by the Uniform Commercial Code (or any successor thereto) in effect in the State of New York (and, if and to the extent applied, any other state) (the “Uniform Commercial Code”), including, without limitation, all personal property and Fixtures of every kind and nature including without limitation all Goods (including Inventory, Equipment and any accessions thereto), Instruments (including promissory notes), Money, Documents, Accounts, Chattel Paper (whether tangible or electronic), Deposit Accounts, Commodity Accounts, Securities Accounts, Letter-of-Credit Rights (whether or not the letter of credit is evidenced by a writing), Commercial Tort Claims, Securities and all other Investment Property, supporting obligations, any other contract rights or rights to the payment of money, insurance claims and proceeds, and all General Intangibles (including all Payment Intangibles), along with all other rights including Intellectual Property (as defined below) owned by Grantor and any interest in any item of collateral and all additions or accessions to and replacements, substitutions, improvements, income and Proceeds of any item of collateral (collectively, the “Collateral”).

Notwithstanding the foregoing, the Collateral shall not include any interest in any permits or licenses, including, without limitation, the FCC Licenses (as defined here), if the grant of a security interest therein is prohibited as a matter of law, rule or regulation, in each case after giving effect to any applicable Uniform Commercial Code and other applicable law; provided that Collateral shall include, to the maximum extent permitted by law, the proceeds of any such permits or licenses, the economic value thereof, all rights incident or appurtenant thereto and the right to receive all monies, consideration and proceeds derived from or in connection with the sale, assignment or transfer thereof.

“FCC Licenses” shall include any United States Federal Communications Commission broadcast licenses now or hereafter assigned to any Grantor. “Intellectual Property” shall constitute all right, title and interest (including patent rights, copyrights, trademarks, service marks, trade names, trade secret rights, mask work rights, sui generis database rights and applications therefor, and all other intellectual property rights of any sort throughout the world) relating to any and all inventions (whether or not patentable), works of authorship, mask works, designs, know-how, ideas and information owned or controlled by Grantor or created by Grantor’s consultants and employees in the course of performing services for Grantor. “Proceeds” means “Proceeds,” as such term is defined in the Uniform Commercial Code and, in any event, shall include, without limitation, (a) any and all accounts, chattel paper, instruments, cash or other forms of money or currency or other proceeds payable to Grantor from time to time in respect of the Collateral, (b) any and all proceeds of any insurance, indemnity, warranty payable to Grantor from time to time with respect to any of the Collateral, (c) any and all payments (in any form whatsoever) made or due and payable to Grantor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any governmental authority (or any person acting under color of governmental authority), and (d) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral. Terms used herein that are defined in the Uniform Commercial Code but not defined herein have the meanings given to them in the Uniform Commercial Code.

3. Grantor’s Obligations; Action by Secured Party.

(a) Grantor will perform the covenants and obligations applicable to it under the Commitment Letter and the Guarantee.

(b) To further the attachment, perfection and priority of, and the ability of the Secured Party to enforce, the Secured Party's security interest in the Collateral, and without limitation on Grantor's other obligations in this Agreement, Grantor agrees, in each case at Grantor's expense, to take the following actions with respect to the following Collateral:

(i) Promissory Notes and Tangible Chattel Paper. If Grantor will at any time hold or acquire any promissory notes or tangible chattel paper, Grantor will, at the Secured Party's request and option, promptly endorse, assign and deliver the same to the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify.

(ii) Deposit Accounts. For each deposit account that Grantor at any time opens or maintains, Grantor will, at the Secured Party's request and option, pursuant to an agreement in form and substance satisfactory to the Secured Party, either (A) cause the depository bank to comply at any time with instructions from the Secured Party to such depository bank directing the disposition of funds from time to time credited to such deposit account, without further consent of Grantor, or (B) arrange for the Secured Party to become the customer of the depository bank with respect to the deposit account, with Grantor being permitted, only with the consent of the Secured Party, to exercise rights to withdraw funds from such deposit account; provided, however, that the Secured Party agrees with Grantor that the Secured Party will not give any such instructions or withhold any withdrawal rights from Grantor, unless an Event of Default (as defined in the Commitment Letter) has occurred and is continuing. The provisions of this paragraph will not apply to (1) any deposit account for which Grantor, the depository bank and the Secured Party have entered into a cash collateral agreement specially negotiated among Grantor, the depository bank and the Secured Party for the specific purpose set forth therein, (2) a deposit account for which the Secured Party is the depository bank and is in automatic control, and (3) deposit accounts specially and exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of Grantor's salaried employees.

(iii) Investment Property. If Grantor will at any time hold or acquire any certificated securities, Grantor will, at the Secured Party's request and option, promptly endorse, assign and deliver the same to the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify. If any securities now or hereafter acquired by Grantor are uncertificated and are issued to Grantor or its nominee directly by the issuer thereof, Grantor will promptly notify the Secured Party thereof and, at the Secured Party's request and option, pursuant to an agreement in form and substance satisfactory to the Secured Party, either (A) cause the issuer to agree to comply with instructions from the Secured Party as to such securities, without further consent of Grantor or such nominee, or (B) arrange for the Secured Party to become the registered owner of the securities. If any securities, whether certificated or uncertificated, or other investment property now or hereafter acquired by Grantor are held by Grantor or its nominee through a securities intermediary or commodity intermediary, Grantor will promptly notify the Secured Party thereof and, at the Secured Party's request and option, pursuant to an agreement in form and substance satisfactory to the Secured Party, either (1) cause such securities intermediary or (as the case may be) commodity intermediary to agree to comply with entitlement orders or other instructions from the Secured Party to such securities intermediary as to such securities or other investment property, or (as the case may be) to apply any value distributed on account of any commodity contract as

directed by the Secured Party to such commodity intermediary, in each case without further consent of Grantor or such nominee, or (2) in the case of financial assets or other investment property held through a securities intermediary, arrange for the Secured Party to become the entitlement holder with respect to such investment property, with Grantor being permitted, only with the consent of the Secured Party, to exercise rights to withdraw or otherwise deal with such investment property; provided, however, that the Secured Party agrees with Grantor that the Secured Party will not give any such entitlement orders or instructions or directions to any such issuer, securities intermediary or commodity intermediary, and will not withhold its consent to the exercise of any withdrawal or dealing rights by Grantor, unless an Event of Default has occurred and is continuing. The provisions of this paragraph will not apply to any financial assets credited to a securities account for which the Secured Party is the securities intermediary.

(iv) Collateral in the Possession of a Bailee. If any Collateral is at any time in the possession of a bailee, Grantor will promptly notify the Secured Party thereof and, at the Secured Party's request and option, will promptly obtain an acknowledgement from the bailee, in form and substance satisfactory to the Secured Party, that the bailee holds such Collateral for the benefit of the Secured Party, and that such bailee agrees to comply, without further consent of Grantor, with instructions from the Secured Party as to such Collateral. The Secured Party agrees with Grantor that the Secured Party will not give any such instructions unless an Event of Default has occurred and is continuing or would occur after taking into account any action by Grantor with respect to the bailee.

(v) Electronic Chattel Paper and Transferable Records. If the Collateral shall at any time and in whole or in part be evidenced by any electronic chattel paper or any "transferable record," as that term is defined in Section 201 of the federal Electronic Signatures in Global and National Commerce Act, or in Section 16 of the Uniform Electronic Transactions Act as in effect in any relevant jurisdiction, Grantor will promptly notify the Secured Party thereof and, at the request and option of the Secured Party, will take such action as the Secured Party may reasonably request to vest in the Secured Party control, under Section 104.9105 of the New York Uniform Commercial Code (or the counterpart provision of the Uniform Commercial Code of any other applicable jurisdiction), of such electronic chattel paper or control under Section 201 of the federal Electronic Signatures in Global and National Commerce Act or, as the case may be, Section 16 of the Uniform Electronic Transactions Act, as so in effect in such jurisdiction, of such transferable record. The Secured Party agrees with Grantor that the Secured Party will arrange, pursuant to procedures satisfactory to the Secured Party and so long as such procedures will not result in the Secured Party's loss of control, for Grantor to make alterations to the electronic chattel paper or transferable record permitted under Section 104.9105 of the New York Uniform Commercial Code (or the counterpart provision of the Uniform Commercial Code of any other applicable jurisdiction) or, as the case may be, Section 201 of the federal Electronic Signatures in Global and National Commerce Act or Section 16 of the Uniform Electronic Transactions Act for a party in control to make without loss of control, unless an Event of Default has occurred and is continuing or would occur after taking into account any action by Grantor with respect to such electronic chattel paper or transferable record.

(vi) Other Actions as to Any and All Collateral. Grantor further agrees, at the request and option of the Secured Party, to take any and all other actions the Secured Party may reasonably determine to be necessary for the attachment and perfection of, and the ability of the Secured Party to enforce, the Secured Party's security interest in any and all of the Collateral,

including, without limitation, (A) executing, delivering and, where appropriate, filing financing statements and amendments relating thereto under the Uniform Commercial Code, to the extent, if any, that Grantor's signature thereon is required therefor, together with the execution, acknowledgement (if necessary) and filing of such notices, extracts or memoranda of this Agreement, in forms reasonably acceptable to Secured Party, as may be required to be filed with the any governmental office or agency, foreign or domestic and including the United States Patent and Trademark Office, including amendments to describe additional and subsequently acquired Collateral, for the perfection of the security interest held by the Secured Party in the Intellectual Property, (B) causing the Secured Party's names to be noted as Secured Party on any certificate of title for a titled good if such notation is a condition to attachment, perfection or priority of, or ability of the Secured Party to enforce, the Secured Party's security interest in such Collateral, (C) complying with any provision of any statute, regulation or treaty of the United States as to any Collateral if compliance with such provision is a condition to attachment, perfection or priority of, or ability of the Secured Party to enforce, the Secured Party's security interest in such Collateral, (D) obtaining, using commercially reasonable efforts, governmental and other third party waivers, consents and approvals in form and substance satisfactory to Secured Party, including, without limitation, any consent of any licensor, lessor or other person obligated on Collateral, (E) obtaining, using commercially reasonable efforts, waivers from mortgagees and landlords in form and substance satisfactory to the Secured Party, and (F) taking all actions under any earlier versions of the Uniform Commercial Code or under any other law, as reasonably determined by the Secured Party to be applicable in any relevant Uniform Commercial Code or other jurisdiction, including any foreign jurisdiction.

4. Protection of the Collateral.

(a) Until such time as the Obligations have been satisfied in full and the Loan otherwise terminated, Grantor shall (i) promptly pay when due all filing fees, taxes and assessments due upon the Collateral and for the use and operation thereof; (ii) keep such of the Collateral which is reasonably insurable adequately insured against all reasonably foreseeable risks to which it is exposed as and to the extent so required pursuant to the terms of the Commitment Letter; and (iii) not create any lien or encumbrance on the Collateral except for Permitted Encumbrances (as defined in the Commitment Letter).

(b) Furthermore, until such time as the Obligations have been satisfied in full and the Loan otherwise terminated, Grantor shall exercise due and proper care in the use, repair and servicing of the Collateral. Grantor will, at its own expense, make all repairs and replacements required to maintain the Collateral in good working condition in accordance with manufacturers' specifications, and will pay all other operating expenses relating to the Collateral. Grantor shall have the right, upon ten (10) days prior written notice to the Secured Party, to make any alterations, additions or improvements which do not render the Collateral in such a condition that it cannot, prior to the satisfaction of Grantor's obligations under Section 4(a) above, be restored to its original condition, reasonable wear and tear for such type of equipment alone excepted; provided that no such alteration, addition or improvement shall be made by Grantor if as a result thereof any warranties made by the supplier of the Collateral would be canceled or terminated. If Grantor should become in default of any of its obligations hereunder, Grantor will restore the Collateral to its original condition, reasonable wear and tear alone excepted. All replacement parts and additions incorporated to the Collateral shall become subject to the security interest created hereby. Grantor agrees to maintain and provide upon request of the Secured Party all internal maintenance reports

relating to the Collateral.

5. Rights of Secured Party.

(a) Upon the occurrence of any Event of Default, the Secured Party will be entitled to declare the outstanding balance, including accrued interest, if applicable, on the Loan immediately due and payable as to Grantor, as a guarantor. In addition to the right of acceleration granted herein, upon the occurrence and continuance of an Event of Default, the Secured Party will be entitled to any and all rights and remedies available under the Uniform Commercial Code as of the date hereof.

(b) If a sale of the Collateral is to be made, the Secured Party will give Grantor notice of the time and place of any public sale of the Collateral or of the time on or after which any private sale or other intended disposition is to be consummated, which notice will be mailed, by first class mail, postage prepaid, to Grantor in the manner set forth in Section 10(b) hereof at least ten (10) days prior to the time of such sale or other intended disposition.

(c) Each purchaser at any sale of the Collateral will hold the property sold absolutely free from any claim or right on the part of Grantor, and Grantor hereby waives, to the extent permitted by law, all rights of redemption, stay and/or appraisal which it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted and, to the extent permitted by law, any right which it may have to demand a hearing or other judicial or administrative proceeding prior to the enforcement by the Secured Party of any of their rights and remedies hereunder. Any public or private sale of the Collateral or any part of it will be held at such time or times within ordinary business hours and at such place or places as a majority in interest of the Secured Party may fix in the notice of sale, and at any such sale the Collateral, or the portion thereof to be sold, may be sold in one lot, as an entirety or in separate parcels, as a majority in interest of the Secured Party (in their sole and absolute discretion) may determine. If permitted by law, the Secured Party may bid (which bid may be, in whole or in part, in the form of cancellation of indebtedness) for the purchase of the Collateral.

(d) The Secured Party will not be obligated to make any sale of the Collateral, or any part of it, if they determine not to do so, regardless, of the fact that notice of sale of the Collateral may have been given. The Secured Party may, without notice or publication, adjourn a public or private sale of the Collateral, or cause the same to be adjourned from time to time by announcement, at the time and place fixed for sale, and such sale may, without further notice be made at the time and place to which the same was so adjourned.

6. Application of the Proceeds. All proceeds of any sale of the Collateral by the Secured Party pursuant to Section 5 will be applied as follows:

First, to the payment of all fees and expenses incurred by the Secured Party in connection with any such sale, including, but not limited to, the expenses of taking, advertising, processing, preparing and storing the Collateral to be sold, all court costs and reasonable fees of counsel for the Secured Party in connection therewith;

Second, to the payment of any outstanding Grantor indebtedness to which the Obligations are then expressly subordinate;

Third, to the payment of accrued interest on the Loan and accrued interest on any other indebtedness of equivalent priority to the Loan, if applicable, to the date of receipt of such proceeds;

Fourth, to the payment of the outstanding balance on the Loan and any other indebtedness of equivalent priority to the Loan; and

Fifth, to Grantor.

7. Security Filings. Grantor hereby irrevocably authorizes the Secured Party at any time and from time to time to file in any filing office in any Uniform Commercial Code jurisdiction any initial financing statements and amendments thereto, and all appropriate financing and continuation statements and collateral agreements and filings with the United States Patent and Trademark Office (“USPTO”) and the equivalent foreign agencies (if and as applicable), that (a) indicate the Collateral as described herein, and (b) provide any other information required by the Uniform Commercial Code of New York, or any other jurisdiction, or the USPTO for the sufficiency or filing office acceptance of any financing statement or amendment, including whether Grantor is an organization, the type of organization and any organizational identification number issued to Grantor. Grantor agrees to furnish any such information to the Secured Party promptly upon the Secured Party’s request. Grantor also ratifies its authorization for the Secured Party to have filed in any Uniform Commercial Code jurisdiction any like initial financing statements or amendments thereto if filed prior to the date hereof. Grantor does not assume any obligation to make, amend, renew or continue any Uniform Commercial Code or other filing (financing statement or otherwise) necessary to perfect or maintain the security interest of the Secured Party in the Collateral.

8. Termination. Upon complete payment, cancellation and/or satisfaction of all Obligations, this Agreement will terminate and the Secured Party will cooperate in all respects with Grantor and its counsel to promptly make, deliver, record, register or file all appropriate documentation necessary to remove the Secured Party’s interest in the Collateral created hereby and any related notices thereof. Without limiting the foregoing or any separate legal obligation of the Secured Party to file termination statements, and for the avoidance of doubt, Grantor will be deemed specifically authorized to file any termination statements upon full payment or other satisfaction of the Obligations.

9. Bankruptcy Representations

(a) Grantor acknowledges and agrees that the representations, warranties, covenants and agreements contained in this Section 9 constitute a material inducement to Secured Party to enter into this Agreement and the transactions contemplated hereby and thereby and that without the inclusion of this Section 9, Secured Party would not have entered into this Agreement.

(b) Grantor acknowledges, warrants, represents, and agrees that neither the execution and delivery of this Agreement nor the performance of any actions required hereunder or thereunder are being consummated by Grantor with or as a result of any actual intent by Grantor, to hinder, delay, or defraud any entity to which Grantor, is now or will hereafter become indebted.

(c) Grantor acknowledges and agrees that the benefits to inure to Grantor pursuant to this Agreement constitute more than “reasonably equivalent value” (as such term is used in Section 548 of the Bankruptcy Code) in exchange for the benefits to be provided by Grantor to the Secured Party pursuant to this Agreement.

(d) Grantor covenants and agrees that, in the event that Grantor or any security for the indebtedness secured hereby shall become the subject of any proceeding under the Bankruptcy Code and to the extent then permitted under the Bankruptcy Code, Secured Party shall be entitled to obtain, upon ex parte application therefor and without further notice or action of any kind or nature whatsoever, (i) an order from the Bankruptcy Court prohibiting the use of Secured Party’s “cash collateral” (as such term is defined in Section 363 of the Bankruptcy Code) in connection with the indebtedness secured hereby and (ii) an order from the Bankruptcy Court granting immediate relief from the automatic stay pursuant to Section 362 of the Bankruptcy Code so as to permit Secured Party to exercise all of its or their respective rights and remedies pursuant to this Agreement and other documents and instruments the obligations of Grantor under which are secured by this Agreement, and at law and in equity.

(e) Grantor represents and warrants to the Secured Party that Grantor has no intent of filing for bankruptcy under the Bankruptcy Code or any other applicable federal or state law relating to bankruptcy, insolvency, or other debtor relief.

10. Miscellaneous.

(a) The Secured Party may delay exercising, or omit to exercise, any right or remedy under this Agreement without waiving that or any past, present or future right or remedy. Neither this Agreement, nor any term hereof, may be amended, waived, discharged or terminated except by means of an agreement in writing signed by Grantor and the Secured Party.

(b) All notices, requests, demands and other communications hereunder will be in writing and will be deemed to have been duly given when delivered personally or by overnight courier or sent (successful transmission confirmed) by telegram, fax or electronic communication (including, without limitation, e-mail), or on the third (3) business day after being deposited in the U.S. mail, as certified or registered mail, with postage prepaid, to the parties at the addresses set forth above (or such other address as will be given in writing by either party to the others).

(c) This Agreement will bind and inure to the benefit of Grantor and the Secured Party, its legal representatives, successors and assigns. This Agreement and the security interest created hereby are for the sole and exclusive benefit of the Secured Party and its assignees and will not operate to the benefit of any other third party.

(d) The parties agree that New York law shall govern the terms, interpretation, and enforcement of this Agreement. The parties also agree that: (i) any action, suit, or other proceeding brought relating to the terms, interpretation, or enforcement of this Agreement shall be brought exclusively in any state or federal court located in New York County, New York; (ii) this venue provision is mandatory; and (iii) they irrevocably submit to the jurisdiction of the above-referenced courts.

(e) This Agreement represents the entire agreement between Grantor and the Secured Party with respect to the subject matter hereof and integrate and supersede all prior agreements and understandings with respect to the subject matter hereof. Time is of the essence on the payment of all amounts due to the Secured Party.

(f) If any provision of this Agreement, or the application thereof, will for any reason and to any extent be invalid or unenforceable, the remainder of this Agreement and application of such provision to other persons or circumstances will be interpreted so as reasonably to effect the intent of the parties hereto. The parties further agree to replace such invalid or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purposes of the invalid and unenforceable provision.

(g) If a lawsuit, arbitration, or other proceedings are instituted by any party to enforce any of the terms or conditions of this Agreement against any other party hereto, the prevailing party in such litigation, arbitration, or proceedings shall be entitled, as an additional item of damages, to such reasonable attorneys' and other professional fees (including but not limited to expert witness fees), court costs, arbitrators' fees, arbitration administrative fees, travel expenses, and other out-of-pocket expenses or costs of such other proceedings as may be fixed by any court of competent jurisdiction, arbitrator, or other judicial or quasi-judicial body having jurisdiction thereof, whether or not such litigation or proceedings proceed to a final judgment or award.

[Remainder of page left blank; signature page follows.]

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

GRANTOR:

LOCAL FIRST PROPERTIES USA INC.

DocuSigned by:

By: Bryan Woodruff

219EAD2BA1824D5...

Name: Bryan Woodruff

Its: President

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

SECURED PARTY:

ATB FINANCIAL

By: 

Name: Shawn Bunnin

Its: Senior Director

**THIS IS EXHIBIT "22" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**

A handwritten signature in black ink, appearing to read "Jessica MacKinnon", written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor



AFTER RECORDING, RETURN TO:

Local First Properties USA, Inc.
1426 Barbon Beck Avenue
Bakersfield, CA 93311

AETIA 65720

WARRANTY DEED
A.S. 34.15.030

The Grantor, **FRONTIER PROPERTIES, LLC**, an Alaska limited liability who acquired title as **Frontier Properties LLC**, an Alaska limited liability company, whose address is 3161 Channel Drive, Juneau, AK 99801, for and in consideration of TEN DOLLARS (\$10.00) and other good and valuable consideration in hand paid, the receipt of which is hereby acknowledged, conveys and warrants to **LOCAL FIRST PROPERTIES, USA INC.**, an Delaware corporation, Grantee, whose mailing address is 1426 Barbon Beck Avenue, , the following-described real estate:

PARCEL 1:

Part of U.S. Survey No. 1075, Juneau Recording District, First Judicial District, State of Alaska, described as:

BEGIN at the Southwest Corner of Tract 2, land accreted to U.S. Survey No. 1075, established by Survey in 1971, said point bearing N 40° 57' 17" W, a distance of 846.37 feet from a point known as Meander Corner Number 1 on U.S. Survey No. 1075; thence N 5° 52' 30" W 138.73 feet; thence N 50° 55' 15" E 112.30 feet to the South Right-of-Way Line of the "Glacier Expressway Highway"; thence along the South Right-of-Way Line Easterly along a curve to the left (radius = 5,829.58 feet) having a long chord bearing S 36° 07' 43" E 79.00 feet; thence N 35° 44' 17" E 28.00 feet; thence Easterly along a curve to the left (radius = 5,801.58 feet) having a long chord bearing S 34° 29' 05" E 253.13 feet; thence S 33° 14' 17" W 41.80 feet; thence S 88° 53' 00" W 339.26 feet to the POINT OF BEGINNING.

AND

Part of U.S. Survey No. 1075 and adjoining said U.S. Survey No. 1075, Juneau Recording District, First Judicial District, State of Alaska, described as:

BEGIN on the Westerly Line of Glacier Highway N 0° 52' W 159.27 feet from Bureau of Public Roads Highway Monument with a Brass Cap stamped P.O.S.T. 136+58.19 feet, run thence S 88° 53' W 263.39 feet; thence N 44° 45' W 172.47 feet; thence N 88° 53' E 386.71 feet to the Westerly Line of said highway; thence Southerly on said highway line, 125.00 feet, more or less, to the POINT OF BEGINNING.

EXCEPT THEREFROM that part taken by the State of Alaska in case No. 72-163 of the Superior Court in Juneau.

PARCEL 2:

Lot 7, Block 27, U.S. Survey 437, Ketchikan Recording District, First Judicial District, State of Alaska,

EXCEPTING THEREFROM: The portion thereof conveyed to the State of Alaska by Warranty Deed recorded May 11, 1972 in Volume 41 of Deeds at Page 235. AND That portion of Lot 6, Block 27, U.S. Survey 437, Ketchikan Recording District, First Judicial District, State of Alaska, described as follows:

Beginning at a point 80 feet westerly along East Street from the southeast corner of Block 27, U.S. Survey 437, thence S. 33°57'W 208.14 feet, thence N. 40°50' W. 66.10 feet, thence N. 19°15' W. 88.21 feet, thence N. 61°20' E. 68.25 feet, thence N. 46°52' E. 24.40 feet, thence N. 33°57' E. 64.74 feet, thence S. 49°07' E. 99.50 feet to point of beginning.

EXCEPTING THEREFROM: That portion thereof conveyed to John Danielson et ux by Quitclaim Deed recorded July 20, 1966 in Volume 26 of Deeds at Page 170.



PARCEL 3:

Lot 1, SITKA BROADCASTERS SUBDIVISION, according to the Plat thereof filed September 8, 1980 as Plat No. 80-6, Sitka Recording District, First Judicial District, State of Alaska.

SUBJECT TO reservations, exceptions, easements, covenants, conditions and restrictions of record, if any.

DATED this 04/26/2023

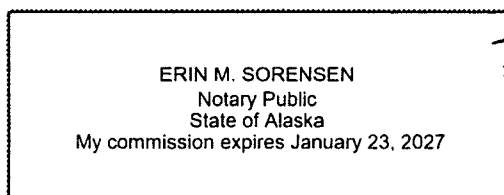
GRANTOR: **FRONTIER PROPERTIES, LLC, an Alaska limited liability who acquired title as Frontier Properties LLC, an Alaska limited liability company**

Richard Burns
By: Richard Burns, Member/Manager

Alaska)
) ss.
First Judicial District)

THIS IS TO CERTIFY that on this 04/26/2023, before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **Richard Burns**, to me known and known to me to be the Member/Manager of **FRONTIER PROPERTIES, LLC, an Alaska limited liability who acquired title as Frontier Properties LLC, an Alaska limited liability company**, and known to me to be the person who signed the foregoing instrument, on behalf of said limited liability company, and he acknowledged to me that he signed and sealed the same as a free act and deed of the said limited liability company for the uses and purposes therein expressed.

WITNESS my hand and official seal on the day and year in this certificate first above written.



ES

Notary Public in and for Alaska
My Commission Expires: 01/23/2027

WARRANTY DEED
A4350\11230\Warranty Deed

Page 3

This notarial act involved the use of communication technology



*Execution Version*

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

DRAWN BY AND MAIL TO:

Willkie, Farr & Gallagher LLP
787 Seventh Avenue
New York, New York 10019
Attention: Jennifer Coffey, Esq.

65120

COLLATERAL IS OR INCLUDES FIXTURES

This document serves as a Fixture filing under the Alaska Uniform Commercial Code.

**DEED OF TRUST, ASSIGNMENT OF RENTS AND LEASES, COLLATERAL
ASSIGNMENT OF PROPERTY AGREEMENTS, SECURITY AGREEMENT AND
FIXTURE FILING**

This Deed of Trust, Assignment of Rents and Leases, Collateral Assignment of Property Agreements, Security Agreement and Fixture Filing (as amended from time to time, this "Deed of Trust") is made, and is executed as of April 26, 2023, by LOCAL FIRST PROPERTIES USA INC., a Delaware corporation (together with its permitted successors and permitted assigns, "Grantor"), whose mailing address for all purposes hereunder is 3000, 700 – 9th Avenue SW, Calgary, Alberta T2P 3V4, to Alaska Escrow and Title Insurance Agency, Inc. (together with its permitted successors and permitted assigns, "Trustee"), whose mailing address for all purposes hereunder is 2030 Sea Level Drive, Ste. 201 Ketchikan, AK 99901, for the benefit of ATB FINANCIAL, a financial institution in the Province of Alberta, whose mailing address for all purposes hereunder is Suite 600, 585-8th Avenue, S.W., Calgary, AB T2P 1G1 (together with its successors and assigns, the "Beneficiary").

ARTICLE 1

DEFINITIONS

Section 1.1 Definitions. As used herein, the following terms shall have the following meanings:

“Borrower” means, collectively, LOCAL FIRST MEDIA GROUP INC., and LOCAL FIRST PROPERTIES INC., each an Alberta corporation.

“Commitment Letter” means that certain Commitment Letter dated April 10, 2023, by and between, *inter alios*, the Beneficiary, as lender, the Borrower, as borrowers, and certain subsidiaries of the Borrower party thereto, as guarantors (as the same may be amended, amended and restated, renewed, modified, restated, replaced, assigned or supplemented from time to time).

“Loan Documents” means the Commitment Letter, the Security Documents and each instrument, agreement, certificate, application, request, indemnity and other document of any nature or kind now or hereafter executed in connection with the Commitment Letter or any Security Documents, all as amended, restated and replaced from time to time.

“Loan Party” and “Loan Parties” means, individually or collectively, as the context may require, the Persons identified as “Loan Party” or “Loan Parties” in the Commitment Letter or the other Loan Documents.

“Property” means all of Grantor’s right, title and interest in and to each of the following (whether now owned or hereafter acquired):

(1) the real property described in Exhibit A attached hereto and made a part hereof, together with any greater estate therein as hereafter may be acquired by Grantor (the “Land”),

(2) all buildings, structures and other improvements, now or at any time situated, placed or constructed upon the Land (the “Improvements”),

(3) all materials, machinery, supplies, equipment, fixtures (including “fixtures” as defined in the UCC), apparatus and other items of personal property now owned or hereafter acquired by Grantor and now or hereafter attached to, installed in or used in connection with any of the Improvements or the Land, including any and all partitions, dynamos, window screens and shades, drapes, rugs and other floor coverings, awnings, motors, engines, boilers, furnaces, pipes, plumbing, cleaning, call and sprinkler systems, fire extinguishing apparatus and equipment, water tanks, swimming pools, heating, ventilating, plumbing, lighting, communications and elevator fixtures, laundry, incinerating, air conditioning and air cooling equipment and systems, gas and electric machinery and equipment, disposals, dishwashers, furniture, refrigerators and ranges, security systems, artwork, recreational and pool equipment and facilities of all kinds, water, gas, electrical, storm and sanitary sewer facilities of all kinds, and all other utilities



whether or not situated in easements together with all accessions, replacements, betterments and substitutions for any of the foregoing (the "Fixtures"),

(4) all goods, accounts, general intangibles, instruments, documents, books and records, accounts receivable, chattel paper, investment property, securities accounts and all other personal property of any kind or character, including such items of "personal property" as defined in the UCC, now owned or hereafter acquired by Grantor and now or hereafter affixed to, placed upon, used in connection with, arising from or otherwise related to the Land and/or the Improvements or that may be used in or relating to the planning, development, financing or operation of the Land and/or the Improvements, including furniture, furnishings, equipment, machinery, money, insurance proceeds, condemnation awards, accounts, contract rights, causes of action, trademarks, tradenames, servicemarks, logos, copyrights, patents, website domains, goodwill, chattel paper, documents, trade names, licenses and/or franchise agreements, rights of Grantor under leases of Fixtures or other personal property or equipment, inventory, all refundable, returnable or reimbursable fees, deposits or other funds or evidences of credit or indebtedness deposited by or on behalf of Grantor with any governmental authorities, boards, corporations, providers of utility services, public or private, including specifically, but without limitation, all refundable, returnable or reimbursable tap fees, utility deposits, commitment fees and development costs and all refunds, rebates or credits in connection with a reduction in real estate taxes and assessments against the Land and/or Improvements as a result of tax certiorari or any applications or proceedings for reduction (the "Personalty"),

(5) all reserves, escrows or impounds and all deposit accounts (including any tenant's security and cleaning deposits and deposits with respect to utility services) maintained by or on behalf of Grantor with respect to the Land and/or Improvements,

(6) all plans, specifications, shop drawings and other technical descriptions prepared for construction, repair or alteration of the Improvements, and all amendments and modifications thereof (together with any and all modifications, renewals, extensions and substitutions of the foregoing, the "Plans"),

(7) all leasehold estates, leases, subleases, sub-subleases, licenses, concessions, occupancy agreements or other agreements, including, without limitation, any master leases or operating leases (written or oral, now or at any time in effect and every modification, amendment or other agreement relating thereto, including every guarantee of the performance and observance of the covenants, conditions and agreements to be performed and observed by the other party thereto) that grant a possessory interest in, or the right to use or occupy, all or any part of the Land and/or Improvements, together with all related security and other deposits (together with any and all modifications, renewals, extensions and substitutions of the foregoing, the "Leases"),

(8) all of the rents, revenues, income, proceeds, issues, profits (including all oil or gas or other mineral royalties and bonuses), security and other types of deposits, and other benefits paid or payable and to become due or payable by parties to the Leases



other than Grantor for using, leasing, licensing, possessing, occupying, operating from, residing in, selling or otherwise enjoying any portion or portions of the Land and/or Improvements (the "Rents"),

(9) all contracts and agreements in any way relating to, executed in connection with, or used in, the development, construction, use, occupancy, operation, maintenance, enjoyment, acquisition, management or ownership of the Land and/or Improvements or the sale of goods or services produced in or relating to the Land and/or Improvements (together with any and all modifications, renewals, extensions and substitutions of the foregoing, the "Property Agreements"), including all right, title and interest of Grantor in, to and under (a) all construction contracts, architects' agreements, engineers' contracts, utility contracts, letters of credit, escrow agreements, maintenance agreements, management, leasing and related agreements, parking agreements, equipment leases, service contracts, operating leases, catering and restaurant leases and agreements, agreements for the sale, lease or exchange of goods or other property, agreements for the performance of services, permits, variances, licenses, certificates and entitlements, (b) all material agreements and instruments under which Grantor or any of its affiliates or the seller of the Property have remaining rights or obligations in respect of Grantor's acquisition of the Property or equity interests therein, (c) applicable business licenses, variances, entitlements, certificates, state health department licenses, liquor licenses, food service licenses, licenses to conduct business, certificates of need and all other permits, licenses and rights obtained from any Governmental Authority or private Person, (d) all rights of Grantor to receive monies due and to become due under or pursuant to the Property Agreements, (e) all claims of Grantor for damages arising out of or for breach of or default under the Property Agreements, (f) all rights of Grantor to terminate, amend, supplement, modify or waive performance under the Property Agreements, to compel performance and otherwise to exercise all remedies thereunder, and, with respect to Property Agreements that are letters of credit, to make any draws thereon, (g) all purchase options and other preferential rights and (h) to the extent not included in the foregoing, all cash and non-cash proceeds, products, offspring, rents, revenues, issues, profits, royalties, income, benefits, additions, renewals, extensions, substitutions, replacements and accessions of and to any and all of the foregoing,

(10) all rights, privileges, titles, interests, liberties, tenements, hereditaments, rights-of-way, easements, sewer rights, water, water courses, water rights and powers, air rights, development rights, licenses, permits and construction and equipment warranties, appendages and appurtenances appertaining to the foregoing, and all right, title and interest, if any, of Grantor in and to any streets, ways, alleys, underground vaults, passages, strips or gores of land adjoining the Land or any part thereof,

(11) all accessions, replacements, renewals, additions and substitutions for any of the foregoing and all proceeds thereof,

(12) all insurance policies, unearned premiums therefor and proceeds from such policies, including the right to receive and apply the proceeds of any insurance, judgments or settlements made in lieu thereof, covering any of the above property now or hereafter acquired by Grantor,



(13) all minerals and mineral rights and, without limiting the foregoing, all oil, coal, gas and coalbed methane and all related rights, and all riparian, littoral and water rights, in each case now owned or hereafter acquired and relating to all or any part of the Land and/or Improvements,

(14) any awards, remunerations, reimbursements, settlements or compensation heretofore made or hereafter to be made by any Governmental Authority pertaining to the Land, Improvements, Fixtures or Personalty, and

(15) all after acquired title to or remainder or reversion in any of the property (or any portion thereof) described herein.

Notwithstanding the foregoing, the Property shall not include any interest in any permits or licenses if the grant of a security interest therein is prohibited as a matter of law, rule or regulation, in each case after giving effect to any applicable Uniform Commercial Code and other Applicable Law; provided that the Property shall include, to the maximum extent permitted by law, the proceeds of any such permits or licenses, the economic value thereof, all rights incident or appurtenant thereto and the right to receive all monies, consideration and proceeds derived from or in connection with the sale, assignment or transfer thereof.

“Secured Obligations” means, collectively, all debts, liabilities and obligations of the Grantor to the Beneficiary, howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether Grantor be bound alone or jointly or severally with others, including, without limitation, such debts, liabilities and obligations arising under or in connection with the Commitment Letter and the other Loan Documents (including interest and fees accruing during the pendency of any bankruptcy, insolvency, receivership, administration or other similar proceeding, regardless of whether allowed or allowable in such proceeding).

“UCC” means the Uniform Commercial Code (or any similar or equivalent legislation) as in effect in the jurisdiction in which the Land is located.

Capitalized terms used herein but not otherwise defined shall have the respective meanings ascribed to such terms in the Commitment Letter.

ARTICLE 2

HABENDUM

Section 2.1 Grant. To secure the full and timely payment and performance of the Secured Obligations, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor HAS MORTGAGED, GIVEN, GRANTED, BARGAINED, SOLD, TRANSFERRED, WARRANTED, PLEDGED, ASSIGNED and CONVEYED, and does hereby MORTGAGE, GIVE, GRANT, BARGAIN, SELL, TRANSFER, WARRANT, PLEDGE, ASSIGN and CONVEY to Trustee, its heirs, successors and assigns forever, IN TRUST, WITH POWER OF SALE, TO HAVE AND TO HOLD all of the Property unto, for the use and benefit of Beneficiary, its heirs, successors and assigns in fee simple forever, and Grantor does hereby bind itself, its heirs, successors and assigns to



WARRANT AND FOREVER DEFEND (i) the title to the Property unto Trustee and Beneficiary and its heirs, successors and assigns, subject only to Permitted Encumbrances, and (ii) the validity and priority of the Liens of this Deed of Trust, subject only to Permitted Encumbrances, in each case against the claims of all Persons whomsoever.

THIS CONVEYANCE IS MADE IN TRUST, that if Grantor shall pay and perform or cause to be paid and performed all of the Secured Obligations in accordance with the terms of the Loan Documents, then this conveyance shall be null and void and may be canceled of record at the request and cost of Grantor, which cost Grantor hereby agrees to pay; provided, however, that if, at any time, there shall be any Event of Default, then Beneficiary and Trustee shall be entitled to exercise the remedies set forth in Article 3 below.

ARTICLE 3

DEFAULT AND FORECLOSURE

Section 3.1 Remedies. If an Event of Default is continuing, Beneficiary may, at Beneficiary's election and by or through Trustee or otherwise, take such action permitted at law or in equity, without notice or demand (except as explicitly provided in the Commitment Letter), as it deems advisable to protect and enforce its rights against Grantor and to the Property, including but not limited to any or all of the following rights, remedies and recourses, each of which may be pursued concurrently or otherwise, at such time and in such order as Beneficiary may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of Beneficiary:

(a) Acceleration. Declare the Secured Obligations to be immediately due and payable, without further notice, presentment, protest, notice of intent to accelerate, notice of acceleration, demand or action of any nature whatsoever (each of which hereby is expressly waived by Grantor), whereupon the same shall become immediately due and payable.

(b) Entry on Property. Enter the Property and take exclusive possession thereof and of all books, records and accounts relating thereto. If Grantor remains in possession of the Property upon the occurrence and during the continuance of an Event of Default and without Beneficiary's prior written consent, Beneficiary may invoke any legal remedies to dispossess Grantor.

(c) Operation of Property. Whether or not a receiver has been appointed pursuant to Section 3.1(e) hereof, hold, lease, develop, manage, operate, control and otherwise use the Property upon such terms and conditions as Beneficiary may deem reasonable under the circumstances (making such repairs, alterations, additions and improvements and taking other actions, from time to time, as Beneficiary deems reasonably necessary or desirable), exercise all rights and powers of Grantor with respect to the Property, whether in the name of Grantor or otherwise, including the right to make, cancel, enforce or modify Leases, obtain and evict tenants, and demand, sue for, collect and receive all Rents, and apply all Rents and other amounts collected by Beneficiary or Trustee in connection therewith in accordance with the provisions of Section 3.7 hereof.



(d) Foreclosure and Sale. Institute proceedings for the complete foreclosure of this Deed of Trust, either by judicial action or by exercise of the STATUTORY POWER OF SALE or otherwise, in which case the Property may be sold for cash or credit in one or more parcels or in several interests or portions and in any order or manner in accordance with applicable law governing foreclosures. At any such sale by virtue of any judicial proceedings or any other legal right, remedy or recourse including power of sale, the title to and right of possession of any such Property shall pass to the purchaser thereof, and to the fullest extent permitted by law, Grantor shall be completely and irrevocably divested of all of its right, title, interest, claim and demand whatsoever, either at law or in equity, in and to the Property sold and such sale shall be a perpetual bar both at law and in equity against Grantor, and against all other Persons claiming or to claim the Property sold or any part thereof by, through or under Grantor. Beneficiary may be a purchaser at such sale and, if Beneficiary is the highest bidder, may credit the portion of the purchase price that would be distributed to Beneficiary against the Secured Obligations in lieu of paying cash. At any such sale (A) whether made under the power herein contained, the UCC, any other legal requirement or by virtue of any judicial proceedings or any other legal right, remedy or recourse, including power of sale, it shall not be necessary for Trustee to be physically present at or to have constructive possession of the Property (Grantor shall deliver to Trustee any portion of the Property not actually or constructively possessed by Trustee immediately upon demand by Trustee), and the title to and right of possession of any such Property shall pass to the purchaser thereof, as completely as if Trustee had been actually present and delivered to purchaser at such sale, (B) each instrument of conveyance executed by Trustee shall contain a general warranty of title, binding upon Grantor, (C) each recital contained in any instrument of conveyance made by Trustee shall conclusively establish the truth and accuracy of the matters recited therein, including, without limitation, nonpayment of the Secured Obligations, advertisement and conduct of such sale in the manner provided herein and otherwise by law, and appointment of any successor Trustee hereunder, (D) any prerequisites to the validity of such sale shall be conclusively presumed to have been performed, and (E) the receipt of Trustee or other party making the sale shall be a sufficient discharge to the purchaser or purchasers for his/her/their purchase money and no such purchaser or purchasers, or his/her/their assigns or Personal representatives, shall thereafter be obligated to see to the application of such purchase money or be in any way answerable for any loss, misapplication or nonapplication thereof. With respect to any notices required or permitted under the UCC, Grantor agrees that thirty (30) days' prior written notice shall be deemed commercially reasonable.

(e) Receiver. Prior to, concurrently with, or subsequent to the institution of foreclosure proceedings, make application to a court of competent jurisdiction for, and (to the extent permitted by Applicable Law) obtain from such court as a matter of strict right and without notice to Grantor or anyone claiming under Grantor or regard to the value of the Property or the solvency or insolvency of Grantor or the adequacy of any collateral for the repayment of the Secured Obligations or the interest of Grantor therein, the appointment of a receiver or receivers of the Property, and Grantor irrevocably consents to such appointment. Any such receiver or receivers shall have all the usual powers and duties of receivers in similar cases, including the full power to rent, maintain and otherwise operate the Property upon such terms as may be approved by the court, and shall apply such Rents in accordance with the provisions of Section 3.7 hereof.



(f) Other. Exercise all other rights, remedies and recourses granted under the Loan Documents or otherwise available at law or in equity (including an action for specific performance of any covenant contained in the Loan Documents, or a judgment on the Secured Obligations either before, during or after any proceeding to enforce this Deed of Trust).

Section 3.2 Separate Sales. In connection with the exercise by Beneficiary or Trustee of its rights and remedies hereunder, the Property may be sold in one or more parcels and in such manner and order as Beneficiary, in its sole discretion, may elect, subject to Applicable Law; the right of sale arising out of any Event of Default shall not be exhausted by any one or more sales.

Section 3.3 Remedies Cumulative, Concurrent and Nonexclusive. Beneficiary shall have all rights, remedies and recourses granted in the Loan Documents and available at law or equity (including the UCC), which rights (a) shall be cumulative and concurrent and shall be in addition to every other remedy so provided or permitted, (b) may be pursued separately, successively or concurrently against Grantor, or against the Property, or against any one or more of them, at the sole discretion of Beneficiary, (c) may be exercised as often as occasion therefor shall arise, and the exercise or failure to exercise any of them shall not be construed as a waiver or release thereof or of any other right, remedy or recourse, and (d) are intended to be, and shall be, nonexclusive. No action by Beneficiary or Trustee in the enforcement of any rights, remedies or recourses under the Loan Documents or otherwise at law or equity shall be deemed to cure any Event of Default.

Section 3.4 Release of and Resort to Collateral. Beneficiary may release, regardless of consideration and without the necessity for any notice to or consent by the holder of any subordinate lien on the Property, any part of the Property without, as to the remainder, in any way impairing, affecting, subordinating or releasing the lien or security interests created in or evidenced by the Loan Documents or their stature as a first and prior lien and security interest in and to the Property. For payment of the Secured Obligations, Beneficiary may resort to any other security in such order and manner as Beneficiary may elect.

Section 3.5 Waiver of Redemption, Notice and Marshaling of Assets. To the fullest extent permitted by law, Grantor hereby irrevocably and unconditionally waives and releases (a) all benefit that might accrue to Grantor by virtue of any present or future statute of limitations or "moratorium law" or other law or judicial decision exempting the Property or any part thereof, or any part of the proceeds arising from any sale of any such property, from attachment, levy or sale on execution or providing for any appraisal, valuation, stay of execution, exemption from civil process, redemption reinstatement (to the extent permitted by law) or extension of time for payment, (b) any right to a marshaling of assets or a sale in inverse order of alienation, and (c) any and all rights it may have to require that the Property be sold as separate tracts or units in the event of foreclosure.

Section 3.6 Discontinuance of Proceedings. If Beneficiary shall have proceeded to invoke any right, remedy or recourse permitted under the Loan Documents and shall thereafter elect to discontinue or abandon it for any reason, Beneficiary shall have the unqualified right to do so and, in such an event, Grantor and Beneficiary shall be restored to their former positions with respect to the Secured Obligations, the Loan Documents, the Property and otherwise, and



the rights, remedies, recourses and powers of Beneficiary shall continue as if the right, remedy or recourse had never been invoked, but no such discontinuance or abandonment shall waive any Event of Default that may then exist or the right of Beneficiary thereafter to exercise any right, remedy or recourse under the Loan Documents for such Event of Default.

Section 3.7 Application of Proceeds. Except as otherwise provided in the Loan Documents and unless otherwise required by Applicable Law, the proceeds of any sale of, and the Rents and other amounts generated by the holding, leasing, management, operation or other use of the Property, shall be applied by Beneficiary or Trustee (or the receiver, if one is appointed) in the following order or in such other order as Beneficiary shall determine in its sole discretion:

(a) to the payment of the reasonable costs and expenses of taking possession of the Property and of holding, using, leasing, repairing, improving and selling the same, including (1) receiver's fees and expenses, (2) court costs, (3) reasonable attorneys', accountants', appraisers', environmental consultants', engineers' and other experts' fees and expenses, (4) costs of advertisement, (5) costs of procuring title searches, title policies and similar data and assurance with respect to title, (6) the payment of all applicable transfer taxes and mortgage recording taxes, and (7) the payment of all ground rent, real estate taxes and assessments;

(b) to the payment of all amounts, other than the unpaid principal balance of the Secured Obligations and accrued but unpaid interest, which may be due under the Loan Documents;

(c) to the payment and performance of the Secured Obligations in such manner and order of preference as Beneficiary in its sole discretion may determine; and

(d) the balance, if any, to the payment of the Persons legally entitled thereto.

If Beneficiary shall be ordered, in connection with any bankruptcy, insolvency or reorganization of Grantor, to restore or repay to or for the account of Grantor or its creditors any amount theretofore received under this Section, the amount of such restoration or repayment shall be deemed to be a part of the Secured Obligations so as to place Beneficiary in the same position it would have been in had such amount never been received by Beneficiary.

Section 3.8 Occupancy After Foreclosure. The purchaser at any foreclosure sale pursuant to Section 3.1(d) hereof shall become the legal owner of the Property. All occupants of the Property shall, at the option of such purchaser, become tenants of the purchaser at the foreclosure sale and shall deliver possession thereof immediately to the purchaser upon demand. It shall not be necessary for the purchaser at said sale to bring any action for possession of the Property other than the statutory action of forcible detainer in any court having jurisdiction over the Property.

Section 3.9 Additional Advances and Disbursements; Costs of Enforcement. If any Event of Default is continuing, Beneficiary shall have the right, but not the obligation, to cure such Event of Default in the name and on behalf of Grantor. All sums advanced and expenses incurred at any time by Beneficiary under this Section, or otherwise under this Deed of Trust or any of the other Loan Documents or Applicable Law, shall bear interest from the date



that such sum is advanced or expense incurred to and including the date of reimbursement, computed at the Default Rate, and all such sums, together with interest thereon, shall constitute additions to the Secured Obligations and shall be secured by this Deed of Trust and Grantor covenants and agrees to pay them to the order of Beneficiary promptly upon demand.

Section 3.10 No Mortgagee in Possession. Neither the enforcement of any of the remedies under this Article 3, the assignment of the Rents and Leases under Article 4, the collateral assignment of the Property Agreements under Article 5, the security interests under Article 6, nor any other remedies afforded to Beneficiary under the Loan Documents, at law or in equity shall cause Beneficiary or Trustee to be deemed or construed to be a mortgagee in possession of the Property, to obligate Beneficiary or Trustee to lease the Property or attempt to do so, or to take any action, incur any expense, or perform or discharge any obligation, duty or liability whatsoever under any of the Leases or otherwise. Grantor shall, and hereby agrees to, indemnify Beneficiary for, and to hold Beneficiary harmless from and against, any and all claims, liability, expenses, losses or damages that may or might be asserted against or incurred by Beneficiary, as the case may be, solely by reason of Beneficiary's status as an assignee pursuant to the assignment of Rents and Leases contained herein, but excluding any claim to the extent such claim has been found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from Beneficiary's gross negligence or willful misconduct. Should Beneficiary incur any such claim, liability, expense, loss or damage, the amount thereof, including all actual expenses and reasonable fees of attorneys, shall constitute Secured Obligations secured hereby, and Grantor shall reimburse Beneficiary, as the case may be, therefor immediately upon demand.

ARTICLE 4

ASSIGNMENT OF RENTS AND LEASES

Section 4.1 Assignment. Grantor does hereby presently, absolutely and unconditionally assign to Trustee for the benefit of Beneficiary, Grantor's right, title and interest in all current and future Leases and the absolute, unconditional and continuing right to receive and collect all Rents, it being intended by Grantor that this assignment constitutes a present, outright, immediate, continuing and absolute assignment and not an assignment for additional security only. Such assignment to Trustee for the benefit of Beneficiary shall not be construed to bind Beneficiary to the performance of any of the covenants, conditions or provisions contained in any such Lease or otherwise impose any obligation upon Beneficiary. Beneficiary shall have no responsibility on account of this assignment for the control, care, maintenance, management or repair of the Property, for any dangerous or defective condition of the Property, or for any negligence in the management, upkeep, repair or control of the Property. Grantor agrees to execute and deliver to Beneficiary such additional instruments, in form and substance satisfactory to Beneficiary, as may hereafter be requested by Beneficiary to further evidence and confirm such assignment.

Section 4.2 License. Notwithstanding that Grantor hereby presently grants to Trustee for the benefit of Beneficiary an outright, immediate, continuing and absolute assignment of the Rents and Leases and not merely the collateral assignment of, or the grant of a lien or security interest in, the Rents and Leases, Trustee on behalf of Beneficiary hereby grants



to Grantor and its successors, and not to any tenant or any other Person, a revocable license to collect and receive the Rents and to retain, use and enjoy the same and otherwise exercise all rights as landlord under any Lease, in each case subject to the terms hereof and of the Commitment Letter. Upon the occurrence and during the continuance of any Event of Default, (i) the license granted herein to Grantor shall immediately and automatically cease and terminate and shall be void and of no further force or effect, (ii) Beneficiary shall immediately be entitled to possession of all Rents (whether or not Beneficiary enters upon or takes control of the Property) and (iii) at the request of Beneficiary, Grantor shall notify in writing all tenants and subtenants under any of the Leases that all Rent due thereunder should be paid to Beneficiary at its address set forth in the Commitment Letter, or at such other place as Beneficiary shall notify Grantor in writing; provided that, if such Event of Default ceases to exist, the license described in the foregoing clause (i) shall automatically be reinstated. Notwithstanding said license, Grantor agrees that Beneficiary, and not Grantor, shall be deemed to be the creditor of each tenant or subtenant under any Lease in respect to assignments for the benefit of creditors and bankruptcy, reorganization, insolvency, dissolution or receivership proceedings affecting such tenant or subtenant (without obligation on the part of Beneficiary, however, to file or make timely filings of claims in such proceedings or otherwise to pursue creditors' rights therein), with an option to apply in accordance with the Loan Documents any money received from such tenant or subtenant in reduction of any amounts due under the Loan Documents. Upon the occurrence and during the continuance of an Event of Default, any portion of the Rents held by Grantor shall be held in trust for the benefit of Beneficiary for use in the payment of the Secured Obligations.

Section 4.3 Certain Rights of Beneficiary. Subject to the revocable license granted above, upon the occurrence and during the continuance of an Event of Default, Beneficiary shall have the immediate and continuing right, power and authority, either in Person or by agent, without bringing any action or proceeding, or by a receiver appointed by a court, without the necessity of taking possession of the Property in its own name, and without the need for any other authorization or action by Grantor or Beneficiary, in addition to and without limiting any of Beneficiary's rights and remedies hereunder, under the Commitment Letter and any other Loan Documents and as otherwise available at law or in equity, (a) to notify any tenant or other Person that the Leases have been assigned to Beneficiary and that all Rents are to be paid directly to Beneficiary, whether or not Beneficiary has commenced or completed foreclosure or taken possession of the Property; (b) to settle, compromise, release, extend the time of payment of, and make allowances, adjustments and discounts of any Rents or other obligations in, to and under the Leases; (c) to demand, sue for, collect, receive and enforce payment of Rents, including those past-due and unpaid and other rights under the Leases, prosecute any action or proceeding, and defend against any claim with respect to the Rents and Leases; (d) to enter upon, take possession of and operate the Property whether or not foreclosure under this Deed of Trust has been instituted and without applying for a receiver; (e) to lease all or any part of the Property; and/or (f) to perform any and all obligations of Grantor under the Leases and exercise any and all rights of Grantor therein contained to the full extent of Grantor's rights and obligations thereunder.

Section 4.4 Irrevocable Instructions to tenants. At Beneficiary's request, Grantor shall deliver a copy of this Deed of Trust to each tenant under a Lease and to each manager and managing agent or operator of the Property, and Beneficiary shall have the continuing right to do so. Grantor irrevocably directs any tenant, manager, managing agent, or operator of the



Property, without any requirement for notice to or consent by Grantor, to comply with all demands of Beneficiary under this Article 4 and to turn over to Beneficiary on demand all Rents that it receives. Grantor hereby acknowledges and agrees that payment of any Rents by a Person to Beneficiary as hereinabove provided shall constitute payment by such Person, as fully and with the same effect as if such Rents had been paid to Grantor. Beneficiary is hereby granted and assigned by Grantor the right, at its option, upon revocation of the license granted herein, upon an Event of Default that is continuing, to enter upon the Property in Person or by agent, without bringing any action or proceeding, or by court-appointed receiver to collect the Rents. Any Rents collected after the revocation of the license shall be applied in accordance with the provisions of the Commitment Letter. Neither the enforcement of any of the remedies under this Article 4 nor any other remedies or security interests afforded to Beneficiary under the Loan Documents, at law or in equity shall cause Beneficiary to be deemed or construed to be a mortgagee in possession of the Property, to obligate Beneficiary to lease the Property or attempt to do so, or to take any action, incur any expense, or perform or discharge any obligation, duty or liability whatsoever under any of the Leases or otherwise. Grantor shall, and hereby agrees to, indemnify Beneficiary for, and to hold Beneficiary harmless from and against, any and all claims, liability, expenses, losses or damages that may or might be asserted against or incurred by Beneficiary solely by reason of Beneficiary's status as an assignee pursuant to the assignment of Rents and Leases contained herein, but excluding any claim to the extent such claim has been found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from Beneficiary's gross negligence or willful misconduct. Should Beneficiary incur any such claim, liability, expense, loss or damage, the amount thereof, including all actual expenses and reasonable fees of attorneys, shall constitute Secured Obligations secured hereby, and Grantor shall reimburse Beneficiary therefor within five (5) Business Days after demand.

Section 4.5 Unilateral Subordination. Beneficiary may, at any time and from time to time by specific written instrument intended for the purpose, unilaterally subordinate the lien of this Deed of Trust to any Lease, without joinder or consent of, or notice to, Grantor, any tenant or any other Person, and notice is hereby given to each tenant under a Lease of such right to subordinate. No such subordination shall constitute a subordination to any lien or other encumbrance, whenever arising, or improve the right of any junior lienholder; and nothing herein shall be construed as subordinating this Deed of Trust to any Lease.

ARTICLE 5

COLLATERAL ASSIGNMENT OF PROPERTY AGREEMENTS

Section 5.1 Collateral Assignment. Grantor does hereby collaterally assign and pledge to Beneficiary, Grantor's right, title and interest in, to and under all current and future Property Agreements. Such collateral assignment to Beneficiary shall not be construed to bind Beneficiary to the performance of any of the covenants, conditions or provisions contained in any such Property Agreement or otherwise impose any obligation upon Beneficiary. Grantor agrees to execute and deliver to Beneficiary such additional instruments, in form and substance satisfactory to Beneficiary, as may hereafter be requested by Beneficiary to further evidence and confirm such collateral assignment.



Section 5.2 Retained Rights of Grantor. Subject to the other provisions of this Article 5 and the provisions of the other Loan Documents, for so long as no Event of Default shall have occurred and be continuing, Grantor may exercise all of its rights and privileges under the Property Agreements and shall have the exclusive right and authority to deal with, enjoy the benefit under, grant any consents and approvals under, and amend, modify or terminate, such Property Agreements, collect, receive and retain for its own benefit all monies due or to become due under such Property Agreements, sue and enforce all claims of Grantor for damages arising under such Property Agreements, and retain for its own benefit all items described in clause (d) of paragraph (9) of the definition of "Property" above, if and to the extent not prohibited by the Commitment Letter or the other Loan Documents. Upon the occurrence and during the continuance of any Event of Default, the rights of Grantor described in this Section shall immediately and automatically cease and terminate and shall be void and of no further force or effect. Upon the occurrence and during the continuance of an Event of Default, any amounts held by Grantor as a party to the Property Agreements shall be held in trust for the benefit of Beneficiary for use in the payment of the Secured Obligations.

Section 5.3 Exercise of Assigned Rights. Grantor hereby irrevocably directs the grantor or licensor of, or the contracting party to, any Property Agreement, upon demand from Beneficiary, to recognize and accept Beneficiary as the party to such Property Agreement for any and all purposes as fully as it would recognize and accept Grantor and the performance of Grantor thereunder; provided, that Beneficiary hereby covenants to Grantor that it will not make such demand except upon the occurrence and during the continuance of an Event of Default. Upon the occurrence, and during the continuance, of an Event of Default, without further notice or demand and at Grantor's sole cost and expense, Beneficiary shall be entitled to exercise all rights of Grantor arising under the Property Agreements. Grantor hereby acknowledges and agrees that payment of any amounts owing under any Property Agreement by a Person to Beneficiary as hereinabove provided shall constitute payment by such Person, as fully and with the same effect as if such amounts had been paid to Grantor. Any amounts collected upon the occurrence and during the continuance of an Event of Default shall be applied in accordance with the provisions of the Commitment Letter. At Beneficiary's request, Grantor shall deliver a copy of this Deed of Trust to each grantor or licensor of or the contracting party to a Property Agreement, and Beneficiary shall have the continuing right to do so.

Section 5.4 Indemnity. Grantor shall, and hereby agrees to, indemnify Beneficiary for, and to hold Beneficiary harmless from and against, any and all claims, liability, expenses, losses or damages that may or might be asserted against or incurred by Beneficiary solely by reason of Beneficiary's status as an assignee pursuant to the collateral assignment of Property Agreements contained herein, but excluding any claim to the extent such claim has been found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from Beneficiary's gross negligence or willful misconduct or any claim arising as a result of an act or omission of Beneficiary after the date on which Beneficiary has taken actual possession of the Property pursuant to an exercise of its rights and remedies hereunder. Should Beneficiary incur any such claim, liability, expense, loss or damage, the amount thereof, including all actual expenses and reasonable fees of attorneys, shall constitute Secured Obligations secured hereby, and Grantor shall reimburse Beneficiary therefor within five (5) Business Days after demand.



Section 5.5 Property Agreement Covenants. (a) Grantor shall perform and observe, in a timely manner, all of the covenants, conditions, obligations and agreements of Grantor under the Property Agreements and shall suffer or permit no delinquency on its part to exist thereunder if such action is prohibited by the Commitment Letter or would be reasonably likely to have a Material Adverse Effect.

(b) Grantor shall not (i) sell, assign, transfer, mortgage or pledge any Property Agreement or any such right or interest under any Property Agreement or (ii) cancel, terminate, amend, supplement or modify any Property Agreement, in either case, if such action is prohibited by the Commitment Letter or would have a Material Adverse Effect.

(c) Grantor shall exercise all reasonable efforts to enforce or secure the performance of each and every obligation, covenant, condition and agreement to be performed by the franchisor, manager, licensor, grantor or other contracting party under the Property Agreements if the failure to take such action would have a Material Adverse Effect.

ARTICLE 6

SECURITY AGREEMENT

Section 6.1 Security Interest. This Deed of Trust constitutes both a real property mortgage and a "Security Agreement" on personal property within the meaning of the UCC and other Applicable Law and with respect to the Personalty, Fixtures, Plans, Leases, Rents and Property Agreements (said portion of the Property subject to the UCC, the "UCC Collateral"). The Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Grantor in the Property. Grantor, by executing and delivering this Deed of Trust, hereby grants to Beneficiary a first and prior security interest in the Personalty, Fixtures, Plans, Leases, Rents and Property Agreements and all other Property that is personal property to secure the payment and performance of the Secured Obligations and agrees that Beneficiary shall have all the rights and remedies of a secured party under the UCC with respect to such property including, without limiting the generality of the foregoing, the right to take possession of the UCC Collateral or any part thereof, and to take such other measures as Beneficiary may deem necessary for the care, protection and preservation of the UCC Collateral. Upon request or demand of Beneficiary, Grantor shall at its expense assemble the UCC Collateral and make it available to Beneficiary at the Property. Grantor shall pay to Beneficiary on demand any and all expenses, including actual reasonable legal expenses and attorneys' fees, incurred or paid by Beneficiary in protecting the interest in the UCC Collateral and in enforcing the rights hereunder with respect to the UCC Collateral. Any notice of sale, disposition or other intended action by Beneficiary with respect to the UCC Collateral sent to Grantor in accordance with the provisions hereof at least ten (10) Business Days prior to such action shall constitute commercially reasonable notice to Grantor. The proceeds of any disposition of the UCC Collateral, or any part thereof, shall, except as otherwise required by law, be applied by Beneficiary in accordance with Section 3.7 hereof.

Section 6.2 Further Assurances. Grantor shall execute and deliver to Beneficiary and/or file, in form and substance satisfactory to Beneficiary, such further statements, documents and agreements, financing statements, continuation statements and such further assurances and



instruments, and do such further acts, as Beneficiary may, from time to time, reasonably consider necessary, desirable or proper to create, perfect and preserve Beneficiary's security interest hereunder and to carry out more effectively the purposes of this Deed of Trust and Beneficiary may cause such statements and assurances to be recorded and filed at such times and places as may be required or permitted by law to so create, perfect and preserve such security interest; provided that such further statements, documents, agreements, assurances, instruments and acts do not increase the liability or obligations or decrease the rights of Grantor from those provided for in the Loan Documents. Grantor hereby irrevocably authorizes Beneficiary to file UCC financing statements in each jurisdiction that Beneficiary deems necessary or desirable in its sole discretion in order to perfect the security interests in all or any portion of the UCC Collateral. Such financing statements may indicate or describe the UCC Collateral in any manner Beneficiary chooses, including, without limitation, describing such collateral as "all assets of debtor, whether now owned or hereafter acquired," "all personal property of debtor, whether now owned or hereafter acquired" or using words of similar import. As of the date hereof, Grantor's chief executive office and principal place of business is at the address set forth in the first paragraph of this Deed of Trust, and Grantor shall promptly notify Beneficiary of any change in such address.

Section 6.3 Fixture Filing. This Deed of Trust shall also constitute a "fixture filing" for the purposes of the UCC upon all of the Property that is or is to become "fixtures" (as that term is defined in the UCC), upon being filed for record in the real estate records of the city or county wherein such fixtures are located. Information concerning the security interest herein granted may be obtained at the addresses of Debtor (Grantor) and Secured Party (Beneficiary) as set forth in the first paragraph of this Deed of Trust.

Section 6.4 Multi-Site Real Estate Transactions. Grantor acknowledges that this Deed of Trust is one of a number of Mortgages and other security documents ("Other Mortgages") that secure the Secured Obligations. Grantor agrees that, except as otherwise provided by Applicable Law, the lien of this Deed of Trust shall be absolute and unconditional and shall not in any manner be affected or impaired by any acts or omissions whatsoever of Beneficiary, and without limiting the generality of the foregoing, the lien hereof shall not be impaired by any acceptance by Beneficiary of any security for or guarantees of the Secured Obligations, or by any failure, neglect or omission on the part of Beneficiary to realize upon or protect any Secured Obligation or any collateral security therefor including the Other Mortgages. Except as provided by Applicable Law, the lien of this Deed of Trust shall not in any manner be impaired or affected by any release (except as to the property released), sale, pledge, surrender, compromise, settlement, renewal, extension, indulgence, alteration, changing, modification or disposition of any of the Secured Obligations or of any of the collateral security therefor, including the Other Mortgages or any guarantee thereof, and, to the fullest extent permitted by Applicable Law, Beneficiary may at its discretion foreclose, exercise any power of sale, or exercise any other remedy available to it under any or all of the Other Mortgages without first exercising or enforcing any of its rights and remedies hereunder. Except as otherwise provided by Applicable law, such exercise of Beneficiary's rights and remedies under any or all of the Other Mortgages shall not in any manner impair the indebtedness hereby secured or the lien of this Deed of Trust and any exercise of the rights and remedies of Beneficiary hereunder shall not impair the lien of any of the Other Mortgages or any of Beneficiary's rights and remedies thereunder. To the fullest extent permitted by Applicable Law, Grantor specifically consents and



agrees that Beneficiary may exercise its rights and remedies hereunder and under the Other Mortgages separately or concurrently and in any order that it may deem appropriate and waives any right of subrogation.

ARTICLE 7

MISCELLANEOUS

Section 7.1 Notices. Any notice required or permitted to be given under this Deed of Trust shall be given in the manner described in Section 9.4 of the Commitment Letter.

Section 7.2 Covenant Running with the Land. All representations, warranties, covenants and obligations contained in the Commitment Letter are incorporated herein by this reference and, to the extent relating to the Property, are intended by the parties to be, and shall be construed as, covenants running with the land. All Persons who may have or acquire an interest in the Property shall be deemed to have notice of, and be bound by, the terms of the Commitment Letter and the other Loan Documents; however, no such party shall be entitled to any rights thereunder without the prior written consent of Beneficiary.

Section 7.3 Attorney-in-Fact. Grantor hereby irrevocably appoints Beneficiary and its successors and assigns as its attorney-in-fact, which appointment is irrevocable and coupled with an interest, upon the occurrence and during the continuance of an Event of Default (a) to execute and/or record any notices of completion, cessation of labor or any other notices that Beneficiary deems appropriate to protect Beneficiary's interest, if Grantor shall fail to do so within ten (10) days after written request by Beneficiary, (b) upon the issuance of a deed or assignment of lease pursuant to the foreclosure of this Deed of Trust or the delivery of a deed or assignment of lease in lieu of foreclosure, to execute all instruments of assignment, conveyance or further assurance with respect to the Leases, Rents, Personalty, Fixtures, Plans and Property Agreements in favor of the grantee of any such deed or the assignee of any such assignment of lease and as may be necessary or desirable for such purpose, (c) to prepare, execute and file or record financing statements, continuation statements, applications for registration and like papers necessary to create, perfect or preserve Beneficiary's security interests and rights in or to any of the collateral, and (d) to perform any obligation of Grantor hereunder; however: (1) Beneficiary shall not under any circumstances be obligated to perform any obligation of Grantor; (2) any sums advanced by Beneficiary in such performance shall be included in the Secured Obligations and shall bear interest at the Default Rate; (3) Beneficiary as such attorney-in-fact shall only be accountable for such funds as are actually received by Beneficiary; and (4) Beneficiary shall not be liable to Grantor or any other Person for any failure to take any action that it is empowered to take under this Section.

Section 7.4 Successors and Assigns. This Deed of Trust shall be binding upon and inure to the benefit of Beneficiary and Grantor and their respective successors and assigns. Beneficiary is expressly permitted to assign any or all of its rights under this Deed of Trust and/or any other Loan Documents in connection with an assignment of some or all of the Secured Obligations and Grantor hereby represents, warrants and covenants that in the event of such assignment by Beneficiary of this Deed of Trust, the assignee shall succeed to all rights,



remedies, and powers of Beneficiary as stated herein and Grantor hereby waives any right to dispute or enjoin any such assignment by Beneficiary.

Section 7.5 No Waiver. Any failure by Beneficiary or Trustee to insist upon strict performance of any of the terms, provisions or conditions of the Loan Documents shall not be deemed to be a waiver of same, and Beneficiary and Trustee shall each have the right at any time to insist upon strict performance of all of such terms, provisions and conditions.

Section 7.6 Subrogation. To the extent proceeds of the loans under the Commitment Letter have been used to extinguish, extend or renew any indebtedness against the Property, then Beneficiary shall be subrogated to all of the rights, liens and interests existing against the Property and held by the holder of such indebtedness and shall have the benefit of the priority of all of the same, and such former rights, liens and interests, if any, are not waived, but are continued in full force and effect in favor of Beneficiary.

Section 7.7 Commitment Letter. If any conflict or inconsistency exists between this Deed of Trust and the Commitment Letter, the Commitment Letter shall govern.

Section 7.8 Release. Upon payment in full of the Secured Obligations and performance in full of all of the outstanding Secured Obligations, the estate hereby granted shall cease, terminate and be void and Beneficiary, at Grantor's expense, shall release the liens and security interests created by this Deed of Trust or assign this Deed of Trust, in each case in accordance with the Commitment Letter.

Section 7.9 Waiver of Stay, Moratorium and Similar Rights. Grantor agrees, to the fullest extent that it may lawfully do so, that it will not at any time insist upon or plead or in any way take advantage of, and hereby waives, any appraisement, valuation, stay, marshaling of assets, exemption, extension, redemption or moratorium law now or hereafter in force and effect so as to prevent or hinder the enforcement of the provisions of this Deed of Trust or the indebtedness secured hereby or any agreement between Grantor and Beneficiary or any rights or remedies of Beneficiary.

Section 7.10 Waiver of Jury Trial; Consent to Jurisdiction. (a) TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LEGAL REQUIREMENTS, GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY AGREE TO WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS DEED OF TRUST, ANY OTHER LOAN DOCUMENT, OR ANY DEALINGS, CONDUCT, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS BY EITHER OF THEM RELATING TO THE SUBJECT MATTER OF THIS DEED OF TRUST. THE SCOPE OF THIS WAIVER IS INTENDED TO ENCOMPASS ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY ACKNOWLEDGE THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO THIS DEED OF TRUST. GRANTOR AND, BY ITS ACCEPTANCE



HEREOF, BENEFICIARY FURTHER WARRANT AND REPRESENT THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THE WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS DEED OF TRUST, OR ANY OTHER LOAN DOCUMENTS OR AGREEMENTS RELATING TO THIS DEED OF TRUST. IN THE EVENT OF LITIGATION, THIS DEED OF TRUST MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(b) GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY HEREBY CONSENT FOR THEMSELVES AND GRANTOR HEREBY CONSENTS IN RESPECT OF ITS PROPERTIES, GENERALLY, UNCONDITIONALLY AND IRREVOCABLY, TO THE NONEXCLUSIVE JURISDICTION OF THE FEDERAL AND STATE COURTS IN THE STATE OF NEW YORK WITH RESPECT TO ANY PROCEEDING RELATING TO ANY MATTER, CLAIM OR DISPUTE ARISING UNDER THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY. GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY FURTHER CONSENT, GENERALLY, UNCONDITIONALLY AND IRREVOCABLY, TO THE NONEXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS OF THE STATE IN WHICH ANY OF THE COLLATERAL IS LOCATED IN RESPECT OF ANY PROCEEDING RELATING TO ANY MATTER, CLAIM OR DISPUTE ARISING WITH RESPECT TO SUCH COLLATERAL. GRANTOR AND BENEFICIARY FURTHER IRREVOCABLY CONSENT TO THE SERVICE OF PROCESS BY MAIL, PERSONAL SERVICE OR IN ANY OTHER MANNER PERMITTED BY APPLICABLE LEGAL REQUIREMENTS, GENERALLY, UNCONDITIONALLY AND IRREVOCABLY, AT THE ADDRESSES SET FORTH IN THE COMMITMENT LETTER IN CONNECTION WITH ANY OF THE AFORESAID PROCEEDINGS IN ACCORDANCE WITH THE RULES APPLICABLE TO SUCH PROCEEDINGS. TO THE EXTENT PERMITTED BY APPLICABLE LEGAL REQUIREMENTS, GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY HEREBY IRREVOCABLY WAIVE ANY OBJECTION THAT THEY MAY NOW HAVE OR HAVE IN THE FUTURE TO THE LAYING OF VENUE IN RESPECT OF ANY OF THE AFORESAID PROCEEDINGS BROUGHT IN THE COURTS REFERRED TO ABOVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. NOTHING HEREIN SHALL AFFECT THE RIGHT OF BENEFICIARY TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW OR TO COMMENCE PROCEEDINGS OR OTHERWISE PROCEED AGAINST GRANTOR IN ANY JURISDICTION.

Section 7.11 Headings. The Article, Section and Subsection titles hereof are inserted for convenience of reference only and shall in no way alter, modify, limit or define, or be used in construing, the scope, intent or text of such Articles, Sections or Subsections.

Section 7.12 Governing Law. THIS DEED OF TRUST SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE



STATE IN WHICH THE LAND IS LOCATED. WITH RESPECT TO ANY PERSONAL PROPERTY INCLUDED IN THE "PROPERTY", THE CREATION OF THE SECURITY INTEREST THEREIN SHALL BE GOVERNED BY THE UCC, AND THE PERFECTION, THE EFFECT OF PERFECTION OR NON-PERFECTION AND PRIORITY OF SUCH SECURITY INTEREST SHALL BE GOVERNED IN ACCORDANCE WITH THE MANDATORY CHOICE OF LAW RULES SET FORTH IN THE UCC.

Section 7.13 General Indemnity; Payment of Expenses. The provisions of the Commitment Letter relating to indemnification and payment of expenses are incorporated by this reference, as if fully set forth herein.

Section 7.14 Entire Agreement. This Deed of Trust and the other Loan Documents embody the entire agreement and understanding between Beneficiary and Grantor pertaining to the subject matter hereof and thereof and supersede all prior agreements, understandings, representations or other arrangements, whether express or implied, written or oral, between such parties relating to the subject matter hereof and thereof. This Deed of Trust and the other Loan Documents may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

Section 7.15 Severability. If any provision of this Deed of Trust is invalid or unenforceable, then such provision shall be given full force and effect to the fullest possible extent, and all of the remaining provisions of this Deed of Trust shall remain in full force and effect and shall be binding on the parties hereto.

Section 7.16 Variable Rate of Interest. This Deed of Trust secures, inter alia, obligations that provide for a variable rate of interest (as described in the Commitment Letter).

Section 7.17 Lien Absolute. Grantor acknowledges that this Deed of Trust and a number of other Loan Documents and those documents required by the Loan Documents together secure the Secured Obligations. Grantor agrees that, to the extent permitted by law, the lien of this Deed of Trust and all obligations of Grantor hereunder shall be absolute and unconditional and shall not in any manner be affected or impaired by:

(a) any lack of validity or enforceability of the Commitment Letter or any other Loan Document, any agreement with respect to any of the Secured Obligations or any other agreement or instrument relating to any of the foregoing;

(b) any acceptance by Beneficiary of any security for or guarantees of any of the Secured Obligations;

(c) any failure, neglect or omission on the part of Beneficiary to realize upon or protect any of the Secured Obligations or any of the collateral security therefor, including the Loan Documents, or due to any other circumstance that might otherwise constitute a defense available to, or a discharge of, Grantor in respect of the Secured Obligations hereby secured or any collateral security therefor, including this Deed of Trust or any of the other Loan Documents (other than the indefeasible payment in full in cash of all of the Secured Obligations);



(d) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations;

(e) any release (except as to the property released), sale, pledge, surrender, compromise, settlement, nonperfection, renewal, extension, indulgence, alteration, exchange, modification or disposition of any of the Secured Obligations hereby secured or of any of the collateral security therefor;

(f) any amendment or waiver of or any consent to any departure from the Commitment Letter or any other Loan Documents or of any guaranty thereof, if any, and Beneficiary may in its discretion foreclose, exercise any power of sale, or exercise any other remedy available to it under any or all of the Loan Documents without first exercising or enforcing any of its rights and remedies hereunder; and

(g) any exercise of the rights or remedies of Beneficiary hereunder or under any or all of the Loan Documents.

Section 7.18 Real Estate Taxes. Grantor shall not be entitled to any credit upon the Secured Obligations or deduction from the assessed value of the Property by virtue of payment of real estate taxes on the Property. If any law or regulation applicable to Beneficiary, any Loan Document, any of the Property or this Deed of Trust is enacted that deducts from the value of property for the purpose of taxation any Lien thereon, or imposes upon Beneficiary the payment of the whole or any portion of the taxes or assessments or charges or Liens required by any of the Loan Documents to be paid by Grantor, or changes in any way the laws or regulations relating to the taxation of mortgages or security agreements or debts secured by mortgages or security agreements or the interest of the mortgagee or secured party in the property covered thereby, or the manner of collection of such taxes, so as to affect the Deed of Trust, the Secured Obligations or Beneficiary, then Grantor, upon demand by Beneficiary, shall pay such taxes, assessments, charges or Liens, or reimburse Beneficiary for any amounts paid by Beneficiary.

Section 7.19 Certain Restrictions. The parties hereby acknowledge that the Commitment Letter, among other things, contains restrictions on the prepayment of the Secured Obligations, as well as restrictions on the sale, transfer and encumbrance of the Property and the ownership interests of Grantor.

Section 7.20 State Specific Provisions. The provisions of Exhibit B attached hereto are hereby incorporated by reference as though set forth in full herein.

Section 7.21 Last Dollars Secured. The parties agree that any payments or repayments of the Secured Obligations shall be and be deemed to be applied first to the portion of the Secured Obligations that is not secured hereby, if any, it being the parties' intent that the portion of the Secured Obligations last remaining unpaid shall be secured hereby.

Section 7.22 Mortgage Recording Taxes. Grantor hereby covenants to pay any and all mortgage recording or other taxes or fees due in connection with this Deed of Trust.

Section 7.23 Multiple Exercise of Remedies. To the extent permitted by law, Grantor specifically consents and agrees that Beneficiary and Trustee may exercise rights and



remedies hereunder and under the other Loan Documents separately or concurrently and in any order that Beneficiary and Trustee may deem appropriate.

Section 7.24 Rules of Construction. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons referred to may require. All references to sections, schedules and exhibits are to sections, schedules and exhibits in or to this Deed of Trust unless otherwise specified. Unless otherwise specified: (i) all meanings attributed to defined terms in this Deed of Trust shall be equally applicable to both the singular and plural forms of the terms so defined, (ii) "including" means "including, but not limited to" and "including, without limitation" and (iii) the words "hereof," "herein," "hereby," "hereunder" and words of similar import when used in this Deed of Trust shall refer to this Deed of Trust as a whole and not to any particular provision, article, section or other subdivision of this Deed of Trust.

Section 7.25 Counterparts; Facsimile Signatures. This Deed of Trust may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Any counterpart delivered by facsimile, pdf or other electronic means shall have the same import and effect as original counterparts and shall be valid, enforceable and binding for the purposes of this Deed of Trust.

Section 7.26 Time of Essence. Time is of the essence with respect to this Deed of Trust.

ARTICLE 8

CONCERNING THE TRUSTEE

Section 8.1 Certain Rights. With the approval of Beneficiary, Trustee shall have the right to select, employ and consult with counsel. Trustee shall have the right to rely on any instrument, document or signature authorizing or supporting any action taken or proposed to be taken by Trustee hereunder, believed by Trustee in good faith to be genuine. Trustee shall be entitled to reimbursement for actual, reasonable expenses incurred by him in the performance of his duties hereunder. Grantor shall, from time to time, pay the compensation due to Trustee hereunder and reimburse Trustee for, and indemnify, defend and save Trustee harmless against, all liability and reasonable expenses which may be incurred by him in the performance of Trustee's duties, except as a result of Trustee's gross negligence or willful misconduct, in the performance of Trustee's duties. Grantor's obligations under this Section 8.1 shall not be reduced or impaired by principles of comparative or contributory negligence (except with respect to Trustee's gross negligence or willful misconduct).

Section 8.2 Retention of Money. All moneys received by Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys (except to the extent



required by law), and Trustee shall be under no liability for interest on any moneys received by him hereunder.

Section 8.3 Successor Trustees. If Trustee or any successor Trustee shall die, resign or become disqualified from acting in the execution of this trust, or Beneficiary shall desire to appoint a substitute Trustee, Beneficiary shall have full power to appoint one or more substitute or successor Trustees, without other formality than appointment and designation in writing executed by Beneficiary, and, if preferred, several substitute or successor Trustees in succession who shall succeed to all the estates, rights, powers and duties of Trustee. Such appointment may be executed by any authorized agent of Beneficiary, and as so executed, such appointment shall be conclusively presumed to be executed with authority, valid and sufficient, without further proof of any action. Upon the making of any such appointment and designation, all of the estate and title of Trustee in the Property shall vest in the named successor or substitute Trustee and he shall thereupon succeed to, and shall hold, possess and execute, all the rights, powers, privileges, immunities and duties herein conferred upon Trustee.

Section 8.4 Perfection of Appointment. Should any deed, conveyance or instrument of any nature be required from Grantor by any successor Trustee to more fully and certainly vest in and confirm to such successor Trustee such estates, rights, powers and duties, then, upon reasonable request by such Trustee, all such deeds, conveyances and instruments shall be made, executed, acknowledged and delivered and shall be caused to be recorded and/or filed by Grantor.

Section 8.5 Trustee Liability. In no event or circumstance shall Trustee or any substitute Trustee hereunder be personally liable under or as a result of this Deed of Trust, either as a result of any action by Trustee (or any substitute Trustee) in the exercise of the powers hereby granted or otherwise, except for Trustee's gross negligence or willful misconduct.

Grantor hereby acknowledges receipt of a true copy of the within Deed of Trust.

[No further text on this page; Signature page follows]



Executed and delivered as of the date first hereinabove set forth.

LOCAL FIRST PROPERTIES USA INC., a
Delaware corporation

By: Clifford Dumas

Name: Cliff Dumas

Title: Director

Deed of Trust -Signature Page



ACKNOWLEDGMENT

STATE OF ALASKA)
) SS.
 FIRST JUDICIAL DISTRICT)

I, Brenda McDowell, a Notary Public of the First Judicial District and State aforesaid, certify that Cliff Dumas, being personally known to me, personally came before me this day and acknowledged that he is the Director of LOCAL FIRST PROPERTIES USA INC., a Delaware corporation, and that he, as Director, being authorized to do so, voluntarily executed the foregoing on behalf of said limited partnership for the purposes stated therein.

Witness my hand and official stamp or seal, on 04/26/2023

Brenda McDowell

Notary Public

Printed Name: Brenda McDowell

My Commission Expires:

03/18/2027

[Notary Stamp/Seal]

BRENDA MCDOWELL
 Notary Public
 State of Alaska
 My commission expires March 18, 2027

This notarial act involved the use of communication technology

Deed of Trust -Signature Page



EXHIBIT A**Legal Description**

File No.: 65720

PARCEL 1:

Part of U.S. Survey No. 1075, Juneau Recording District, First Judicial District, State of Alaska, described as:

BEGIN at the Southwest Corner of Tract 2, land accreted to U.S. Survey No. 1075, established by Survey in 1971, said point bearing N 40° 57' 17" W, a distance of 846.37 feet from a point known as Meander Corner Number 1 on U.S. Survey No. 1075; thence N 5° 52' 30" W 138.73 feet; thence N 50° 55' 15" E 112.30 feet to the South Right-of-Way Line of the "Glacier Expressway Highway"; thence along the South Right-of-Way Line Easterly along a curve to the left (radius = 5,829.58 feet) having a long chord bearing S 36° 07' 43" E 79.00 feet; thence N 35° 44' 17" E 28.00 feet; thence Easterly along a curve to the left (radius = 5,801.58 feet) having a long chord bearing S 34° 29' 05" E 253.13 feet; thence S 33° 14' 17" W 41.80 feet; thence S 88° 53' 00" W 339.26 feet to the POINT OF BEGINNING

AND

Part of U.S. Survey No. 1075 and adjoining said U.S. Survey No. 1075, Juneau Recording District, First Judicial District, State of Alaska, described as:

BEGIN on the Westerly Line of Glacier Highway N 0° 52' W 159.27 feet from Bureau of Public Roads Highway Monument with a Brass Cap stamped P.O.S.T. 136+58.19 feet, run thence S 88° 53' W 263.39 feet; thence N 44° 45' W 172.47 feet; thence N 88° 53' E 386.71 feet to the Westerly Line of said highway; thence Southerly on said highway line, 125.00 feet, more or less, to the POINT OF BEGINNING

EXCEPT THEREFROM that part taken by the State of Alaska in case No. 72-163 of the Superior Court in Juneau.

PARCEL 2:

Lot 7, Block 27, U.S. Survey 437, Ketchikan Recording District, First Judicial District, State of Alaska,

EXCEPTING THEREFROM: The portion thereof conveyed to the State of Alaska by Warranty Deed recorded May 11, 1972 in Volume 41 of Deeds at Page 235

AND

Exhibit A



That portion of Lot 6, Block 27, U.S. Survey 437, Ketchikan Recording District, First Judicial District, State of Alaska, described as follows:

Beginning at a point 80 feet westerly along East Street from the southeast corner of Block 27, U.S. Survey 437, thence S.33°57'W 208.14 feet, thence N. 40°50' W. 66.10 feet, thence N. 19°15' W. 88.21 feet, thence N. 61°20' E. 68.25 feet, thence N. 46°52' E. 24.40 feet, thence N. 33°57' E. 64.74 feet, thence S. 49°07' E. 99.50 feet to point of beginning.

EXCEPTING THEREFROM: That portion thereof conveyed to John Danielson et ux by Quitclaim Deed recorded July20, 1966 in Volume 26 of Deeds at Page 170

PARCEL 3:

Lot 1, SITKA BROADCASTERS SUBDIVISION, according to the Plat thereof filed September 8, 1980 as Plat No. 80-6, Sitka Recording District, First Judicial District, State of Alaska

Exhibit A



EXHIBIT B**Special Provisions for the State of Alaska**

Section 1. Assignment of Leases and Rent. The assignments of Rents and Leases, as applicable, set forth in this Deed of Trust are not intended to constitute payment to Beneficiary or Trustee except to the extent that the Rents are actually received by Beneficiary and are not used for the operation or maintenance of the Property or for the payment of costs and expenses in connection therewith, taxes, assessments, water charges, sewer rents, and other charges levies, assessed or imposed against the Property, insurance premiums, costs and expenses with respect to any litigation affecting the Property, the leases, the concessions thereunder, any wages and salaries of employees for the Property, commissions of agents and reasonable attorneys' fees. The term Rents as used herein shall mean the gross rents without deduction or offsets of any kind.

Section 2. Additional Remedy Provisions.

(a) **Delivery Upon Sale.** Upon the completion of any sale or sales pursuant hereto, Trustee shall execute and deliver to the accepted purchaser or purchasers a good and sufficient instrument, or good and sufficient instruments, conveying, assigning and transferring all estate, right, title and interest in and to the property and rights sold by general warranty of title binding on Grantor. Trustee is hereby irrevocably appointed the true and lawful attorney of Grantor, in its name and stead, to make all necessary conveyances, assignments, transfers and deliveries of the Property and rights so sold and for that purpose Trustee may execute all necessary instruments of conveyance, assignment and transfer, and may substitute one or more persons with like power, Grantor hereby ratifying and confirming all that its said attorney or such substitute or substitutes shall lawfully do by virtue hereof. Any sale or sales made under or by virtue of this section, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, shall operate to divest all the estate, right, title, interest, claim and demand whatsoever, whether at law or in equity, of Grantor in and to the properties and rights so sold, and shall be a perpetual bar both at law and in equity against Grantor and against any and all persons claiming or who may claim the same, or any part thereof from, through or under Grantor.

(b) **Option to Bid.** Upon any sale made under or by virtue of this paragraph, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, Beneficiary may bid for and acquire the Property or any part thereof and in lieu of paying cash therefor may make settlement for the purchase price by crediting upon the Secured Obligations the net sales price.

(c) **Remaining Liens.** No recovery of any judgment by Beneficiary and no levy of an execution under any judgment upon the Property or upon any other property of Grantor shall affect in any manner or to any extent the lien of this Deed of Trust upon the Property or any part thereof, or any liens, rights, powers or remedies of Beneficiary



hereunder, but such liens, rights, powers and remedies of Beneficiary shall continue unimpaired as before.

(d) **No Waiver of Remedies.** Beneficiary may resort to any remedies and the security given by the Commitment Letter, this Deed of Trust or the other Loan Documents in whole or in part, and in such portions and in such order as determined by Beneficiary's sole discretion. No such action shall in any way be considered a waiver of any rights, benefits or remedies evidenced or provided by the Commitment Letter, this Deed of Trust or any of the other Loan Documents. The failure of Beneficiary to exercise any right, remedy or option provided in the Commitment Letter, this Deed of Trust or any of the other Loan Documents shall not be deemed a waiver of such right, remedy or option or of any covenant or obligation secured by the Commitment Letter, this Deed of Trust or the other Loan Documents. No acceptance by Beneficiary of any payment after the occurrence and during the continuance of any Event of Default and no payment by Beneficiary of any obligation for which Grantor is liable hereunder shall be deemed to waive or cure any Event of Default with respect to Grantor's liability to pay such obligation except to the extent funds are so applied by Beneficiary. No sale of all or any portion of the Property, no forbearance on the part of Beneficiary, and no extension of time for the payment of the whole or any portion of the Secured Obligations or any other indulgence given by Beneficiary to Grantor, shall operate to release or in any manner affect the interest of Beneficiary in the remaining Property or the liability of Grantor to pay the Secured Obligations. No waiver by Beneficiary shall be effective unless it is in writing and then only to the extent specifically stated. All costs and expenses of Beneficiary in exercising its rights and remedies under this Deed of Trust (including reasonable attorneys' fees and disbursements to the extent permitted by law), shall be paid by Grantor immediately upon notice from Beneficiary, and such costs and expenses shall constitute a portion of the Secured Obligations and shall be secured by this Deed of Trust.

(e) **No Waiver Continued.** The interests and rights of Beneficiary under the Commitment Letter, this Deed of Trust or in any of the other Loan Documents shall not be impaired by any indulgence, including (i) any renewal, extension or modification which Beneficiary may grant with respect to any of the Secured Obligations, (ii) any surrender, compromise, release, renewal, extension, exchange or substitution which Beneficiary may grant with respect to the Property or any portion thereof; or (iii) any release or indulgence granted to any maker, endorser, guarantor or surety of any of the Secured Obligations.

(f) **Foreclosure.** Upon the occurrence and during the continuance of any Event of Default, Beneficiary may request Trustee to proceed with foreclosure under the power of sale which is hereby conferred, such foreclosure to be accomplished in accordance with the following provisions:



(i) **Public Sale.** Trustee is hereby authorized and empowered, and it shall be Trustee's special duty, upon such request of Beneficiary, to sell the Mortgaged Property, or any part thereof, at public auction to the highest bidder for cash, with or without having taken possession of same. Any such sale (including notice thereof) shall comply with the applicable requirements, at the time of the sale, of Section 34.20.070 of the Alaska statutes or, if and to the extent such statute is not then in force, with the applicable requirements, at the time of the sale, of the successor statute or statutes, if any, governing sales of Alaska real property under powers of sale conferred by deeds of trust. If there is no statute in force at the time of the sale governing sales of Alaska real property under powers of sale conferred by deeds of trust, such sale shall comply with applicable law, at the time of the sale, governing sales of Alaska real property under powers of sale conferred by deeds of trust. Trustee or its successor or substitute may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by Trustee, including the posting and filing of notices, but not the conduct of sale or the accounting and administration of the proceeds generated by such sale.

(ii) **Right to Require Proof of Financial Ability and/or Cash Bid.** To the extent permitted by applicable law, any time during the bidding, Trustee may require a bidding party (A) to disclose its full name, state and city of residence, occupation, and specific business office location, and the name and address of the principal the bidding party is representing (if applicable), and (B) to demonstrate reasonable evidence of the bidding party's financial ability (or, if applicable, the financial ability of the principal of such bidding party), as a condition to the bidding party submitting bids at the foreclosure sale. If any such bidding party (the "**Questioned Bidder**") declines to comply with Trustee's requirement in this regard, or if such Questioned Bidder does respond but Trustee, in Trustee's sole and absolute discretion, deems the information or the evidence of the financial ability of the Questioned Bidder (or, if applicable, the principal of such bidding party) to be inadequate, then Trustee may continue the bidding with reservation, and in such event (1) Trustee shall be authorized to caution the Questioned Bidder concerning the legal obligations to be incurred in submitting bids, and (2) if the Questioned Bidder is not the highest bidder at the sale, or if having been the highest bidder the Questioned Bidder fails to deliver the cash purchase price payment promptly to Trustee, all bids by the Questioned Bidder shall be null and void. Trustee may, in Trustee's sole and absolute discretion, determine that a credit bid may be in the best interest of Grantor and Beneficiary, and elect to sell the Property for credit or for a combination of cash and credit; provided, however, that Trustee shall have no obligation to accept any bid except an all cash bid. In the event Trustee requires a cash bid and cash is not delivered within a reasonable time after conclusion of the bidding process, as specified by Trustee, but in no event later than 3:45 p.m. local time on the day of sale, then said contingent sale shall be null and void, the bidding process may be recommenced, and any subsequent bids or sale shall be made as if no prior bids were made or accepted.



(iii) It is intended by each of the foregoing provisions of this subsection that Trustee may, after any request or direction by Beneficiary, sell not only the Land and Improvements, but also the Fixtures, equipment, personal property and other property and interests constituting a part of the Property or any part thereof, along with the Land and Improvements or any part thereof, as a unit and as a part of a single sale, or may sell at any time or from time to time any part or parts of the Property separately from the remainder of the Property. It shall not be necessary to have present or to exhibit any of the Property at any sale. Any sale of personal property made hereunder shall be deemed to have been a public sale conducted in a commercially reasonable manner if held contemporaneously with, or as part of, and upon the same notice as required for the sale of real property under the power of sale granted herein.

(iv) **Trustee's Deeds.** After any sale under this subsection, Trustee shall make good and sufficient deeds, assignments, and other conveyances to the purchaser or purchasers thereunder in the name of Grantor, conveying the Property or any part thereof so sold to the purchaser or purchasers with general warranty of title by Grantor. It is agreed that in any deeds, assignments or other conveyances given by Trustee, any and all statements of fact or other recitals therein made as to the identity of Beneficiary, the occurrence or existence of any Event of Default, the notice of intention to accelerate, or acceleration of, the maturity of the Secured Obligations, the request to sell, notice of sale, time, place, terms and manner of sale, and receipt, distribution, and application of the money realized therefrom, the due and proper appointment of a substitute trustee, and without being limited by the foregoing, any other act or thing having been duly done by or on behalf of Beneficiary or by or on behalf of Trustee, shall be taken by all courts of law and equity as prima facie evidence that such statements or recitals state true, correct, and complete facts and Grantor does hereby ratify and confirm any and all acts that Trustee may lawfully do in the premises by virtue hereof.

Section 3. Entire Agreement. THIS DEED OF TRUST AND THE OTHER LOAN DOCUMENTS EMBODY THE FINAL, ENTIRE AGREEMENT AMONG THE PARTIES HERETO AND SUPERSEDE ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING TO THE SUBJECT MATTER HEREOF AND THEREOF AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OR PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO. THERE ARE NO ORAL AGREEMENTS AMONG THE PARTIES HERETO.

Section 4. Maturity Date. The final maturity date of the Secured Obligations are established in the Commitment Letter. The maturity of this Deed of Trust, for purposes of A.S. §34.20.150 or any similar statute, shall occur upon the full satisfaction of all indebtedness and other obligations secured by this Deed of Trust, or fifty (50) years from the execution of this instrument, whichever is later.



Section 5. Notice of Indemnification. GRANTOR ACKNOWLEDGES THAT THIS DEED OF TRUST PROVIDES FOR INDEMNIFICATION OF BENEFICIARY AND TRUSTEE BY GRANTOR. EXCEPT FOR THE GROSS NEGLIGENCE, WILLFUL MISCONDUCT, BAD FAITH, FRAUD, OR ILLEGAL ACTS OF BENEFICIARY, ITS AGENTS, EMPLOYEES OR CONTRACTORS WHICH SHALL BE EXCLUDED FROM THE INDEMNIFICATION OF GRANTOR, IT IS SPECIFICALLY INTENDED BY GRANTOR, BENEFICIARY, AND TRUSTEE THAT ALL INDEMNITY OBLIGATIONS AND LIABILITIES ASSUMED BY GRANTOR HEREUNDER BE WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES THEREOF (INCLUDING PREEXISTING CONDITIONS), STRICT LIABILITY, OR THE NEGLIGENCE OF ANY PARTY OR PARTIES (INCLUDING BENEFICIARY AND TRUSTEE) WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR PASSIVE. THE PARTIES SPECIFICALLY INTEND THAT BENEFICIARY AND TRUSTEE ARE TO BE INDEMNIFIED AGAINST THEIR OWN NEGLIGENCE, TO THE EXTENT ALLOWED BY APPLICABLE LAW.

Section 6. Future Advances. This Deed of Trust shall secure any and all future advances of the proceeds of the loans made to Borrower and Holdings by Beneficiary pursuant to the terms of the Commitment Letter. This provision shall not constitute an obligation upon or commitment of Beneficiary to make additional advances or loans to Borrower and Holdings.

Section 7. Location, State of Formation and Name of Debtor and Secured Party. The following information contained in this Section 7 is provided in order that this Deed of Trust shall comply with the requirements of the Uniform Commercial Code, as enacted in the State of Alaska, for instruments to be filed as financing statements and with other requirements of applicable law:

- (a) Debtor (Local First Properties USA Inc.)'s:
 - (i) Chief executive office is located at 3000, 700 – 9th Avenue SW, Calgary, Alberta T2P 3V4;
 - (ii) Is a Delaware corporation;
 - (iii) Exact legal name is as set forth in the recitals of this Deed of Trust; and
 - (iv) Delaware organizational identification number is 7338415.
- (b) Beneficiary (Secured Party-ATB Financial)'s:
 - (i) Principal place of business is located at 585 – 8th Avenue,



S.W., Suite 600, Calgary, Alberta, Canada T2P 1G1;

- (ii) Is an Alberta corporation; and
- (iii) Exact legal name is as set forth in the first paragraph of this Deed of Trust.

Section 8. Substitute Trustee. In case of the resignation of Trustee, or the inability (through death or otherwise), refusal or failure of Trustee to act, or at the option of Beneficiary for any other reason (which reason need not be stated), a substitute Trustee (herein referred to as the "**Substitute Trustee**") may be named, constituted and appointed by Beneficiary, without other formality than an appointment and designation in writing, which appointment and designation shall be full evidence of the right and authority to make the same and of all facts therein recited, and this conveyance shall vest in the Substitute Trustee the title, powers and duties herein conferred on Trustee originally named herein, and the conveyance of the Substitute Trustee to the purchaser(s) at any sale of the Property or any part thereof shall be equally valid and effective. The right to appoint a Substitute Trustee shall exist as often and whenever from any of said causes, Trustee, original or substitute, resigns or cannot, will not or does not act, or Beneficiary desires to appoint a new Trustee. The recitals in any conveyance made by Trustee, original or substitute, shall be accepted and construed in court and elsewhere as prima facie evidence and proof of the facts recited, and no other proof shall be required as to the request by Beneficiary to Trustee to enforce this Trust, or as to the notice of or holding of the sale, or as to any particulars thereof, or as to the resignation of Trustee, original or substitute, or as to the inability, refusal or failure of Trustee, original or substitute, to act, or as to the election of Beneficiary to appoint a new Trustee, or as to appointment of a Substitute Trustee, and all prerequisites of said sale shall be presumed to have been performed; and each sale made under the powers herein granted shall be a perpetual bar against Grantor and the successors and assigns of Grantor.

Section 9. Maximum Amount Secured by this Deed of Trust. The maximum amount of the Secured Obligations secured by this Deed of Trust on such portion of the Property as constitutes an interest in real property under applicable State Law is \$10,000,000.00; plus accrued interest, default interest, late fees and all other amounts due under the Commitment Letter, and the other Loan Documents.

Section 10. THE OBLIGATIONS SECURED BY THIS DEED OF TRUST ARE IN WHOLE OR IN PART REVOLVING IN NATURE SUCH THAT THEY MAY BE BORROWED, REPAYED AND REBORROWED. THE OUTSTANDING AMOUNT BORROWER THEREUNDER MAY FROM TIME TO TIME BE REDUCED TO ZERO WITHOUT EFFECTING A RELEASE, RECONVEYANCE OR SATISFACTION OF THIS DEED OF TRUST.

[NO FURTHER TEXT ON THIS PAGE]

Exhibit B





AFTER RECORDING, RETURN TO:

Local First Properties USA, Inc.
1426 Barbon Beck Avenue
Bakersfield, CA 93311

AETIA 65720

WARRANTY DEED
A.S. 34.15.030

The Grantor, **FRONTIER PROPERTIES, LLC**, an Alaska limited liability who acquired title as **Frontier Properties LLC**, an Alaska limited liability company, whose address is 3161 Channel Drive, Juneau, AK 99801, for and in consideration of TEN DOLLARS (\$10.00) and other good and valuable consideration in hand paid, the receipt of which is hereby acknowledged, conveys and warrants to **LOCAL FIRST PROPERTIES, USA INC., an Delaware corporation**, Grantee, whose mailing address is 1426 Barbon Beck Avenue, , the following-described real estate:

PARCEL 1:

Part of U.S. Survey No. 1075, Juneau Recording District, First Judicial District, State of Alaska, described as:

BEGIN at the Southwest Corner of Tract 2, land accreted to U.S. Survey No. 1075, established by Survey in 1971, said point bearing N 40° 57' 17" W, a distance of 846.37 feet from a point known as Meander Corner Number 1 on U.S. Survey No. 1075; thence N 5° 52' 30" W 138.73 feet; thence N 50° 55' 15" E 112.30 feet to the South Right-of-Way Line of the "Glacier Expressway Highway"; thence along the South Right-of-Way Line Easterly along a curve to the left (radius = 5,829.58 feet) having a long chord bearing S 36° 07' 43" E 79.00 feet; thence N 35° 44' 17" E 28.00 feet; thence Easterly along a curve to the left (radius = 5,801.58 feet) having a long chord bearing S 34° 29' 05" E 253.13 feet; thence S 33° 14' 17" W 41.80 feet; thence S 88° 53' 00" W 339.26 feet to the POINT OF BEGINNING.

AND

Part of U.S. Survey No. 1075 and adjoining said U.S. Survey No. 1075, Juneau Recording District, First Judicial District, State of Alaska, described as:

BEGIN on the Westerly Line of Glacier Highway N 0° 52' W 159.27 feet from Bureau of Public Roads Highway Monument with a Brass Cap stamped P.O.S.T. 136+58.19 feet, run thence S 88° 53' W 263.39 feet; thence N 44° 45' W 172.47 feet; thence N 88° 53' E 386.71 feet to the Westerly Line of said highway; thence Southerly on said highway line, 125.00 feet, more or less, to the POINT OF BEGINNING.

EXCEPT THEREFROM that part taken by the State of Alaska in case No. 72-163 of the Superior Court in Juneau.

PARCEL 2:

Lot 7, Block 27, U.S. Survey 437, Ketchikan Recording District, First Judicial District, State of Alaska,

EXCEPTING THEREFROM: The portion thereof conveyed to the State of Alaska by Warranty Deed recorded May 11, 1972 in Volume 41 of Deeds at Page 235. AND That portion of Lot 6, Block 27, U.S. Survey 437, Ketchikan Recording District, First Judicial District, State of Alaska, described as follows:

Beginning at a point 80 feet westerly along East Street from the southeast corner of Block 27, U.S. Survey 437, thence S. 33°57'W 208.14 feet, thence N. 40°50' W. 66.10 feet, thence N. 19°15' W. 88.21 feet, thence N. 61°20' E. 68.25 feet, thence N. 46°52' E. 24.40 feet, thence N. 33°57' E. 64.74 feet, thence S. 49°07' E. 99.50 feet to point of beginning.

EXCEPTING THEREFROM: That portion thereof conveyed to John Danielson et ux by Quitclaim Deed recorded July 20, 1966 in Volume 26 of Deeds at Page 170.



PARCEL 3:

Lot 1, SITKA BROADCASTERS SUBDIVISION, according to the Plat thereof filed September 8, 1980 as Plat No. 80-6, Sitka Recording District, First Judicial District, State of Alaska.

SUBJECT TO reservations, exceptions, easements, covenants, conditions and restrictions of record, if any.

DATED this 04/26/2023

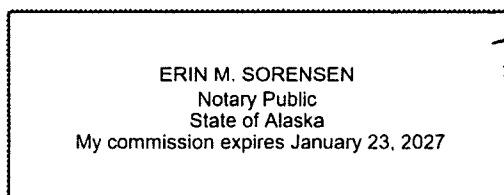
GRANTOR: **FRONTIER PROPERTIES, LLC, an Alaska limited liability who acquired title as Frontier Properties LLC, an Alaska limited liability company**

Richard Burns
By: Richard Burns, Member/Manager

Alaska)
) ss.
First Judicial District)

THIS IS TO CERTIFY that on this 04/26/2023, before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **Richard Burns**, to me known and known to me to be the Member/Manager of **FRONTIER PROPERTIES, LLC, an Alaska limited liability who acquired title as Frontier Properties LLC, an Alaska limited liability company**, and known to me to be the person who signed the foregoing instrument, on behalf of said limited liability company, and he acknowledged to me that he signed and sealed the same as a free act and deed of the said limited liability company for the uses and purposes therein expressed.

WITNESS my hand and official seal on the day and year in this certificate first above written.



ES

Notary Public in and for Alaska
My Commission Expires: 01/23/2027

WARRANTY DEED
A4350\11230\Warranty Deed

Page 3

This notarial act involved the use of communication technology



*Execution Version*

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

DRAWN BY AND MAIL TO:

Willkie, Farr & Gallagher LLP
787 Seventh Avenue
New York, New York 10019
Attention: Jennifer Coffey, Esq.

W5720

COLLATERAL IS OR INCLUDES FIXTURES

This document serves as a Fixture filing under the Alaska Uniform Commercial Code.

**DEED OF TRUST, ASSIGNMENT OF RENTS AND LEASES, COLLATERAL
ASSIGNMENT OF PROPERTY AGREEMENTS, SECURITY AGREEMENT AND
FIXTURE FILING**

This Deed of Trust, Assignment of Rents and Leases, Collateral Assignment of Property Agreements, Security Agreement and Fixture Filing (as amended from time to time, this "Deed of Trust") is made, and is executed as of April 26, 2023, by LOCAL FIRST PROPERTIES USA INC., a Delaware corporation (together with its permitted successors and permitted assigns, "Grantor"), whose mailing address for all purposes hereunder is 3000, 700 – 9th Avenue SW, Calgary, Alberta T2P 3V4, to Alaska Escrow and Title Insurance Agency, Inc. (together with its permitted successors and permitted assigns, "Trustee"), whose mailing address for all purposes hereunder is 2030 Sea Level Drive, Ste. 201 Ketchikan, AK 99901, for the benefit of ATB FINANCIAL, a financial institution in the Province of Alberta, whose mailing address for all purposes hereunder is Suite 600, 585-8th Avenue, S.W., Calgary, AB T2P 1G1 (together with its successors and assigns, the "Beneficiary").

ARTICLE 1

DEFINITIONS

Section 1.1 Definitions. As used herein, the following terms shall have the following meanings:

“Borrower” means, collectively, LOCAL FIRST MEDIA GROUP INC., and LOCAL FIRST PROPERTIES INC., each an Alberta corporation.

“Commitment Letter” means that certain Commitment Letter dated April 10, 2023, by and between, *inter alios*, the Beneficiary, as lender, the Borrower, as borrowers, and certain subsidiaries of the Borrower party thereto, as guarantors (as the same may be amended, amended and restated, renewed, modified, restated, replaced, assigned or supplemented from time to time).

“Loan Documents” means the Commitment Letter, the Security Documents and each instrument, agreement, certificate, application, request, indemnity and other document of any nature or kind now or hereafter executed in connection with the Commitment Letter or any Security Documents, all as amended, restated and replaced from time to time.

“Loan Party” and “Loan Parties” means, individually or collectively, as the context may require, the Persons identified as “Loan Party” or “Loan Parties” in the Commitment Letter or the other Loan Documents.

“Property” means all of Grantor’s right, title and interest in and to each of the following (whether now owned or hereafter acquired):

(1) the real property described in Exhibit A attached hereto and made a part hereof, together with any greater estate therein as hereafter may be acquired by Grantor (the “Land”),

(2) all buildings, structures and other improvements, now or at any time situated, placed or constructed upon the Land (the “Improvements”),

(3) all materials, machinery, supplies, equipment, fixtures (including “fixtures” as defined in the UCC), apparatus and other items of personal property now owned or hereafter acquired by Grantor and now or hereafter attached to, installed in or used in connection with any of the Improvements or the Land, including any and all partitions, dynamos, window screens and shades, drapes, rugs and other floor coverings, awnings, motors, engines, boilers, furnaces, pipes, plumbing, cleaning, call and sprinkler systems, fire extinguishing apparatus and equipment, water tanks, swimming pools, heating, ventilating, plumbing, lighting, communications and elevator fixtures, laundry, incinerating, air conditioning and air cooling equipment and systems, gas and electric machinery and equipment, disposals, dishwashers, furniture, refrigerators and ranges, security systems, artwork, recreational and pool equipment and facilities of all kinds, water, gas, electrical, storm and sanitary sewer facilities of all kinds, and all other utilities



whether or not situated in easements together with all accessions, replacements, betterments and substitutions for any of the foregoing (the “Fixtures”),

(4) all goods, accounts, general intangibles, instruments, documents, books and records, accounts receivable, chattel paper, investment property, securities accounts and all other personal property of any kind or character, including such items of “personal property” as defined in the UCC, now owned or hereafter acquired by Grantor and now or hereafter affixed to, placed upon, used in connection with, arising from or otherwise related to the Land and/or the Improvements or that may be used in or relating to the planning, development, financing or operation of the Land and/or the Improvements, including furniture, furnishings, equipment, machinery, money, insurance proceeds, condemnation awards, accounts, contract rights, causes of action, trademarks, tradenames, servicemarks, logos, copyrights, patents, website domains, goodwill, chattel paper, documents, trade names, licenses and/or franchise agreements, rights of Grantor under leases of Fixtures or other personal property or equipment, inventory, all refundable, returnable or reimbursable fees, deposits or other funds or evidences of credit or indebtedness deposited by or on behalf of Grantor with any governmental authorities, boards, corporations, providers of utility services, public or private, including specifically, but without limitation, all refundable, returnable or reimbursable tap fees, utility deposits, commitment fees and development costs and all refunds, rebates or credits in connection with a reduction in real estate taxes and assessments against the Land and/or Improvements as a result of tax certiorari or any applications or proceedings for reduction (the “Personalty”),

(5) all reserves, escrows or impounds and all deposit accounts (including any tenant’s security and cleaning deposits and deposits with respect to utility services) maintained by or on behalf of Grantor with respect to the Land and/or Improvements,

(6) all plans, specifications, shop drawings and other technical descriptions prepared for construction, repair or alteration of the Improvements, and all amendments and modifications thereof (together with any and all modifications, renewals, extensions and substitutions of the foregoing, the “Plans”),

(7) all leasehold estates, leases, subleases, sub-subleases, licenses, concessions, occupancy agreements or other agreements, including, without limitation, any master leases or operating leases (written or oral, now or at any time in effect and every modification, amendment or other agreement relating thereto, including every guarantee of the performance and observance of the covenants, conditions and agreements to be performed and observed by the other party thereto) that grant a possessory interest in, or the right to use or occupy, all or any part of the Land and/or Improvements, together with all related security and other deposits (together with any and all modifications, renewals, extensions and substitutions of the foregoing, the “Leases”),

(8) all of the rents, revenues, income, proceeds, issues, profits (including all oil or gas or other mineral royalties and bonuses), security and other types of deposits, and other benefits paid or payable and to become due or payable by parties to the Leases



other than Grantor for using, leasing, licensing, possessing, occupying, operating from, residing in, selling or otherwise enjoying any portion or portions of the Land and/or Improvements (the "Rents"),

(9) all contracts and agreements in any way relating to, executed in connection with, or used in, the development, construction, use, occupancy, operation, maintenance, enjoyment, acquisition, management or ownership of the Land and/or Improvements or the sale of goods or services produced in or relating to the Land and/or Improvements (together with any and all modifications, renewals, extensions and substitutions of the foregoing, the "Property Agreements"), including all right, title and interest of Grantor in, to and under (a) all construction contracts, architects' agreements, engineers' contracts, utility contracts, letters of credit, escrow agreements, maintenance agreements, management, leasing and related agreements, parking agreements, equipment leases, service contracts, operating leases, catering and restaurant leases and agreements, agreements for the sale, lease or exchange of goods or other property, agreements for the performance of services, permits, variances, licenses, certificates and entitlements, (b) all material agreements and instruments under which Grantor or any of its affiliates or the seller of the Property have remaining rights or obligations in respect of Grantor's acquisition of the Property or equity interests therein, (c) applicable business licenses, variances, entitlements, certificates, state health department licenses, liquor licenses, food service licenses, licenses to conduct business, certificates of need and all other permits, licenses and rights obtained from any Governmental Authority or private Person, (d) all rights of Grantor to receive monies due and to become due under or pursuant to the Property Agreements, (e) all claims of Grantor for damages arising out of or for breach of or default under the Property Agreements, (f) all rights of Grantor to terminate, amend, supplement, modify or waive performance under the Property Agreements, to compel performance and otherwise to exercise all remedies thereunder, and, with respect to Property Agreements that are letters of credit, to make any draws thereon, (g) all purchase options and other preferential rights and (h) to the extent not included in the foregoing, all cash and non-cash proceeds, products, offspring, rents, revenues, issues, profits, royalties, income, benefits, additions, renewals, extensions, substitutions, replacements and accessions of and to any and all of the foregoing,

(10) all rights, privileges, titles, interests, liberties, tenements, hereditaments, rights-of-way, easements, sewer rights, water, water courses, water rights and powers, air rights, development rights, licenses, permits and construction and equipment warranties, appendages and appurtenances appertaining to the foregoing, and all right, title and interest, if any, of Grantor in and to any streets, ways, alleys, underground vaults, passages, strips or gores of land adjoining the Land or any part thereof,

(11) all accessions, replacements, renewals, additions and substitutions for any of the foregoing and all proceeds thereof,

(12) all insurance policies, unearned premiums therefor and proceeds from such policies, including the right to receive and apply the proceeds of any insurance, judgments or settlements made in lieu thereof, covering any of the above property now or hereafter acquired by Grantor,



(13) all minerals and mineral rights and, without limiting the foregoing, all oil, coal, gas and coalbed methane and all related rights, and all riparian, littoral and water rights, in each case now owned or hereafter acquired and relating to all or any part of the Land and/or Improvements,

(14) any awards, remunerations, reimbursements, settlements or compensation heretofore made or hereafter to be made by any Governmental Authority pertaining to the Land, Improvements, Fixtures or Personalty, and

(15) all after acquired title to or remainder or reversion in any of the property (or any portion thereof) described herein.

Notwithstanding the foregoing, the Property shall not include any interest in any permits or licenses if the grant of a security interest therein is prohibited as a matter of law, rule or regulation, in each case after giving effect to any applicable Uniform Commercial Code and other Applicable Law; provided that the Property shall include, to the maximum extent permitted by law, the proceeds of any such permits or licenses, the economic value thereof, all rights incident or appurtenant thereto and the right to receive all monies, consideration and proceeds derived from or in connection with the sale, assignment or transfer thereof.

“Secured Obligations” means, collectively, all debts, liabilities and obligations of the Grantor to the Beneficiary, howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether Grantor be bound alone or jointly or severally with others, including, without limitation, such debts, liabilities and obligations arising under or in connection with the Commitment Letter and the other Loan Documents (including interest and fees accruing during the pendency of any bankruptcy, insolvency, receivership, administration or other similar proceeding, regardless of whether allowed or allowable in such proceeding).

“UCC” means the Uniform Commercial Code (or any similar or equivalent legislation) as in effect in the jurisdiction in which the Land is located.

Capitalized terms used herein but not otherwise defined shall have the respective meanings ascribed to such terms in the Commitment Letter.

ARTICLE 2

HABENDUM

Section 2.1 Grant. To secure the full and timely payment and performance of the Secured Obligations, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor HAS MORTGAGED, GIVEN, GRANTED, BARGAINED, SOLD, TRANSFERRED, WARRANTED, PLEDGED, ASSIGNED and CONVEYED, and does hereby MORTGAGE, GIVE, GRANT, BARGAIN, SELL, TRANSFER, WARRANT, PLEDGE, ASSIGN and CONVEY to Trustee, its heirs, successors and assigns forever, IN TRUST, WITH POWER OF SALE, TO HAVE AND TO HOLD all of the Property unto, for the use and benefit of Beneficiary, its heirs, successors and assigns in fee simple forever, and Grantor does hereby bind itself, its heirs, successors and assigns to



WARRANT AND FOREVER DEFEND (i) the title to the Property unto Trustee and Beneficiary and its heirs, successors and assigns, subject only to Permitted Encumbrances, and (ii) the validity and priority of the Liens of this Deed of Trust, subject only to Permitted Encumbrances, in each case against the claims of all Persons whomsoever.

THIS CONVEYANCE IS MADE IN TRUST, that if Grantor shall pay and perform or cause to be paid and performed all of the Secured Obligations in accordance with the terms of the Loan Documents, then this conveyance shall be null and void and may be canceled of record at the request and cost of Grantor, which cost Grantor hereby agrees to pay; provided, however, that if, at any time, there shall be any Event of Default, then Beneficiary and Trustee shall be entitled to exercise the remedies set forth in Article 3 below.

ARTICLE 3

DEFAULT AND FORECLOSURE

Section 3.1 Remedies. If an Event of Default is continuing, Beneficiary may, at Beneficiary's election and by or through Trustee or otherwise, take such action permitted at law or in equity, without notice or demand (except as explicitly provided in the Commitment Letter), as it deems advisable to protect and enforce its rights against Grantor and to the Property, including but not limited to any or all of the following rights, remedies and recourses, each of which may be pursued concurrently or otherwise, at such time and in such order as Beneficiary may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of Beneficiary:

(a) Acceleration. Declare the Secured Obligations to be immediately due and payable, without further notice, presentment, protest, notice of intent to accelerate, notice of acceleration, demand or action of any nature whatsoever (each of which hereby is expressly waived by Grantor), whereupon the same shall become immediately due and payable.

(b) Entry on Property. Enter the Property and take exclusive possession thereof and of all books, records and accounts relating thereto. If Grantor remains in possession of the Property upon the occurrence and during the continuance of an Event of Default and without Beneficiary's prior written consent, Beneficiary may invoke any legal remedies to dispossess Grantor.

(c) Operation of Property. Whether or not a receiver has been appointed pursuant to Section 3.1(e) hereof, hold, lease, develop, manage, operate, control and otherwise use the Property upon such terms and conditions as Beneficiary may deem reasonable under the circumstances (making such repairs, alterations, additions and improvements and taking other actions, from time to time, as Beneficiary deems reasonably necessary or desirable), exercise all rights and powers of Grantor with respect to the Property, whether in the name of Grantor or otherwise, including the right to make, cancel, enforce or modify Leases, obtain and evict tenants, and demand, sue for, collect and receive all Rents, and apply all Rents and other amounts collected by Beneficiary or Trustee in connection therewith in accordance with the provisions of Section 3.7 hereof.



(d) Foreclosure and Sale. Institute proceedings for the complete foreclosure of this Deed of Trust, either by judicial action or by exercise of the STATUTORY POWER OF SALE or otherwise, in which case the Property may be sold for cash or credit in one or more parcels or in several interests or portions and in any order or manner in accordance with applicable law governing foreclosures. At any such sale by virtue of any judicial proceedings or any other legal right, remedy or recourse including power of sale, the title to and right of possession of any such Property shall pass to the purchaser thereof, and to the fullest extent permitted by law, Grantor shall be completely and irrevocably divested of all of its right, title, interest, claim and demand whatsoever, either at law or in equity, in and to the Property sold and such sale shall be a perpetual bar both at law and in equity against Grantor, and against all other Persons claiming or to claim the Property sold or any part thereof by, through or under Grantor. Beneficiary may be a purchaser at such sale and, if Beneficiary is the highest bidder, may credit the portion of the purchase price that would be distributed to Beneficiary against the Secured Obligations in lieu of paying cash. At any such sale (A) whether made under the power herein contained, the UCC, any other legal requirement or by virtue of any judicial proceedings or any other legal right, remedy or recourse, including power of sale, it shall not be necessary for Trustee to be physically present at or to have constructive possession of the Property (Grantor shall deliver to Trustee any portion of the Property not actually or constructively possessed by Trustee immediately upon demand by Trustee), and the title to and right of possession of any such Property shall pass to the purchaser thereof, as completely as if Trustee had been actually present and delivered to purchaser at such sale, (B) each instrument of conveyance executed by Trustee shall contain a general warranty of title, binding upon Grantor, (C) each recital contained in any instrument of conveyance made by Trustee shall conclusively establish the truth and accuracy of the matters recited therein, including, without limitation, nonpayment of the Secured Obligations, advertisement and conduct of such sale in the manner provided herein and otherwise by law, and appointment of any successor Trustee hereunder, (D) any prerequisites to the validity of such sale shall be conclusively presumed to have been performed, and (E) the receipt of Trustee or other party making the sale shall be a sufficient discharge to the purchaser or purchasers for his/her/their purchase money and no such purchaser or purchasers, or his/her/their assigns or Personal representatives, shall thereafter be obligated to see to the application of such purchase money or be in any way answerable for any loss, misapplication or nonapplication thereof. With respect to any notices required or permitted under the UCC, Grantor agrees that thirty (30) days' prior written notice shall be deemed commercially reasonable.

(e) Receiver. Prior to, concurrently with, or subsequent to the institution of foreclosure proceedings, make application to a court of competent jurisdiction for, and (to the extent permitted by Applicable Law) obtain from such court as a matter of strict right and without notice to Grantor or anyone claiming under Grantor or regard to the value of the Property or the solvency or insolvency of Grantor or the adequacy of any collateral for the repayment of the Secured Obligations or the interest of Grantor therein, the appointment of a receiver or receivers of the Property, and Grantor irrevocably consents to such appointment. Any such receiver or receivers shall have all the usual powers and duties of receivers in similar cases, including the full power to rent, maintain and otherwise operate the Property upon such terms as may be approved by the court, and shall apply such Rents in accordance with the provisions of Section 3.7 hereof.



(f) Other. Exercise all other rights, remedies and recourses granted under the Loan Documents or otherwise available at law or in equity (including an action for specific performance of any covenant contained in the Loan Documents, or a judgment on the Secured Obligations either before, during or after any proceeding to enforce this Deed of Trust).

Section 3.2 Separate Sales. In connection with the exercise by Beneficiary or Trustee of its rights and remedies hereunder, the Property may be sold in one or more parcels and in such manner and order as Beneficiary, in its sole discretion, may elect, subject to Applicable Law; the right of sale arising out of any Event of Default shall not be exhausted by any one or more sales.

Section 3.3 Remedies Cumulative, Concurrent and Nonexclusive. Beneficiary shall have all rights, remedies and recourses granted in the Loan Documents and available at law or equity (including the UCC), which rights (a) shall be cumulative and concurrent and shall be in addition to every other remedy so provided or permitted, (b) may be pursued separately, successively or concurrently against Grantor, or against the Property, or against any one or more of them, at the sole discretion of Beneficiary, (c) may be exercised as often as occasion therefor shall arise, and the exercise or failure to exercise any of them shall not be construed as a waiver or release thereof or of any other right, remedy or recourse, and (d) are intended to be, and shall be, nonexclusive. No action by Beneficiary or Trustee in the enforcement of any rights, remedies or recourses under the Loan Documents or otherwise at law or equity shall be deemed to cure any Event of Default.

Section 3.4 Release of and Resort to Collateral. Beneficiary may release, regardless of consideration and without the necessity for any notice to or consent by the holder of any subordinate lien on the Property, any part of the Property without, as to the remainder, in any way impairing, affecting, subordinating or releasing the lien or security interests created in or evidenced by the Loan Documents or their stature as a first and prior lien and security interest in and to the Property. For payment of the Secured Obligations, Beneficiary may resort to any other security in such order and manner as Beneficiary may elect.

Section 3.5 Waiver of Redemption, Notice and Marshaling of Assets. To the fullest extent permitted by law, Grantor hereby irrevocably and unconditionally waives and releases (a) all benefit that might accrue to Grantor by virtue of any present or future statute of limitations or "moratorium law" or other law or judicial decision exempting the Property or any part thereof, or any part of the proceeds arising from any sale of any such property, from attachment, levy or sale on execution or providing for any appraisal, valuation, stay of execution, exemption from civil process, redemption reinstatement (to the extent permitted by law) or extension of time for payment, (b) any right to a marshaling of assets or a sale in inverse order of alienation, and (c) any and all rights it may have to require that the Property be sold as separate tracts or units in the event of foreclosure.

Section 3.6 Discontinuance of Proceedings. If Beneficiary shall have proceeded to invoke any right, remedy or recourse permitted under the Loan Documents and shall thereafter elect to discontinue or abandon it for any reason, Beneficiary shall have the unqualified right to do so and, in such an event, Grantor and Beneficiary shall be restored to their former positions with respect to the Secured Obligations, the Loan Documents, the Property and otherwise, and



the rights, remedies, recourses and powers of Beneficiary shall continue as if the right, remedy or recourse had never been invoked, but no such discontinuance or abandonment shall waive any Event of Default that may then exist or the right of Beneficiary thereafter to exercise any right, remedy or recourse under the Loan Documents for such Event of Default.

Section 3.7 Application of Proceeds. Except as otherwise provided in the Loan Documents and unless otherwise required by Applicable Law, the proceeds of any sale of, and the Rents and other amounts generated by the holding, leasing, management, operation or other use of the Property, shall be applied by Beneficiary or Trustee (or the receiver, if one is appointed) in the following order or in such other order as Beneficiary shall determine in its sole discretion:

(a) to the payment of the reasonable costs and expenses of taking possession of the Property and of holding, using, leasing, repairing, improving and selling the same, including (1) receiver's fees and expenses, (2) court costs, (3) reasonable attorneys', accountants', appraisers', environmental consultants', engineers' and other experts' fees and expenses, (4) costs of advertisement, (5) costs of procuring title searches, title policies and similar data and assurance with respect to title, (6) the payment of all applicable transfer taxes and mortgage recording taxes, and (7) the payment of all ground rent, real estate taxes and assessments;

(b) to the payment of all amounts, other than the unpaid principal balance of the Secured Obligations and accrued but unpaid interest, which may be due under the Loan Documents;

(c) to the payment and performance of the Secured Obligations in such manner and order of preference as Beneficiary in its sole discretion may determine; and

(d) the balance, if any, to the payment of the Persons legally entitled thereto.

If Beneficiary shall be ordered, in connection with any bankruptcy, insolvency or reorganization of Grantor, to restore or repay to or for the account of Grantor or its creditors any amount theretofore received under this Section, the amount of such restoration or repayment shall be deemed to be a part of the Secured Obligations so as to place Beneficiary in the same position it would have been in had such amount never been received by Beneficiary.

Section 3.8 Occupancy After Foreclosure. The purchaser at any foreclosure sale pursuant to Section 3.1(d) hereof shall become the legal owner of the Property. All occupants of the Property shall, at the option of such purchaser, become tenants of the purchaser at the foreclosure sale and shall deliver possession thereof immediately to the purchaser upon demand. It shall not be necessary for the purchaser at said sale to bring any action for possession of the Property other than the statutory action of forcible detainer in any court having jurisdiction over the Property.

Section 3.9 Additional Advances and Disbursements; Costs of Enforcement. If any Event of Default is continuing, Beneficiary shall have the right, but not the obligation, to cure such Event of Default in the name and on behalf of Grantor. All sums advanced and expenses incurred at any time by Beneficiary under this Section, or otherwise under this Deed of Trust or any of the other Loan Documents or Applicable Law, shall bear interest from the date



that such sum is advanced or expense incurred to and including the date of reimbursement, computed at the Default Rate, and all such sums, together with interest thereon, shall constitute additions to the Secured Obligations and shall be secured by this Deed of Trust and Grantor covenants and agrees to pay them to the order of Beneficiary promptly upon demand.

Section 3.10 No Mortgagee in Possession. Neither the enforcement of any of the remedies under this Article 3, the assignment of the Rents and Leases under Article 4, the collateral assignment of the Property Agreements under Article 5, the security interests under Article 6, nor any other remedies afforded to Beneficiary under the Loan Documents, at law or in equity shall cause Beneficiary or Trustee to be deemed or construed to be a mortgagee in possession of the Property, to obligate Beneficiary or Trustee to lease the Property or attempt to do so, or to take any action, incur any expense, or perform or discharge any obligation, duty or liability whatsoever under any of the Leases or otherwise. Grantor shall, and hereby agrees to, indemnify Beneficiary for, and to hold Beneficiary harmless from and against, any and all claims, liability, expenses, losses or damages that may or might be asserted against or incurred by Beneficiary, as the case may be, solely by reason of Beneficiary's status as an assignee pursuant to the assignment of Rents and Leases contained herein, but excluding any claim to the extent such claim has been found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from Beneficiary's gross negligence or willful misconduct. Should Beneficiary incur any such claim, liability, expense, loss or damage, the amount thereof, including all actual expenses and reasonable fees of attorneys, shall constitute Secured Obligations secured hereby, and Grantor shall reimburse Beneficiary, as the case may be, therefor immediately upon demand.

ARTICLE 4

ASSIGNMENT OF RENTS AND LEASES

Section 4.1 Assignment. Grantor does hereby presently, absolutely and unconditionally assign to Trustee for the benefit of Beneficiary, Grantor's right, title and interest in all current and future Leases and the absolute, unconditional and continuing right to receive and collect all Rents, it being intended by Grantor that this assignment constitutes a present, outright, immediate, continuing and absolute assignment and not an assignment for additional security only. Such assignment to Trustee for the benefit of Beneficiary shall not be construed to bind Beneficiary to the performance of any of the covenants, conditions or provisions contained in any such Lease or otherwise impose any obligation upon Beneficiary. Beneficiary shall have no responsibility on account of this assignment for the control, care, maintenance, management or repair of the Property, for any dangerous or defective condition of the Property, or for any negligence in the management, upkeep, repair or control of the Property. Grantor agrees to execute and deliver to Beneficiary such additional instruments, in form and substance satisfactory to Beneficiary, as may hereafter be requested by Beneficiary to further evidence and confirm such assignment.

Section 4.2 License. Notwithstanding that Grantor hereby presently grants to Trustee for the benefit of Beneficiary an outright, immediate, continuing and absolute assignment of the Rents and Leases and not merely the collateral assignment of, or the grant of a lien or security interest in, the Rents and Leases, Trustee on behalf of Beneficiary hereby grants



to Grantor and its successors, and not to any tenant or any other Person, a revocable license to collect and receive the Rents and to retain, use and enjoy the same and otherwise exercise all rights as landlord under any Lease, in each case subject to the terms hereof and of the Commitment Letter. Upon the occurrence and during the continuance of any Event of Default, (i) the license granted herein to Grantor shall immediately and automatically cease and terminate and shall be void and of no further force or effect, (ii) Beneficiary shall immediately be entitled to possession of all Rents (whether or not Beneficiary enters upon or takes control of the Property) and (iii) at the request of Beneficiary, Grantor shall notify in writing all tenants and subtenants under any of the Leases that all Rent due thereunder should be paid to Beneficiary at its address set forth in the Commitment Letter, or at such other place as Beneficiary shall notify Grantor in writing; provided that, if such Event of Default ceases to exist, the license described in the foregoing clause (i) shall automatically be reinstated. Notwithstanding said license, Grantor agrees that Beneficiary, and not Grantor, shall be deemed to be the creditor of each tenant or subtenant under any Lease in respect to assignments for the benefit of creditors and bankruptcy, reorganization, insolvency, dissolution or receivership proceedings affecting such tenant or subtenant (without obligation on the part of Beneficiary, however, to file or make timely filings of claims in such proceedings or otherwise to pursue creditors' rights therein), with an option to apply in accordance with the Loan Documents any money received from such tenant or subtenant in reduction of any amounts due under the Loan Documents. Upon the occurrence and during the continuance of an Event of Default, any portion of the Rents held by Grantor shall be held in trust for the benefit of Beneficiary for use in the payment of the Secured Obligations.

Section 4.3 Certain Rights of Beneficiary. Subject to the revocable license granted above, upon the occurrence and during the continuance of an Event of Default, Beneficiary shall have the immediate and continuing right, power and authority, either in Person or by agent, without bringing any action or proceeding, or by a receiver appointed by a court, without the necessity of taking possession of the Property in its own name, and without the need for any other authorization or action by Grantor or Beneficiary, in addition to and without limiting any of Beneficiary's rights and remedies hereunder, under the Commitment Letter and any other Loan Documents and as otherwise available at law or in equity, (a) to notify any tenant or other Person that the Leases have been assigned to Beneficiary and that all Rents are to be paid directly to Beneficiary, whether or not Beneficiary has commenced or completed foreclosure or taken possession of the Property; (b) to settle, compromise, release, extend the time of payment of, and make allowances, adjustments and discounts of any Rents or other obligations in, to and under the Leases; (c) to demand, sue for, collect, receive and enforce payment of Rents, including those past-due and unpaid and other rights under the Leases, prosecute any action or proceeding, and defend against any claim with respect to the Rents and Leases; (d) to enter upon, take possession of and operate the Property whether or not foreclosure under this Deed of Trust has been instituted and without applying for a receiver; (e) to lease all or any part of the Property; and/or (f) to perform any and all obligations of Grantor under the Leases and exercise any and all rights of Grantor therein contained to the full extent of Grantor's rights and obligations thereunder.

Section 4.4 Irrevocable Instructions to tenants. At Beneficiary's request, Grantor shall deliver a copy of this Deed of Trust to each tenant under a Lease and to each manager and managing agent or operator of the Property, and Beneficiary shall have the continuing right to do so. Grantor irrevocably directs any tenant, manager, managing agent, or operator of the



Property, without any requirement for notice to or consent by Grantor, to comply with all demands of Beneficiary under this Article 4 and to turn over to Beneficiary on demand all Rents that it receives. Grantor hereby acknowledges and agrees that payment of any Rents by a Person to Beneficiary as hereinabove provided shall constitute payment by such Person, as fully and with the same effect as if such Rents had been paid to Grantor. Beneficiary is hereby granted and assigned by Grantor the right, at its option, upon revocation of the license granted herein, upon an Event of Default that is continuing, to enter upon the Property in Person or by agent, without bringing any action or proceeding, or by court-appointed receiver to collect the Rents. Any Rents collected after the revocation of the license shall be applied in accordance with the provisions of the Commitment Letter. Neither the enforcement of any of the remedies under this Article 4 nor any other remedies or security interests afforded to Beneficiary under the Loan Documents, at law or in equity shall cause Beneficiary to be deemed or construed to be a mortgagee in possession of the Property, to obligate Beneficiary to lease the Property or attempt to do so, or to take any action, incur any expense, or perform or discharge any obligation, duty or liability whatsoever under any of the Leases or otherwise. Grantor shall, and hereby agrees to, indemnify Beneficiary for, and to hold Beneficiary harmless from and against, any and all claims, liability, expenses, losses or damages that may or might be asserted against or incurred by Beneficiary solely by reason of Beneficiary's status as an assignee pursuant to the assignment of Rents and Leases contained herein, but excluding any claim to the extent such claim has been found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from Beneficiary's gross negligence or willful misconduct. Should Beneficiary incur any such claim, liability, expense, loss or damage, the amount thereof, including all actual expenses and reasonable fees of attorneys, shall constitute Secured Obligations secured hereby, and Grantor shall reimburse Beneficiary therefor within five (5) Business Days after demand.

Section 4.5 Unilateral Subordination. Beneficiary may, at any time and from time to time by specific written instrument intended for the purpose, unilaterally subordinate the lien of this Deed of Trust to any Lease, without joinder or consent of, or notice to, Grantor, any tenant or any other Person, and notice is hereby given to each tenant under a Lease of such right to subordinate. No such subordination shall constitute a subordination to any lien or other encumbrance, whenever arising, or improve the right of any junior lienholder; and nothing herein shall be construed as subordinating this Deed of Trust to any Lease.

ARTICLE 5

COLLATERAL ASSIGNMENT OF PROPERTY AGREEMENTS

Section 5.1 Collateral Assignment. Grantor does hereby collaterally assign and pledge to Beneficiary, Grantor's right, title and interest in, to and under all current and future Property Agreements. Such collateral assignment to Beneficiary shall not be construed to bind Beneficiary to the performance of any of the covenants, conditions or provisions contained in any such Property Agreement or otherwise impose any obligation upon Beneficiary. Grantor agrees to execute and deliver to Beneficiary such additional instruments, in form and substance satisfactory to Beneficiary, as may hereafter be requested by Beneficiary to further evidence and confirm such collateral assignment.



Section 5.2 Retained Rights of Grantor. Subject to the other provisions of this Article 5 and the provisions of the other Loan Documents, for so long as no Event of Default shall have occurred and be continuing, Grantor may exercise all of its rights and privileges under the Property Agreements and shall have the exclusive right and authority to deal with, enjoy the benefit under, grant any consents and approvals under, and amend, modify or terminate, such Property Agreements, collect, receive and retain for its own benefit all monies due or to become due under such Property Agreements, sue and enforce all claims of Grantor for damages arising under such Property Agreements, and retain for its own benefit all items described in clause (d) of paragraph (9) of the definition of "Property" above, if and to the extent not prohibited by the Commitment Letter or the other Loan Documents. Upon the occurrence and during the continuance of any Event of Default, the rights of Grantor described in this Section shall immediately and automatically cease and terminate and shall be void and of no further force or effect. Upon the occurrence and during the continuance of an Event of Default, any amounts held by Grantor as a party to the Property Agreements shall be held in trust for the benefit of Beneficiary for use in the payment of the Secured Obligations.

Section 5.3 Exercise of Assigned Rights. Grantor hereby irrevocably directs the grantor or licensor of, or the contracting party to, any Property Agreement, upon demand from Beneficiary, to recognize and accept Beneficiary as the party to such Property Agreement for any and all purposes as fully as it would recognize and accept Grantor and the performance of Grantor thereunder; provided, that Beneficiary hereby covenants to Grantor that it will not make such demand except upon the occurrence and during the continuance of an Event of Default. Upon the occurrence, and during the continuance, of an Event of Default, without further notice or demand and at Grantor's sole cost and expense, Beneficiary shall be entitled to exercise all rights of Grantor arising under the Property Agreements. Grantor hereby acknowledges and agrees that payment of any amounts owing under any Property Agreement by a Person to Beneficiary as hereinabove provided shall constitute payment by such Person, as fully and with the same effect as if such amounts had been paid to Grantor. Any amounts collected upon the occurrence and during the continuance of an Event of Default shall be applied in accordance with the provisions of the Commitment Letter. At Beneficiary's request, Grantor shall deliver a copy of this Deed of Trust to each grantor or licensor of or the contracting party to a Property Agreement, and Beneficiary shall have the continuing right to do so.

Section 5.4 Indemnity. Grantor shall, and hereby agrees to, indemnify Beneficiary for, and to hold Beneficiary harmless from and against, any and all claims, liability, expenses, losses or damages that may or might be asserted against or incurred by Beneficiary solely by reason of Beneficiary's status as an assignee pursuant to the collateral assignment of Property Agreements contained herein, but excluding any claim to the extent such claim has been found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from Beneficiary's gross negligence or willful misconduct or any claim arising as a result of an act or omission of Beneficiary after the date on which Beneficiary has taken actual possession of the Property pursuant to an exercise of its rights and remedies hereunder. Should Beneficiary incur any such claim, liability, expense, loss or damage, the amount thereof, including all actual expenses and reasonable fees of attorneys, shall constitute Secured Obligations secured hereby, and Grantor shall reimburse Beneficiary therefor within five (5) Business Days after demand.



Section 5.5 Property Agreement Covenants. (a) Grantor shall perform and observe, in a timely manner, all of the covenants, conditions, obligations and agreements of Grantor under the Property Agreements and shall suffer or permit no delinquency on its part to exist thereunder if such action is prohibited by the Commitment Letter or would be reasonably likely to have a Material Adverse Effect.

(b) Grantor shall not (i) sell, assign, transfer, mortgage or pledge any Property Agreement or any such right or interest under any Property Agreement or (ii) cancel, terminate, amend, supplement or modify any Property Agreement, in either case, if such action is prohibited by the Commitment Letter or would have a Material Adverse Effect.

(c) Grantor shall exercise all reasonable efforts to enforce or secure the performance of each and every obligation, covenant, condition and agreement to be performed by the franchisor, manager, licensor, grantor or other contracting party under the Property Agreements if the failure to take such action would have a Material Adverse Effect.

ARTICLE 6

SECURITY AGREEMENT

Section 6.1 Security Interest. This Deed of Trust constitutes both a real property mortgage and a "Security Agreement" on personal property within the meaning of the UCC and other Applicable Law and with respect to the Personalty, Fixtures, Plans, Leases, Rents and Property Agreements (said portion of the Property subject to the UCC, the "UCC Collateral"). The Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Grantor in the Property. Grantor, by executing and delivering this Deed of Trust, hereby grants to Beneficiary a first and prior security interest in the Personalty, Fixtures, Plans, Leases, Rents and Property Agreements and all other Property that is personal property to secure the payment and performance of the Secured Obligations and agrees that Beneficiary shall have all the rights and remedies of a secured party under the UCC with respect to such property including, without limiting the generality of the foregoing, the right to take possession of the UCC Collateral or any part thereof, and to take such other measures as Beneficiary may deem necessary for the care, protection and preservation of the UCC Collateral. Upon request or demand of Beneficiary, Grantor shall at its expense assemble the UCC Collateral and make it available to Beneficiary at the Property. Grantor shall pay to Beneficiary on demand any and all expenses, including actual reasonable legal expenses and attorneys' fees, incurred or paid by Beneficiary in protecting the interest in the UCC Collateral and in enforcing the rights hereunder with respect to the UCC Collateral. Any notice of sale, disposition or other intended action by Beneficiary with respect to the UCC Collateral sent to Grantor in accordance with the provisions hereof at least ten (10) Business Days prior to such action shall constitute commercially reasonable notice to Grantor. The proceeds of any disposition of the UCC Collateral, or any part thereof, shall, except as otherwise required by law, be applied by Beneficiary in accordance with Section 3.7 hereof.

Section 6.2 Further Assurances. Grantor shall execute and deliver to Beneficiary and/or file, in form and substance satisfactory to Beneficiary, such further statements, documents and agreements, financing statements, continuation statements and such further assurances and



instruments, and do such further acts, as Beneficiary may, from time to time, reasonably consider necessary, desirable or proper to create, perfect and preserve Beneficiary's security interest hereunder and to carry out more effectively the purposes of this Deed of Trust and Beneficiary may cause such statements and assurances to be recorded and filed at such times and places as may be required or permitted by law to so create, perfect and preserve such security interest; provided that such further statements, documents, agreements, assurances, instruments and acts do not increase the liability or obligations or decrease the rights of Grantor from those provided for in the Loan Documents. Grantor hereby irrevocably authorizes Beneficiary to file UCC financing statements in each jurisdiction that Beneficiary deems necessary or desirable in its sole discretion in order to perfect the security interests in all or any portion of the UCC Collateral. Such financing statements may indicate or describe the UCC Collateral in any manner Beneficiary chooses, including, without limitation, describing such collateral as "all assets of debtor, whether now owned or hereafter acquired," "all personal property of debtor, whether now owned or hereafter acquired" or using words of similar import. As of the date hereof, Grantor's chief executive office and principal place of business is at the address set forth in the first paragraph of this Deed of Trust, and Grantor shall promptly notify Beneficiary of any change in such address.

Section 6.3 Fixture Filing. This Deed of Trust shall also constitute a "fixture filing" for the purposes of the UCC upon all of the Property that is or is to become "fixtures" (as that term is defined in the UCC), upon being filed for record in the real estate records of the city or county wherein such fixtures are located. Information concerning the security interest herein granted may be obtained at the addresses of Debtor (Grantor) and Secured Party (Beneficiary) as set forth in the first paragraph of this Deed of Trust.

Section 6.4 Multi-Site Real Estate Transactions. Grantor acknowledges that this Deed of Trust is one of a number of Mortgages and other security documents ("Other Mortgages") that secure the Secured Obligations. Grantor agrees that, except as otherwise provided by Applicable Law, the lien of this Deed of Trust shall be absolute and unconditional and shall not in any manner be affected or impaired by any acts or omissions whatsoever of Beneficiary, and without limiting the generality of the foregoing, the lien hereof shall not be impaired by any acceptance by Beneficiary of any security for or guarantees of the Secured Obligations, or by any failure, neglect or omission on the part of Beneficiary to realize upon or protect any Secured Obligation or any collateral security therefor including the Other Mortgages. Except as provided by Applicable Law, the lien of this Deed of Trust shall not in any manner be impaired or affected by any release (except as to the property released), sale, pledge, surrender, compromise, settlement, renewal, extension, indulgence, alteration, changing, modification or disposition of any of the Secured Obligations or of any of the collateral security therefor, including the Other Mortgages or any guarantee thereof, and, to the fullest extent permitted by Applicable Law, Beneficiary may at its discretion foreclose, exercise any power of sale, or exercise any other remedy available to it under any or all of the Other Mortgages without first exercising or enforcing any of its rights and remedies hereunder. Except as otherwise provided by Applicable law, such exercise of Beneficiary's rights and remedies under any or all of the Other Mortgages shall not in any manner impair the indebtedness hereby secured or the lien of this Deed of Trust and any exercise of the rights and remedies of Beneficiary hereunder shall not impair the lien of any of the Other Mortgages or any of Beneficiary's rights and remedies thereunder. To the fullest extent permitted by Applicable Law, Grantor specifically consents and



agrees that Beneficiary may exercise its rights and remedies hereunder and under the Other Mortgages separately or concurrently and in any order that it may deem appropriate and waives any right of subrogation.

ARTICLE 7

MISCELLANEOUS

Section 7.1 Notices. Any notice required or permitted to be given under this Deed of Trust shall be given in the manner described in Section 9.4 of the Commitment Letter.

Section 7.2 Covenant Running with the Land. All representations, warranties, covenants and obligations contained in the Commitment Letter are incorporated herein by this reference and, to the extent relating to the Property, are intended by the parties to be, and shall be construed as, covenants running with the land. All Persons who may have or acquire an interest in the Property shall be deemed to have notice of, and be bound by, the terms of the Commitment Letter and the other Loan Documents; however, no such party shall be entitled to any rights thereunder without the prior written consent of Beneficiary.

Section 7.3 Attorney-in-Fact. Grantor hereby irrevocably appoints Beneficiary and its successors and assigns as its attorney-in-fact, which appointment is irrevocable and coupled with an interest, upon the occurrence and during the continuance of an Event of Default (a) to execute and/or record any notices of completion, cessation of labor or any other notices that Beneficiary deems appropriate to protect Beneficiary's interest, if Grantor shall fail to do so within ten (10) days after written request by Beneficiary, (b) upon the issuance of a deed or assignment of lease pursuant to the foreclosure of this Deed of Trust or the delivery of a deed or assignment of lease in lieu of foreclosure, to execute all instruments of assignment, conveyance or further assurance with respect to the Leases, Rents, Personalty, Fixtures, Plans and Property Agreements in favor of the grantee of any such deed or the assignee of any such assignment of lease and as may be necessary or desirable for such purpose, (c) to prepare, execute and file or record financing statements, continuation statements, applications for registration and like papers necessary to create, perfect or preserve Beneficiary's security interests and rights in or to any of the collateral, and (d) to perform any obligation of Grantor hereunder; however: (1) Beneficiary shall not under any circumstances be obligated to perform any obligation of Grantor; (2) any sums advanced by Beneficiary in such performance shall be included in the Secured Obligations and shall bear interest at the Default Rate; (3) Beneficiary as such attorney-in-fact shall only be accountable for such funds as are actually received by Beneficiary; and (4) Beneficiary shall not be liable to Grantor or any other Person for any failure to take any action that it is empowered to take under this Section.

Section 7.4 Successors and Assigns. This Deed of Trust shall be binding upon and inure to the benefit of Beneficiary and Grantor and their respective successors and assigns. Beneficiary is expressly permitted to assign any or all of its rights under this Deed of Trust and/or any other Loan Documents in connection with an assignment of some or all of the Secured Obligations and Grantor hereby represents, warrants and covenants that in the event of such assignment by Beneficiary of this Deed of Trust, the assignee shall succeed to all rights,



remedies, and powers of Beneficiary as stated herein and Grantor hereby waives any right to dispute or enjoin any such assignment by Beneficiary.

Section 7.5 No Waiver. Any failure by Beneficiary or Trustee to insist upon strict performance of any of the terms, provisions or conditions of the Loan Documents shall not be deemed to be a waiver of same, and Beneficiary and Trustee shall each have the right at any time to insist upon strict performance of all of such terms, provisions and conditions.

Section 7.6 Subrogation. To the extent proceeds of the loans under the Commitment Letter have been used to extinguish, extend or renew any indebtedness against the Property, then Beneficiary shall be subrogated to all of the rights, liens and interests existing against the Property and held by the holder of such indebtedness and shall have the benefit of the priority of all of the same, and such former rights, liens and interests, if any, are not waived, but are continued in full force and effect in favor of Beneficiary.

Section 7.7 Commitment Letter. If any conflict or inconsistency exists between this Deed of Trust and the Commitment Letter, the Commitment Letter shall govern.

Section 7.8 Release. Upon payment in full of the Secured Obligations and performance in full of all of the outstanding Secured Obligations, the estate hereby granted shall cease, terminate and be void and Beneficiary, at Grantor's expense, shall release the liens and security interests created by this Deed of Trust or assign this Deed of Trust, in each case in accordance with the Commitment Letter.

Section 7.9 Waiver of Stay, Moratorium and Similar Rights. Grantor agrees, to the fullest extent that it may lawfully do so, that it will not at any time insist upon or plead or in any way take advantage of, and hereby waives, any appraisement, valuation, stay, marshaling of assets, exemption, extension, redemption or moratorium law now or hereafter in force and effect so as to prevent or hinder the enforcement of the provisions of this Deed of Trust or the indebtedness secured hereby or any agreement between Grantor and Beneficiary or any rights or remedies of Beneficiary.

Section 7.10 Waiver of Jury Trial; Consent to Jurisdiction. (a) TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LEGAL REQUIREMENTS, GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY AGREE TO WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS DEED OF TRUST, ANY OTHER LOAN DOCUMENT, OR ANY DEALINGS, CONDUCT, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS BY EITHER OF THEM RELATING TO THE SUBJECT MATTER OF THIS DEED OF TRUST. THE SCOPE OF THIS WAIVER IS INTENDED TO ENCOMPASS ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY ACKNOWLEDGE THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO THIS DEED OF TRUST. GRANTOR AND, BY ITS ACCEPTANCE



HEREOF, BENEFICIARY FURTHER WARRANT AND REPRESENT THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THE WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS DEED OF TRUST, OR ANY OTHER LOAN DOCUMENTS OR AGREEMENTS RELATING TO THIS DEED OF TRUST. IN THE EVENT OF LITIGATION, THIS DEED OF TRUST MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(b) GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY HEREBY CONSENT FOR THEMSELVES AND GRANTOR HEREBY CONSENTS IN RESPECT OF ITS PROPERTIES, GENERALLY, UNCONDITIONALLY AND IRREVOCABLY, TO THE NONEXCLUSIVE JURISDICTION OF THE FEDERAL AND STATE COURTS IN THE STATE OF NEW YORK WITH RESPECT TO ANY PROCEEDING RELATING TO ANY MATTER, CLAIM OR DISPUTE ARISING UNDER THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY. GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY FURTHER CONSENT, GENERALLY, UNCONDITIONALLY AND IRREVOCABLY, TO THE NONEXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS OF THE STATE IN WHICH ANY OF THE COLLATERAL IS LOCATED IN RESPECT OF ANY PROCEEDING RELATING TO ANY MATTER, CLAIM OR DISPUTE ARISING WITH RESPECT TO SUCH COLLATERAL. GRANTOR AND BENEFICIARY FURTHER IRREVOCABLY CONSENT TO THE SERVICE OF PROCESS BY MAIL, PERSONAL SERVICE OR IN ANY OTHER MANNER PERMITTED BY APPLICABLE LEGAL REQUIREMENTS, GENERALLY, UNCONDITIONALLY AND IRREVOCABLY, AT THE ADDRESSES SET FORTH IN THE COMMITMENT LETTER IN CONNECTION WITH ANY OF THE AFORESAID PROCEEDINGS IN ACCORDANCE WITH THE RULES APPLICABLE TO SUCH PROCEEDINGS. TO THE EXTENT PERMITTED BY APPLICABLE LEGAL REQUIREMENTS, GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY HEREBY IRREVOCABLY WAIVE ANY OBJECTION THAT THEY MAY NOW HAVE OR HAVE IN THE FUTURE TO THE LAYING OF VENUE IN RESPECT OF ANY OF THE AFORESAID PROCEEDINGS BROUGHT IN THE COURTS REFERRED TO ABOVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. NOTHING HEREIN SHALL AFFECT THE RIGHT OF BENEFICIARY TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW OR TO COMMENCE PROCEEDINGS OR OTHERWISE PROCEED AGAINST GRANTOR IN ANY JURISDICTION.

Section 7.11 Headings. The Article, Section and Subsection titles hereof are inserted for convenience of reference only and shall in no way alter, modify, limit or define, or be used in construing, the scope, intent or text of such Articles, Sections or Subsections.

Section 7.12 Governing Law. THIS DEED OF TRUST SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE



STATE IN WHICH THE LAND IS LOCATED. WITH RESPECT TO ANY PERSONAL PROPERTY INCLUDED IN THE "PROPERTY", THE CREATION OF THE SECURITY INTEREST THEREIN SHALL BE GOVERNED BY THE UCC, AND THE PERFECTION, THE EFFECT OF PERFECTION OR NON-PERFECTION AND PRIORITY OF SUCH SECURITY INTEREST SHALL BE GOVERNED IN ACCORDANCE WITH THE MANDATORY CHOICE OF LAW RULES SET FORTH IN THE UCC.

Section 7.13 General Indemnity; Payment of Expenses. The provisions of the Commitment Letter relating to indemnification and payment of expenses are incorporated by this reference, as if fully set forth herein.

Section 7.14 Entire Agreement. This Deed of Trust and the other Loan Documents embody the entire agreement and understanding between Beneficiary and Grantor pertaining to the subject matter hereof and thereof and supersede all prior agreements, understandings, representations or other arrangements, whether express or implied, written or oral, between such parties relating to the subject matter hereof and thereof. This Deed of Trust and the other Loan Documents may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

Section 7.15 Severability. If any provision of this Deed of Trust is invalid or unenforceable, then such provision shall be given full force and effect to the fullest possible extent, and all of the remaining provisions of this Deed of Trust shall remain in full force and effect and shall be binding on the parties hereto.

Section 7.16 Variable Rate of Interest. This Deed of Trust secures, inter alia, obligations that provide for a variable rate of interest (as described in the Commitment Letter).

Section 7.17 Lien Absolute. Grantor acknowledges that this Deed of Trust and a number of other Loan Documents and those documents required by the Loan Documents together secure the Secured Obligations. Grantor agrees that, to the extent permitted by law, the lien of this Deed of Trust and all obligations of Grantor hereunder shall be absolute and unconditional and shall not in any manner be affected or impaired by:

(a) any lack of validity or enforceability of the Commitment Letter or any other Loan Document, any agreement with respect to any of the Secured Obligations or any other agreement or instrument relating to any of the foregoing;

(b) any acceptance by Beneficiary of any security for or guarantees of any of the Secured Obligations;

(c) any failure, neglect or omission on the part of Beneficiary to realize upon or protect any of the Secured Obligations or any of the collateral security therefor, including the Loan Documents, or due to any other circumstance that might otherwise constitute a defense available to, or a discharge of, Grantor in respect of the Secured Obligations hereby secured or any collateral security therefor, including this Deed of Trust or any of the other Loan Documents (other than the indefeasible payment in full in cash of all of the Secured Obligations);



(d) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations;

(e) any release (except as to the property released), sale, pledge, surrender, compromise, settlement, nonperfection, renewal, extension, indulgence, alteration, exchange, modification or disposition of any of the Secured Obligations hereby secured or of any of the collateral security therefor;

(f) any amendment or waiver of or any consent to any departure from the Commitment Letter or any other Loan Documents or of any guaranty thereof, if any, and Beneficiary may in its discretion foreclose, exercise any power of sale, or exercise any other remedy available to it under any or all of the Loan Documents without first exercising or enforcing any of its rights and remedies hereunder; and

(g) any exercise of the rights or remedies of Beneficiary hereunder or under any or all of the Loan Documents.

Section 7.18 Real Estate Taxes. Grantor shall not be entitled to any credit upon the Secured Obligations or deduction from the assessed value of the Property by virtue of payment of real estate taxes on the Property. If any law or regulation applicable to Beneficiary, any Loan Document, any of the Property or this Deed of Trust is enacted that deducts from the value of property for the purpose of taxation any Lien thereon, or imposes upon Beneficiary the payment of the whole or any portion of the taxes or assessments or charges or Liens required by any of the Loan Documents to be paid by Grantor, or changes in any way the laws or regulations relating to the taxation of mortgages or security agreements or debts secured by mortgages or security agreements or the interest of the mortgagee or secured party in the property covered thereby, or the manner of collection of such taxes, so as to affect the Deed of Trust, the Secured Obligations or Beneficiary, then Grantor, upon demand by Beneficiary, shall pay such taxes, assessments, charges or Liens, or reimburse Beneficiary for any amounts paid by Beneficiary.

Section 7.19 Certain Restrictions. The parties hereby acknowledge that the Commitment Letter, among other things, contains restrictions on the prepayment of the Secured Obligations, as well as restrictions on the sale, transfer and encumbrance of the Property and the ownership interests of Grantor.

Section 7.20 State Specific Provisions. The provisions of Exhibit B attached hereto are hereby incorporated by reference as though set forth in full herein.

Section 7.21 Last Dollars Secured. The parties agree that any payments or repayments of the Secured Obligations shall be and be deemed to be applied first to the portion of the Secured Obligations that is not secured hereby, if any, it being the parties' intent that the portion of the Secured Obligations last remaining unpaid shall be secured hereby.

Section 7.22 Mortgage Recording Taxes. Grantor hereby covenants to pay any and all mortgage recording or other taxes or fees due in connection with this Deed of Trust.

Section 7.23 Multiple Exercise of Remedies. To the extent permitted by law, Grantor specifically consents and agrees that Beneficiary and Trustee may exercise rights and



remedies hereunder and under the other Loan Documents separately or concurrently and in any order that Beneficiary and Trustee may deem appropriate.

Section 7.24 Rules of Construction. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons referred to may require. All references to sections, schedules and exhibits are to sections, schedules and exhibits in or to this Deed of Trust unless otherwise specified. Unless otherwise specified: (i) all meanings attributed to defined terms in this Deed of Trust shall be equally applicable to both the singular and plural forms of the terms so defined, (ii) "including" means "including, but not limited to" and "including, without limitation" and (iii) the words "hereof," "herein," "hereby," "hereunder" and words of similar import when used in this Deed of Trust shall refer to this Deed of Trust as a whole and not to any particular provision, article, section or other subdivision of this Deed of Trust.

Section 7.25 Counterparts; Facsimile Signatures. This Deed of Trust may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Any counterpart delivered by facsimile, pdf or other electronic means shall have the same import and effect as original counterparts and shall be valid, enforceable and binding for the purposes of this Deed of Trust.

Section 7.26 Time of Essence. Time is of the essence with respect to this Deed of Trust.

ARTICLE 8

CONCERNING THE TRUSTEE

Section 8.1 Certain Rights. With the approval of Beneficiary, Trustee shall have the right to select, employ and consult with counsel. Trustee shall have the right to rely on any instrument, document or signature authorizing or supporting any action taken or proposed to be taken by Trustee hereunder, believed by Trustee in good faith to be genuine. Trustee shall be entitled to reimbursement for actual, reasonable expenses incurred by him in the performance of his duties hereunder. Grantor shall, from time to time, pay the compensation due to Trustee hereunder and reimburse Trustee for, and indemnify, defend and save Trustee harmless against, all liability and reasonable expenses which may be incurred by him in the performance of Trustee's duties, except as a result of Trustee's gross negligence or willful misconduct, in the performance of Trustee's duties. Grantor's obligations under this Section 8.1 shall not be reduced or impaired by principles of comparative or contributory negligence (except with respect to Trustee's gross negligence or willful misconduct).

Section 8.2 Retention of Money. All moneys received by Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys (except to the extent



required by law), and Trustee shall be under no liability for interest on any moneys received by him hereunder.

Section 8.3 Successor Trustees. If Trustee or any successor Trustee shall die, resign or become disqualified from acting in the execution of this trust, or Beneficiary shall desire to appoint a substitute Trustee, Beneficiary shall have full power to appoint one or more substitute or successor Trustees, without other formality than appointment and designation in writing executed by Beneficiary, and, if preferred, several substitute or successor Trustees in succession who shall succeed to all the estates, rights, powers and duties of Trustee. Such appointment may be executed by any authorized agent of Beneficiary, and as so executed, such appointment shall be conclusively presumed to be executed with authority, valid and sufficient, without further proof of any action. Upon the making of any such appointment and designation, all of the estate and title of Trustee in the Property shall vest in the named successor or substitute Trustee and he shall thereupon succeed to, and shall hold, possess and execute, all the rights, powers, privileges, immunities and duties herein conferred upon Trustee.

Section 8.4 Perfection of Appointment. Should any deed, conveyance or instrument of any nature be required from Grantor by any successor Trustee to more fully and certainly vest in and confirm to such successor Trustee such estates, rights, powers and duties, then, upon reasonable request by such Trustee, all such deeds, conveyances and instruments shall be made, executed, acknowledged and delivered and shall be caused to be recorded and/or filed by Grantor.

Section 8.5 Trustee Liability. In no event or circumstance shall Trustee or any substitute Trustee hereunder be personally liable under or as a result of this Deed of Trust, either as a result of any action by Trustee (or any substitute Trustee) in the exercise of the powers hereby granted or otherwise, except for Trustee's gross negligence or willful misconduct.

Grantor hereby acknowledges receipt of a true copy of the within Deed of Trust.

[No further text on this page; Signature page follows]



Executed and delivered as of the date first hereinabove set forth.

LOCAL FIRST PROPERTIES USA INC., a
Delaware corporation

By: Clifford Dumas

Name: Cliff Dumas

Title: Director

Deed of Trust -Signature Page



ACKNOWLEDGMENT

STATE OF ALASKA)
) SS.
 FIRST JUDICIAL DISTRICT)

I, Brenda McDowell, a Notary Public of the First Judicial District and State aforesaid, certify that Cliff Dumas, being personally known to me, personally came before me this day and acknowledged that he is the Director of LOCAL FIRST PROPERTIES USA INC., a Delaware corporation, and that he, as Director, being authorized to do so, voluntarily executed the foregoing on behalf of said limited partnership for the purposes stated therein.

Witness my hand and official stamp or seal, on 04/26/2023

Brenda McDowell

Notary Public

Printed Name: Brenda McDowell

My Commission Expires:

03/18/2027

[Notary Stamp/Seal]

BRENDA MCDOWELL
 Notary Public
 State of Alaska
 My commission expires March 18, 2027

This notarial act involved the use of communication technology

Deed of Trust -Signature Page



EXHIBIT A**Legal Description**

File No.: 65720

PARCEL 1:

Part of U.S. Survey No. 1075, Juneau Recording District, First Judicial District, State of Alaska, described as:

BEGIN at the Southwest Corner of Tract 2, land accreted to U.S. Survey No. 1075, established by Survey in 1971, said point bearing N 40° 57' 17" W, a distance of 846.37 feet from a point known as Meander Corner Number 1 on U.S. Survey No. 1075; thence N 5° 52' 30" W 138.73 feet; thence N 50° 55' 15" E 112.30 feet to the South Right-of-Way Line of the "Glacier Expressway Highway"; thence along the South Right-of-Way Line Easterly along a curve to the left (radius = 5,829.58 feet) having a long chord bearing S 36° 07' 43" E 79.00 feet; thence N 35° 44' 17" E 28.00 feet; thence Easterly along a curve to the left (radius = 5,801.58 feet) having a long chord bearing S 34° 29' 05" E 253.13 feet; thence S 33° 14' 17" W 41.80 feet; thence S 88° 53' 00" W 339.26 feet to the POINT OF BEGINNING

AND

Part of U.S. Survey No. 1075 and adjoining said U.S. Survey No. 1075, Juneau Recording District, First Judicial District, State of Alaska, described as:

BEGIN on the Westerly Line of Glacier Highway N 0° 52' W 159.27 feet from Bureau of Public Roads Highway Monument with a Brass Cap stamped P.O.S.T. 136+58.19 feet, run thence S 88° 53' W 263.39 feet; thence N 44° 45' W 172.47 feet; thence N 88° 53' E 386.71 feet to the Westerly Line of said highway; thence Southerly on said highway line, 125.00 feet, more or less, to the POINT OF BEGINNING

EXCEPT THEREFROM that part taken by the State of Alaska in case No. 72-163 of the Superior Court in Juneau.

PARCEL 2:

Lot 7, Block 27, U.S. Survey 437, Ketchikan Recording District, First Judicial District, State of Alaska,

EXCEPTING THEREFROM: The portion thereof conveyed to the State of Alaska by Warranty Deed recorded May 11, 1972 in Volume 41 of Deeds at Page 235

AND

Exhibit A



That portion of Lot 6, Block 27, U.S. Survey 437, Ketchikan Recording District, First Judicial District, State of Alaska, described as follows:

Beginning at a point 80 feet westerly along East Street from the southeast corner of Block 27, U.S. Survey 437, thence S.33°57'W 208.14 feet, thence N. 40°50' W. 66.10 feet, thence N. 19°15' W. 88.21 feet, thence N. 61°20' E. 68.25 feet, thence N. 46°52' E. 24.40 feet, thence N. 33°57' E. 64.74 feet, thence S. 49°07' E. 99.50 feet to point of beginning.

EXCEPTING THEREFROM: That portion thereof conveyed to John Danielson et ux by Quitclaim Deed recorded July20, 1966 in Volume 26 of Deeds at Page 170

PARCEL 3:

Lot 1, SITKA BROADCASTERS SUBDIVISION, according to the Plat thereof filed September 8, 1980 as Plat No. 80-6, Sitka Recording District, First Judicial District, State of Alaska



EXHIBIT B**Special Provisions for the State of Alaska**

Section 1. Assignment of Leases and Rent. The assignments of Rents and Leases, as applicable, set forth in this Deed of Trust are not intended to constitute payment to Beneficiary or Trustee except to the extent that the Rents are actually received by Beneficiary and are not used for the operation or maintenance of the Property or for the payment of costs and expenses in connection therewith, taxes, assessments, water charges, sewer rents, and other charges levies, assessed or imposed against the Property, insurance premiums, costs and expenses with respect to any litigation affecting the Property, the leases, the concessions thereunder, any wages and salaries of employees for the Property, commissions of agents and reasonable attorneys' fees. The term Rents as used herein shall mean the gross rents without deduction or offsets of any kind.

Section 2. Additional Remedy Provisions.

(a) **Delivery Upon Sale.** Upon the completion of any sale or sales pursuant hereto, Trustee shall execute and deliver to the accepted purchaser or purchasers a good and sufficient instrument, or good and sufficient instruments, conveying, assigning and transferring all estate, right, title and interest in and to the property and rights sold by general warranty of title binding on Grantor. Trustee is hereby irrevocably appointed the true and lawful attorney of Grantor, in its name and stead, to make all necessary conveyances, assignments, transfers and deliveries of the Property and rights so sold and for that purpose Trustee may execute all necessary instruments of conveyance, assignment and transfer, and may substitute one or more persons with like power, Grantor hereby ratifying and confirming all that its said attorney or such substitute or substitutes shall lawfully do by virtue hereof. Any sale or sales made under or by virtue of this section, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, shall operate to divest all the estate, right, title, interest, claim and demand whatsoever, whether at law or in equity, of Grantor in and to the properties and rights so sold, and shall be a perpetual bar both at law and in equity against Grantor and against any and all persons claiming or who may claim the same, or any part thereof from, through or under Grantor.

(b) **Option to Bid.** Upon any sale made under or by virtue of this paragraph, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, Beneficiary may bid for and acquire the Property or any part thereof and in lieu of paying cash therefor may make settlement for the purchase price by crediting upon the Secured Obligations the net sales price.

(c) **Remaining Liens.** No recovery of any judgment by Beneficiary and no levy of an execution under any judgment upon the Property or upon any other property of Grantor shall affect in any manner or to any extent the lien of this Deed of Trust upon the Property or any part thereof, or any liens, rights, powers or remedies of Beneficiary



hereunder, but such liens, rights, powers and remedies of Beneficiary shall continue unimpaired as before.

(d) **No Waiver of Remedies.** Beneficiary may resort to any remedies and the security given by the Commitment Letter, this Deed of Trust or the other Loan Documents in whole or in part, and in such portions and in such order as determined by Beneficiary's sole discretion. No such action shall in any way be considered a waiver of any rights, benefits or remedies evidenced or provided by the Commitment Letter, this Deed of Trust or any of the other Loan Documents. The failure of Beneficiary to exercise any right, remedy or option provided in the Commitment Letter, this Deed of Trust or any of the other Loan Documents shall not be deemed a waiver of such right, remedy or option or of any covenant or obligation secured by the Commitment Letter, this Deed of Trust or the other Loan Documents. No acceptance by Beneficiary of any payment after the occurrence and during the continuance of any Event of Default and no payment by Beneficiary of any obligation for which Grantor is liable hereunder shall be deemed to waive or cure any Event of Default with respect to Grantor's liability to pay such obligation except to the extent funds are so applied by Beneficiary. No sale of all or any portion of the Property, no forbearance on the part of Beneficiary, and no extension of time for the payment of the whole or any portion of the Secured Obligations or any other indulgence given by Beneficiary to Grantor, shall operate to release or in any manner affect the interest of Beneficiary in the remaining Property or the liability of Grantor to pay the Secured Obligations. No waiver by Beneficiary shall be effective unless it is in writing and then only to the extent specifically stated. All costs and expenses of Beneficiary in exercising its rights and remedies under this Deed of Trust (including reasonable attorneys' fees and disbursements to the extent permitted by law), shall be paid by Grantor immediately upon notice from Beneficiary, and such costs and expenses shall constitute a portion of the Secured Obligations and shall be secured by this Deed of Trust.

(e) **No Waiver Continued.** The interests and rights of Beneficiary under the Commitment Letter, this Deed of Trust or in any of the other Loan Documents shall not be impaired by any indulgence, including (i) any renewal, extension or modification which Beneficiary may grant with respect to any of the Secured Obligations, (ii) any surrender, compromise, release, renewal, extension, exchange or substitution which Beneficiary may grant with respect to the Property or any portion thereof; or (iii) any release or indulgence granted to any maker, endorser, guarantor or surety of any of the Secured Obligations.

(f) **Foreclosure.** Upon the occurrence and during the continuance of any Event of Default, Beneficiary may request Trustee to proceed with foreclosure under the power of sale which is hereby conferred, such foreclosure to be accomplished in accordance with the following provisions:



(i) **Public Sale.** Trustee is hereby authorized and empowered, and it shall be Trustee's special duty, upon such request of Beneficiary, to sell the Mortgaged Property, or any part thereof, at public auction to the highest bidder for cash, with or without having taken possession of same. Any such sale (including notice thereof) shall comply with the applicable requirements, at the time of the sale, of Section 34.20.070 of the Alaska statutes or, if and to the extent such statute is not then in force, with the applicable requirements, at the time of the sale, of the successor statute or statutes, if any, governing sales of Alaska real property under powers of sale conferred by deeds of trust. If there is no statute in force at the time of the sale governing sales of Alaska real property under powers of sale conferred by deeds of trust, such sale shall comply with applicable law, at the time of the sale, governing sales of Alaska real property under powers of sale conferred by deeds of trust. Trustee or its successor or substitute may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by Trustee, including the posting and filing of notices, but not the conduct of sale or the accounting and administration of the proceeds generated by such sale.

(ii) **Right to Require Proof of Financial Ability and/or Cash Bid.** To the extent permitted by applicable law, any time during the bidding, Trustee may require a bidding party (A) to disclose its full name, state and city of residence, occupation, and specific business office location, and the name and address of the principal the bidding party is representing (if applicable), and (B) to demonstrate reasonable evidence of the bidding party's financial ability (or, if applicable, the financial ability of the principal of such bidding party), as a condition to the bidding party submitting bids at the foreclosure sale. If any such bidding party (the "**Questioned Bidder**") declines to comply with Trustee's requirement in this regard, or if such Questioned Bidder does respond but Trustee, in Trustee's sole and absolute discretion, deems the information or the evidence of the financial ability of the Questioned Bidder (or, if applicable, the principal of such bidding party) to be inadequate, then Trustee may continue the bidding with reservation, and in such event (1) Trustee shall be authorized to caution the Questioned Bidder concerning the legal obligations to be incurred in submitting bids, and (2) if the Questioned Bidder is not the highest bidder at the sale, or if having been the highest bidder the Questioned Bidder fails to deliver the cash purchase price payment promptly to Trustee, all bids by the Questioned Bidder shall be null and void. Trustee may, in Trustee's sole and absolute discretion, determine that a credit bid may be in the best interest of Grantor and Beneficiary, and elect to sell the Property for credit or for a combination of cash and credit; provided, however, that Trustee shall have no obligation to accept any bid except an all cash bid. In the event Trustee requires a cash bid and cash is not delivered within a reasonable time after conclusion of the bidding process, as specified by Trustee, but in no event later than 3:45 p.m. local time on the day of sale, then said contingent sale shall be null and void, the bidding process may be recommenced, and any subsequent bids or sale shall be made as if no prior bids were made or accepted.



(iii) It is intended by each of the foregoing provisions of this subsection that Trustee may, after any request or direction by Beneficiary, sell not only the Land and Improvements, but also the Fixtures, equipment, personal property and other property and interests constituting a part of the Property or any part thereof, along with the Land and Improvements or any part thereof, as a unit and as a part of a single sale, or may sell at any time or from time to time any part or parts of the Property separately from the remainder of the Property. It shall not be necessary to have present or to exhibit any of the Property at any sale. Any sale of personal property made hereunder shall be deemed to have been a public sale conducted in a commercially reasonable manner if held contemporaneously with, or as part of, and upon the same notice as required for the sale of real property under the power of sale granted herein.

(iv) **Trustee's Deeds.** After any sale under this subsection, Trustee shall make good and sufficient deeds, assignments, and other conveyances to the purchaser or purchasers thereunder in the name of Grantor, conveying the Property or any part thereof so sold to the purchaser or purchasers with general warranty of title by Grantor. It is agreed that in any deeds, assignments or other conveyances given by Trustee, any and all statements of fact or other recitals therein made as to the identity of Beneficiary, the occurrence or existence of any Event of Default, the notice of intention to accelerate, or acceleration of, the maturity of the Secured Obligations, the request to sell, notice of sale, time, place, terms and manner of sale, and receipt, distribution, and application of the money realized therefrom, the due and proper appointment of a substitute trustee, and without being limited by the foregoing, any other act or thing having been duly done by or on behalf of Beneficiary or by or on behalf of Trustee, shall be taken by all courts of law and equity as prima facie evidence that such statements or recitals state true, correct, and complete facts and Grantor does hereby ratify and confirm any and all acts that Trustee may lawfully do in the premises by virtue hereof.

Section 3. Entire Agreement. THIS DEED OF TRUST AND THE OTHER LOAN DOCUMENTS EMBODY THE FINAL, ENTIRE AGREEMENT AMONG THE PARTIES HERETO AND SUPERSEDE ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING TO THE SUBJECT MATTER HEREOF AND THEREOF AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OR PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO. THERE ARE NO ORAL AGREEMENTS AMONG THE PARTIES HERETO.

Section 4. Maturity Date. The final maturity date of the Secured Obligations are established in the Commitment Letter. The maturity of this Deed of Trust, for purposes of A.S. §34.20.150 or any similar statute, shall occur upon the full satisfaction of all indebtedness and other obligations secured by this Deed of Trust, or fifty (50) years from the execution of this instrument, whichever is later.



Section 5. Notice of Indemnification. GRANTOR ACKNOWLEDGES THAT THIS DEED OF TRUST PROVIDES FOR INDEMNIFICATION OF BENEFICIARY AND TRUSTEE BY GRANTOR. EXCEPT FOR THE GROSS NEGLIGENCE, WILLFUL MISCONDUCT, BAD FAITH, FRAUD, OR ILLEGAL ACTS OF BENEFICIARY, ITS AGENTS, EMPLOYEES OR CONTRACTORS WHICH SHALL BE EXCLUDED FROM THE INDEMNIFICATION OF GRANTOR, IT IS SPECIFICALLY INTENDED BY GRANTOR, BENEFICIARY, AND TRUSTEE THAT ALL INDEMNITY OBLIGATIONS AND LIABILITIES ASSUMED BY GRANTOR HEREUNDER BE WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES THEREOF (INCLUDING PREEXISTING CONDITIONS), STRICT LIABILITY, OR THE NEGLIGENCE OF ANY PARTY OR PARTIES (INCLUDING BENEFICIARY AND TRUSTEE) WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR PASSIVE. THE PARTIES SPECIFICALLY INTEND THAT BENEFICIARY AND TRUSTEE ARE TO BE INDEMNIFIED AGAINST THEIR OWN NEGLIGENCE, TO THE EXTENT ALLOWED BY APPLICABLE LAW.

Section 6. Future Advances. This Deed of Trust shall secure any and all future advances of the proceeds of the loans made to Borrower and Holdings by Beneficiary pursuant to the terms of the Commitment Letter. This provision shall not constitute an obligation upon or commitment of Beneficiary to make additional advances or loans to Borrower and Holdings.

Section 7. Location, State of Formation and Name of Debtor and Secured Party. The following information contained in this Section 7 is provided in order that this Deed of Trust shall comply with the requirements of the Uniform Commercial Code, as enacted in the State of Alaska, for instruments to be filed as financing statements and with other requirements of applicable law:

- (a) Debtor (Local First Properties USA Inc.)'s:
 - (i) Chief executive office is located at 3000, 700 – 9th Avenue SW, Calgary, Alberta T2P 3V4;
 - (ii) Is a Delaware corporation;
 - (iii) Exact legal name is as set forth in the recitals of this Deed of Trust; and
 - (iv) Delaware organizational identification number is 7338415.
- (b) Beneficiary (Secured Party-ATB Financial)'s:
 - (i) Principal place of business is located at 585 – 8th Avenue,



S.W., Suite 600, Calgary, Alberta, Canada T2P 1G1;

- (ii) Is an Alberta corporation; and
- (iii) Exact legal name is as set forth in the first paragraph of this Deed of Trust.

Section 8. Substitute Trustee. In case of the resignation of Trustee, or the inability (through death or otherwise), refusal or failure of Trustee to act, or at the option of Beneficiary for any other reason (which reason need not be stated), a substitute Trustee (herein referred to as the "**Substitute Trustee**") may be named, constituted and appointed by Beneficiary, without other formality than an appointment and designation in writing, which appointment and designation shall be full evidence of the right and authority to make the same and of all facts therein recited, and this conveyance shall vest in the Substitute Trustee the title, powers and duties herein conferred on Trustee originally named herein, and the conveyance of the Substitute Trustee to the purchaser(s) at any sale of the Property or any part thereof shall be equally valid and effective. The right to appoint a Substitute Trustee shall exist as often and whenever from any of said causes, Trustee, original or substitute, resigns or cannot, will not or does not act, or Beneficiary desires to appoint a new Trustee. The recitals in any conveyance made by Trustee, original or substitute, shall be accepted and construed in court and elsewhere as prima facie evidence and proof of the facts recited, and no other proof shall be required as to the request by Beneficiary to Trustee to enforce this Trust, or as to the notice of or holding of the sale, or as to any particulars thereof, or as to the resignation of Trustee, original or substitute, or as to the inability, refusal or failure of Trustee, original or substitute, to act, or as to the election of Beneficiary to appoint a new Trustee, or as to appointment of a Substitute Trustee, and all prerequisites of said sale shall be presumed to have been performed; and each sale made under the powers herein granted shall be a perpetual bar against Grantor and the successors and assigns of Grantor.

Section 9. Maximum Amount Secured by this Deed of Trust. The maximum amount of the Secured Obligations secured by this Deed of Trust on such portion of the Property as constitutes an interest in real property under applicable State Law is \$10,000,000.00; plus accrued interest, default interest, late fees and all other amounts due under the Commitment Letter, and the other Loan Documents.

Section 10. THE OBLIGATIONS SECURED BY THIS DEED OF TRUST ARE IN WHOLE OR IN PART REVOLVING IN NATURE SUCH THAT THEY MAY BE BORROWED, REPAYED AND REBORROWED. THE OUTSTANDING AMOUNT BORROWER THEREUNDER MAY FROM TIME TO TIME BE REDUCED TO ZERO WITHOUT EFFECTING A RELEASE, RECONVEYANCE OR SATISFACTION OF THIS DEED OF TRUST.

[NO FURTHER TEXT ON THIS PAGE]

Exhibit B





AFTER RECORDING, RETURN TO:

Local First Properties USA, Inc.
1426 Barbon Beck Avenue
Bakersfield, CA 93311

AETIA 65720

WARRANTY DEED
A.S. 34.15.030

The Grantor, **FRONTIER PROPERTIES, LLC**, an Alaska limited liability who acquired title as **Frontier Properties LLC**, an Alaska limited liability company, whose address is 3161 Channel Drive, Juneau, AK 99801, for and in consideration of TEN DOLLARS (\$10.00) and other good and valuable consideration in hand paid, the receipt of which is hereby acknowledged, conveys and warrants to **LOCAL FIRST PROPERTIES, USA INC.**, an Delaware corporation, Grantee, whose mailing address is 1426 Barbon Beck Avenue, , the following-described real estate:

PARCEL 1:

Part of U.S. Survey No. 1075, Juneau Recording District, First Judicial District, State of Alaska, described as:

BEGIN at the Southwest Corner of Tract 2, land accreted to U.S. Survey No. 1075, established by Survey in 1971, said point bearing N 40° 57' 17" W, a distance of 846.37 feet from a point known as Meander Corner Number 1 on U.S. Survey No. 1075; thence N 5° 52' 30" W 138.73 feet; thence N 50° 55' 15" E 112.30 feet to the South Right-of-Way Line of the "Glacier Expressway Highway"; thence along the South Right-of-Way Line Easterly along a curve to the left (radius = 5,829.58 feet) having a long chord bearing S 36° 07' 43" E 79.00 feet; thence N 35° 44' 17" E 28.00 feet; thence Easterly along a curve to the left (radius = 5,801.58 feet) having a long chord bearing S 34° 29' 05" E 253.13 feet; thence S 33° 14' 17" W 41.80 feet; thence S 88° 53' 00" W 339.26 feet to the POINT OF BEGINNING.

AND

Part of U.S. Survey No. 1075 and adjoining said U.S. Survey No. 1075, Juneau Recording District, First Judicial District, State of Alaska, described as:

BEGIN on the Westerly Line of Glacier Highway N 0° 52' W 159.27 feet from Bureau of Public Roads Highway Monument with a Brass Cap stamped P.O.S.T. 136+58.19 feet, run thence S 88° 53' W 263.39 feet; thence N 44° 45' W 172.47 feet; thence N 88° 53' E 386.71 feet to the Westerly Line of said highway; thence Southerly on said highway line, 125.00 feet, more or less, to the POINT OF BEGINNING.

EXCEPT THEREFROM that part taken by the State of Alaska in case No. 72-163 of the Superior Court in Juneau.

PARCEL 2:

Lot 7, Block 27, U.S. Survey 437, Ketchikan Recording District, First Judicial District, State of Alaska,

EXCEPTING THEREFROM: The portion thereof conveyed to the State of Alaska by Warranty Deed recorded May 11, 1972 in Volume 41 of Deeds at Page 235. AND That portion of Lot 6, Block 27, U.S. Survey 437, Ketchikan Recording District, First Judicial District, State of Alaska, described as follows:

Beginning at a point 80 feet westerly along East Street from the southeast corner of Block 27, U.S. Survey 437, thence S. 33°57'W 208.14 feet, thence N. 40°50' W. 66.10 feet, thence N. 19°15' W. 88.21 feet, thence N. 61°20' E. 68.25 feet, thence N. 46°52' E. 24.40 feet, thence N. 33°57' E. 64.74 feet, thence S. 49°07' E. 99.50 feet to point of beginning.

EXCEPTING THEREFROM: That portion thereof conveyed to John Danielson et ux by Quitclaim Deed recorded July 20, 1966 in Volume 26 of Deeds at Page 170.



PARCEL 3:

Lot 1, SITKA BROADCASTERS SUBDIVISION, according to the Plat thereof filed September 8, 1980 as Plat No. 80-6, Sitka Recording District, First Judicial District, State of Alaska.

SUBJECT TO reservations, exceptions, easements, covenants, conditions and restrictions of record, if any.

DATED this 04/26/2023

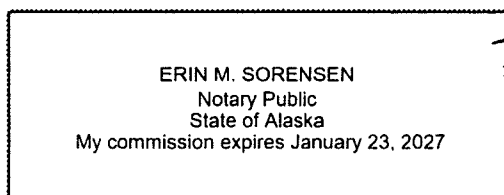
GRANTOR: **FRONTIER PROPERTIES, LLC, an Alaska limited liability who acquired title as Frontier Properties LLC, an Alaska limited liability company**

Richard Burns
By: Richard Burns, Member/Manager

Alaska)
) ss.
First Judicial District)

THIS IS TO CERTIFY that on this 04/26/2023, before me, the undersigned Notary Public in and for the State of Alaska, duly commissioned and sworn, personally appeared **Richard Burns**, to me known and known to me to be the Member/Manager of **FRONTIER PROPERTIES, LLC, an Alaska limited liability who acquired title as Frontier Properties LLC, an Alaska limited liability company**, and known to me to be the person who signed the foregoing instrument, on behalf of said limited liability company, and he acknowledged to me that he signed and sealed the same as a free act and deed of the said limited liability company for the uses and purposes therein expressed.

WITNESS my hand and official seal on the day and year in this certificate first above written.



ES
Notary Public in and for Alaska
My Commission Expires: 01/23/2027

WARRANTY DEED
A4350\11230\Warranty Deed

Page 3

This notarial act involved the use of communication technology



*Execution Version*

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

DRAWN BY AND MAIL TO:

Willkie, Farr & Gallagher LLP
787 Seventh Avenue
New York, New York 10019
Attention: Jennifer Coffey, Esq.

65720

COLLATERAL IS OR INCLUDES FIXTURES

This document serves as a Fixture filing under the Alaska Uniform Commercial Code.

**DEED OF TRUST, ASSIGNMENT OF RENTS AND LEASES, COLLATERAL
ASSIGNMENT OF PROPERTY AGREEMENTS, SECURITY AGREEMENT AND
FIXTURE FILING**

This Deed of Trust, Assignment of Rents and Leases, Collateral Assignment of Property Agreements, Security Agreement and Fixture Filing (as amended from time to time, this "Deed of Trust") is made, and is executed as of April 26, 2023, by LOCAL FIRST PROPERTIES USA INC., a Delaware corporation (together with its permitted successors and permitted assigns, "Grantor"), whose mailing address for all purposes hereunder is 3000, 700 – 9th Avenue SW, Calgary, Alberta T2P 3V4, to Alaska Escrow and Title Insurance Agency, Inc. (together with its permitted successors and permitted assigns, "Trustee"), whose mailing address for all purposes hereunder is 2030 Sea Level Drive, Ste. 201 Ketchikan, AK 99901, for the benefit of ATB FINANCIAL, a financial institution in the Province of Alberta, whose mailing address for all purposes hereunder is Suite 600, 585-8th Avenue, S.W., Calgary, AB T2P 1G1 (together with its successors and assigns, the "Beneficiary").

ARTICLE 1

DEFINITIONS

Section 1.1 Definitions. As used herein, the following terms shall have the following meanings:

“Borrower” means, collectively, LOCAL FIRST MEDIA GROUP INC., and LOCAL FIRST PROPERTIES INC., each an Alberta corporation.

“Commitment Letter” means that certain Commitment Letter dated April 10, 2023, by and between, *inter alios*, the Beneficiary, as lender, the Borrower, as borrowers, and certain subsidiaries of the Borrower party thereto, as guarantors (as the same may be amended, amended and restated, renewed, modified, restated, replaced, assigned or supplemented from time to time).

“Loan Documents” means the Commitment Letter, the Security Documents and each instrument, agreement, certificate, application, request, indemnity and other document of any nature or kind now or hereafter executed in connection with the Commitment Letter or any Security Documents, all as amended, restated and replaced from time to time.

“Loan Party” and “Loan Parties” means, individually or collectively, as the context may require, the Persons identified as “Loan Party” or “Loan Parties” in the Commitment Letter or the other Loan Documents.

“Property” means all of Grantor’s right, title and interest in and to each of the following (whether now owned or hereafter acquired):

(1) the real property described in Exhibit A attached hereto and made a part hereof, together with any greater estate therein as hereafter may be acquired by Grantor (the “Land”),

(2) all buildings, structures and other improvements, now or at any time situated, placed or constructed upon the Land (the “Improvements”),

(3) all materials, machinery, supplies, equipment, fixtures (including “fixtures” as defined in the UCC), apparatus and other items of personal property now owned or hereafter acquired by Grantor and now or hereafter attached to, installed in or used in connection with any of the Improvements or the Land, including any and all partitions, dynamos, window screens and shades, drapes, rugs and other floor coverings, awnings, motors, engines, boilers, furnaces, pipes, plumbing, cleaning, call and sprinkler systems, fire extinguishing apparatus and equipment, water tanks, swimming pools, heating, ventilating, plumbing, lighting, communications and elevator fixtures, laundry, incinerating, air conditioning and air cooling equipment and systems, gas and electric machinery and equipment, disposals, dishwashers, furniture, refrigerators and ranges, security systems, artwork, recreational and pool equipment and facilities of all kinds, water, gas, electrical, storm and sanitary sewer facilities of all kinds, and all other utilities



whether or not situated in easements together with all accessions, replacements, betterments and substitutions for any of the foregoing (the “Fixtures”),

(4) all goods, accounts, general intangibles, instruments, documents, books and records, accounts receivable, chattel paper, investment property, securities accounts and all other personal property of any kind or character, including such items of “personal property” as defined in the UCC, now owned or hereafter acquired by Grantor and now or hereafter affixed to, placed upon, used in connection with, arising from or otherwise related to the Land and/or the Improvements or that may be used in or relating to the planning, development, financing or operation of the Land and/or the Improvements, including furniture, furnishings, equipment, machinery, money, insurance proceeds, condemnation awards, accounts, contract rights, causes of action, trademarks, tradenames, servicemarks, logos, copyrights, patents, website domains, goodwill, chattel paper, documents, trade names, licenses and/or franchise agreements, rights of Grantor under leases of Fixtures or other personal property or equipment, inventory, all refundable, returnable or reimbursable fees, deposits or other funds or evidences of credit or indebtedness deposited by or on behalf of Grantor with any governmental authorities, boards, corporations, providers of utility services, public or private, including specifically, but without limitation, all refundable, returnable or reimbursable tap fees, utility deposits, commitment fees and development costs and all refunds, rebates or credits in connection with a reduction in real estate taxes and assessments against the Land and/or Improvements as a result of tax certiorari or any applications or proceedings for reduction (the “Personalty”),

(5) all reserves, escrows or impounds and all deposit accounts (including any tenant’s security and cleaning deposits and deposits with respect to utility services) maintained by or on behalf of Grantor with respect to the Land and/or Improvements,

(6) all plans, specifications, shop drawings and other technical descriptions prepared for construction, repair or alteration of the Improvements, and all amendments and modifications thereof (together with any and all modifications, renewals, extensions and substitutions of the foregoing, the “Plans”),

(7) all leasehold estates, leases, subleases, sub-subleases, licenses, concessions, occupancy agreements or other agreements, including, without limitation, any master leases or operating leases (written or oral, now or at any time in effect and every modification, amendment or other agreement relating thereto, including every guarantee of the performance and observance of the covenants, conditions and agreements to be performed and observed by the other party thereto) that grant a possessory interest in, or the right to use or occupy, all or any part of the Land and/or Improvements, together with all related security and other deposits (together with any and all modifications, renewals, extensions and substitutions of the foregoing, the “Leases”),

(8) all of the rents, revenues, income, proceeds, issues, profits (including all oil or gas or other mineral royalties and bonuses), security and other types of deposits, and other benefits paid or payable and to become due or payable by parties to the Leases



other than Grantor for using, leasing, licensing, possessing, occupying, operating from, residing in, selling or otherwise enjoying any portion or portions of the Land and/or Improvements (the "Rents"),

(9) all contracts and agreements in any way relating to, executed in connection with, or used in, the development, construction, use, occupancy, operation, maintenance, enjoyment, acquisition, management or ownership of the Land and/or Improvements or the sale of goods or services produced in or relating to the Land and/or Improvements (together with any and all modifications, renewals, extensions and substitutions of the foregoing, the "Property Agreements"), including all right, title and interest of Grantor in, to and under (a) all construction contracts, architects' agreements, engineers' contracts, utility contracts, letters of credit, escrow agreements, maintenance agreements, management, leasing and related agreements, parking agreements, equipment leases, service contracts, operating leases, catering and restaurant leases and agreements, agreements for the sale, lease or exchange of goods or other property, agreements for the performance of services, permits, variances, licenses, certificates and entitlements, (b) all material agreements and instruments under which Grantor or any of its affiliates or the seller of the Property have remaining rights or obligations in respect of Grantor's acquisition of the Property or equity interests therein, (c) applicable business licenses, variances, entitlements, certificates, state health department licenses, liquor licenses, food service licenses, licenses to conduct business, certificates of need and all other permits, licenses and rights obtained from any Governmental Authority or private Person, (d) all rights of Grantor to receive monies due and to become due under or pursuant to the Property Agreements, (e) all claims of Grantor for damages arising out of or for breach of or default under the Property Agreements, (f) all rights of Grantor to terminate, amend, supplement, modify or waive performance under the Property Agreements, to compel performance and otherwise to exercise all remedies thereunder, and, with respect to Property Agreements that are letters of credit, to make any draws thereon, (g) all purchase options and other preferential rights and (h) to the extent not included in the foregoing, all cash and non-cash proceeds, products, offspring, rents, revenues, issues, profits, royalties, income, benefits, additions, renewals, extensions, substitutions, replacements and accessions of and to any and all of the foregoing,

(10) all rights, privileges, titles, interests, liberties, tenements, hereditaments, rights-of-way, easements, sewer rights, water, water courses, water rights and powers, air rights, development rights, licenses, permits and construction and equipment warranties, appendages and appurtenances appertaining to the foregoing, and all right, title and interest, if any, of Grantor in and to any streets, ways, alleys, underground vaults, passages, strips or gores of land adjoining the Land or any part thereof,

(11) all accessions, replacements, renewals, additions and substitutions for any of the foregoing and all proceeds thereof,

(12) all insurance policies, unearned premiums therefor and proceeds from such policies, including the right to receive and apply the proceeds of any insurance, judgments or settlements made in lieu thereof, covering any of the above property now or hereafter acquired by Grantor,



(13) all minerals and mineral rights and, without limiting the foregoing, all oil, coal, gas and coalbed methane and all related rights, and all riparian, littoral and water rights, in each case now owned or hereafter acquired and relating to all or any part of the Land and/or Improvements,

(14) any awards, remunerations, reimbursements, settlements or compensation heretofore made or hereafter to be made by any Governmental Authority pertaining to the Land, Improvements, Fixtures or Personalty, and

(15) all after acquired title to or remainder or reversion in any of the property (or any portion thereof) described herein.

Notwithstanding the foregoing, the Property shall not include any interest in any permits or licenses if the grant of a security interest therein is prohibited as a matter of law, rule or regulation, in each case after giving effect to any applicable Uniform Commercial Code and other Applicable Law; provided that the Property shall include, to the maximum extent permitted by law, the proceeds of any such permits or licenses, the economic value thereof, all rights incident or appurtenant thereto and the right to receive all monies, consideration and proceeds derived from or in connection with the sale, assignment or transfer thereof.

“Secured Obligations” means, collectively, all debts, liabilities and obligations of the Grantor to the Beneficiary, howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether Grantor be bound alone or jointly or severally with others, including, without limitation, such debts, liabilities and obligations arising under or in connection with the Commitment Letter and the other Loan Documents (including interest and fees accruing during the pendency of any bankruptcy, insolvency, receivership, administration or other similar proceeding, regardless of whether allowed or allowable in such proceeding).

“UCC” means the Uniform Commercial Code (or any similar or equivalent legislation) as in effect in the jurisdiction in which the Land is located.

Capitalized terms used herein but not otherwise defined shall have the respective meanings ascribed to such terms in the Commitment Letter.

ARTICLE 2

HABENDUM

Section 2.1 Grant. To secure the full and timely payment and performance of the Secured Obligations, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor HAS MORTGAGED, GIVEN, GRANTED, BARGAINED, SOLD, TRANSFERRED, WARRANTED, PLEDGED, ASSIGNED and CONVEYED, and does hereby MORTGAGE, GIVE, GRANT, BARGAIN, SELL, TRANSFER, WARRANT, PLEDGE, ASSIGN and CONVEY to Trustee, its heirs, successors and assigns forever, IN TRUST, WITH POWER OF SALE, TO HAVE AND TO HOLD all of the Property unto, for the use and benefit of Beneficiary, its heirs, successors and assigns in fee simple forever, and Grantor does hereby bind itself, its heirs, successors and assigns to



WARRANT AND FOREVER DEFEND (i) the title to the Property unto Trustee and Beneficiary and its heirs, successors and assigns, subject only to Permitted Encumbrances, and (ii) the validity and priority of the Liens of this Deed of Trust, subject only to Permitted Encumbrances, in each case against the claims of all Persons whomsoever.

THIS CONVEYANCE IS MADE IN TRUST, that if Grantor shall pay and perform or cause to be paid and performed all of the Secured Obligations in accordance with the terms of the Loan Documents, then this conveyance shall be null and void and may be canceled of record at the request and cost of Grantor, which cost Grantor hereby agrees to pay; provided, however, that if, at any time, there shall be any Event of Default, then Beneficiary and Trustee shall be entitled to exercise the remedies set forth in Article 3 below.

ARTICLE 3

DEFAULT AND FORECLOSURE

Section 3.1 Remedies. If an Event of Default is continuing, Beneficiary may, at Beneficiary's election and by or through Trustee or otherwise, take such action permitted at law or in equity, without notice or demand (except as explicitly provided in the Commitment Letter), as it deems advisable to protect and enforce its rights against Grantor and to the Property, including but not limited to any or all of the following rights, remedies and recourses, each of which may be pursued concurrently or otherwise, at such time and in such order as Beneficiary may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of Beneficiary:

(a) Acceleration. Declare the Secured Obligations to be immediately due and payable, without further notice, presentment, protest, notice of intent to accelerate, notice of acceleration, demand or action of any nature whatsoever (each of which hereby is expressly waived by Grantor), whereupon the same shall become immediately due and payable.

(b) Entry on Property. Enter the Property and take exclusive possession thereof and of all books, records and accounts relating thereto. If Grantor remains in possession of the Property upon the occurrence and during the continuance of an Event of Default and without Beneficiary's prior written consent, Beneficiary may invoke any legal remedies to dispossess Grantor.

(c) Operation of Property. Whether or not a receiver has been appointed pursuant to Section 3.1(e) hereof, hold, lease, develop, manage, operate, control and otherwise use the Property upon such terms and conditions as Beneficiary may deem reasonable under the circumstances (making such repairs, alterations, additions and improvements and taking other actions, from time to time, as Beneficiary deems reasonably necessary or desirable), exercise all rights and powers of Grantor with respect to the Property, whether in the name of Grantor or otherwise, including the right to make, cancel, enforce or modify Leases, obtain and evict tenants, and demand, sue for, collect and receive all Rents, and apply all Rents and other amounts collected by Beneficiary or Trustee in connection therewith in accordance with the provisions of Section 3.7 hereof.



(d) Foreclosure and Sale. Institute proceedings for the complete foreclosure of this Deed of Trust, either by judicial action or by exercise of the STATUTORY POWER OF SALE or otherwise, in which case the Property may be sold for cash or credit in one or more parcels or in several interests or portions and in any order or manner in accordance with applicable law governing foreclosures. At any such sale by virtue of any judicial proceedings or any other legal right, remedy or recourse including power of sale, the title to and right of possession of any such Property shall pass to the purchaser thereof, and to the fullest extent permitted by law, Grantor shall be completely and irrevocably divested of all of its right, title, interest, claim and demand whatsoever, either at law or in equity, in and to the Property sold and such sale shall be a perpetual bar both at law and in equity against Grantor, and against all other Persons claiming or to claim the Property sold or any part thereof by, through or under Grantor. Beneficiary may be a purchaser at such sale and, if Beneficiary is the highest bidder, may credit the portion of the purchase price that would be distributed to Beneficiary against the Secured Obligations in lieu of paying cash. At any such sale (A) whether made under the power herein contained, the UCC, any other legal requirement or by virtue of any judicial proceedings or any other legal right, remedy or recourse, including power of sale, it shall not be necessary for Trustee to be physically present at or to have constructive possession of the Property (Grantor shall deliver to Trustee any portion of the Property not actually or constructively possessed by Trustee immediately upon demand by Trustee), and the title to and right of possession of any such Property shall pass to the purchaser thereof, as completely as if Trustee had been actually present and delivered to purchaser at such sale, (B) each instrument of conveyance executed by Trustee shall contain a general warranty of title, binding upon Grantor, (C) each recital contained in any instrument of conveyance made by Trustee shall conclusively establish the truth and accuracy of the matters recited therein, including, without limitation, nonpayment of the Secured Obligations, advertisement and conduct of such sale in the manner provided herein and otherwise by law, and appointment of any successor Trustee hereunder, (D) any prerequisites to the validity of such sale shall be conclusively presumed to have been performed, and (E) the receipt of Trustee or other party making the sale shall be a sufficient discharge to the purchaser or purchasers for his/her/their purchase money and no such purchaser or purchasers, or his/her/their assigns or Personal representatives, shall thereafter be obligated to see to the application of such purchase money or be in any way answerable for any loss, misapplication or nonapplication thereof. With respect to any notices required or permitted under the UCC, Grantor agrees that thirty (30) days' prior written notice shall be deemed commercially reasonable.

(e) Receiver. Prior to, concurrently with, or subsequent to the institution of foreclosure proceedings, make application to a court of competent jurisdiction for, and (to the extent permitted by Applicable Law) obtain from such court as a matter of strict right and without notice to Grantor or anyone claiming under Grantor or regard to the value of the Property or the solvency or insolvency of Grantor or the adequacy of any collateral for the repayment of the Secured Obligations or the interest of Grantor therein, the appointment of a receiver or receivers of the Property, and Grantor irrevocably consents to such appointment. Any such receiver or receivers shall have all the usual powers and duties of receivers in similar cases, including the full power to rent, maintain and otherwise operate the Property upon such terms as may be approved by the court, and shall apply such Rents in accordance with the provisions of Section 3.7 hereof.



(f) Other. Exercise all other rights, remedies and recourses granted under the Loan Documents or otherwise available at law or in equity (including an action for specific performance of any covenant contained in the Loan Documents, or a judgment on the Secured Obligations either before, during or after any proceeding to enforce this Deed of Trust).

Section 3.2 Separate Sales. In connection with the exercise by Beneficiary or Trustee of its rights and remedies hereunder, the Property may be sold in one or more parcels and in such manner and order as Beneficiary, in its sole discretion, may elect, subject to Applicable Law; the right of sale arising out of any Event of Default shall not be exhausted by any one or more sales.

Section 3.3 Remedies Cumulative, Concurrent and Nonexclusive. Beneficiary shall have all rights, remedies and recourses granted in the Loan Documents and available at law or equity (including the UCC), which rights (a) shall be cumulative and concurrent and shall be in addition to every other remedy so provided or permitted, (b) may be pursued separately, successively or concurrently against Grantor, or against the Property, or against any one or more of them, at the sole discretion of Beneficiary, (c) may be exercised as often as occasion therefor shall arise, and the exercise or failure to exercise any of them shall not be construed as a waiver or release thereof or of any other right, remedy or recourse, and (d) are intended to be, and shall be, nonexclusive. No action by Beneficiary or Trustee in the enforcement of any rights, remedies or recourses under the Loan Documents or otherwise at law or equity shall be deemed to cure any Event of Default.

Section 3.4 Release of and Resort to Collateral. Beneficiary may release, regardless of consideration and without the necessity for any notice to or consent by the holder of any subordinate lien on the Property, any part of the Property without, as to the remainder, in any way impairing, affecting, subordinating or releasing the lien or security interests created in or evidenced by the Loan Documents or their stature as a first and prior lien and security interest in and to the Property. For payment of the Secured Obligations, Beneficiary may resort to any other security in such order and manner as Beneficiary may elect.

Section 3.5 Waiver of Redemption, Notice and Marshaling of Assets. To the fullest extent permitted by law, Grantor hereby irrevocably and unconditionally waives and releases (a) all benefit that might accrue to Grantor by virtue of any present or future statute of limitations or "moratorium law" or other law or judicial decision exempting the Property or any part thereof, or any part of the proceeds arising from any sale of any such property, from attachment, levy or sale on execution or providing for any appraisal, valuation, stay of execution, exemption from civil process, redemption reinstatement (to the extent permitted by law) or extension of time for payment, (b) any right to a marshaling of assets or a sale in inverse order of alienation, and (c) any and all rights it may have to require that the Property be sold as separate tracts or units in the event of foreclosure.

Section 3.6 Discontinuance of Proceedings. If Beneficiary shall have proceeded to invoke any right, remedy or recourse permitted under the Loan Documents and shall thereafter elect to discontinue or abandon it for any reason, Beneficiary shall have the unqualified right to do so and, in such an event, Grantor and Beneficiary shall be restored to their former positions with respect to the Secured Obligations, the Loan Documents, the Property and otherwise, and



the rights, remedies, recourses and powers of Beneficiary shall continue as if the right, remedy or recourse had never been invoked, but no such discontinuance or abandonment shall waive any Event of Default that may then exist or the right of Beneficiary thereafter to exercise any right, remedy or recourse under the Loan Documents for such Event of Default.

Section 3.7 Application of Proceeds. Except as otherwise provided in the Loan Documents and unless otherwise required by Applicable Law, the proceeds of any sale of, and the Rents and other amounts generated by the holding, leasing, management, operation or other use of the Property, shall be applied by Beneficiary or Trustee (or the receiver, if one is appointed) in the following order or in such other order as Beneficiary shall determine in its sole discretion:

(a) to the payment of the reasonable costs and expenses of taking possession of the Property and of holding, using, leasing, repairing, improving and selling the same, including (1) receiver's fees and expenses, (2) court costs, (3) reasonable attorneys', accountants', appraisers', environmental consultants', engineers' and other experts' fees and expenses, (4) costs of advertisement, (5) costs of procuring title searches, title policies and similar data and assurance with respect to title, (6) the payment of all applicable transfer taxes and mortgage recording taxes, and (7) the payment of all ground rent, real estate taxes and assessments;

(b) to the payment of all amounts, other than the unpaid principal balance of the Secured Obligations and accrued but unpaid interest, which may be due under the Loan Documents;

(c) to the payment and performance of the Secured Obligations in such manner and order of preference as Beneficiary in its sole discretion may determine; and

(d) the balance, if any, to the payment of the Persons legally entitled thereto.

If Beneficiary shall be ordered, in connection with any bankruptcy, insolvency or reorganization of Grantor, to restore or repay to or for the account of Grantor or its creditors any amount theretofore received under this Section, the amount of such restoration or repayment shall be deemed to be a part of the Secured Obligations so as to place Beneficiary in the same position it would have been in had such amount never been received by Beneficiary.

Section 3.8 Occupancy After Foreclosure. The purchaser at any foreclosure sale pursuant to Section 3.1(d) hereof shall become the legal owner of the Property. All occupants of the Property shall, at the option of such purchaser, become tenants of the purchaser at the foreclosure sale and shall deliver possession thereof immediately to the purchaser upon demand. It shall not be necessary for the purchaser at said sale to bring any action for possession of the Property other than the statutory action of forcible detainer in any court having jurisdiction over the Property.

Section 3.9 Additional Advances and Disbursements; Costs of Enforcement. If any Event of Default is continuing, Beneficiary shall have the right, but not the obligation, to cure such Event of Default in the name and on behalf of Grantor. All sums advanced and expenses incurred at any time by Beneficiary under this Section, or otherwise under this Deed of Trust or any of the other Loan Documents or Applicable Law, shall bear interest from the date



that such sum is advanced or expense incurred to and including the date of reimbursement, computed at the Default Rate, and all such sums, together with interest thereon, shall constitute additions to the Secured Obligations and shall be secured by this Deed of Trust and Grantor covenants and agrees to pay them to the order of Beneficiary promptly upon demand.

Section 3.10 No Mortgagee in Possession. Neither the enforcement of any of the remedies under this Article 3, the assignment of the Rents and Leases under Article 4, the collateral assignment of the Property Agreements under Article 5, the security interests under Article 6, nor any other remedies afforded to Beneficiary under the Loan Documents, at law or in equity shall cause Beneficiary or Trustee to be deemed or construed to be a mortgagee in possession of the Property, to obligate Beneficiary or Trustee to lease the Property or attempt to do so, or to take any action, incur any expense, or perform or discharge any obligation, duty or liability whatsoever under any of the Leases or otherwise. Grantor shall, and hereby agrees to, indemnify Beneficiary for, and to hold Beneficiary harmless from and against, any and all claims, liability, expenses, losses or damages that may or might be asserted against or incurred by Beneficiary, as the case may be, solely by reason of Beneficiary's status as an assignee pursuant to the assignment of Rents and Leases contained herein, but excluding any claim to the extent such claim has been found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from Beneficiary's gross negligence or willful misconduct. Should Beneficiary incur any such claim, liability, expense, loss or damage, the amount thereof, including all actual expenses and reasonable fees of attorneys, shall constitute Secured Obligations secured hereby, and Grantor shall reimburse Beneficiary, as the case may be, therefor immediately upon demand.

ARTICLE 4

ASSIGNMENT OF RENTS AND LEASES

Section 4.1 Assignment. Grantor does hereby presently, absolutely and unconditionally assign to Trustee for the benefit of Beneficiary, Grantor's right, title and interest in all current and future Leases and the absolute, unconditional and continuing right to receive and collect all Rents, it being intended by Grantor that this assignment constitutes a present, outright, immediate, continuing and absolute assignment and not an assignment for additional security only. Such assignment to Trustee for the benefit of Beneficiary shall not be construed to bind Beneficiary to the performance of any of the covenants, conditions or provisions contained in any such Lease or otherwise impose any obligation upon Beneficiary. Beneficiary shall have no responsibility on account of this assignment for the control, care, maintenance, management or repair of the Property, for any dangerous or defective condition of the Property, or for any negligence in the management, upkeep, repair or control of the Property. Grantor agrees to execute and deliver to Beneficiary such additional instruments, in form and substance satisfactory to Beneficiary, as may hereafter be requested by Beneficiary to further evidence and confirm such assignment.

Section 4.2 License. Notwithstanding that Grantor hereby presently grants to Trustee for the benefit of Beneficiary an outright, immediate, continuing and absolute assignment of the Rents and Leases and not merely the collateral assignment of, or the grant of a lien or security interest in, the Rents and Leases, Trustee on behalf of Beneficiary hereby grants



to Grantor and its successors, and not to any tenant or any other Person, a revocable license to collect and receive the Rents and to retain, use and enjoy the same and otherwise exercise all rights as landlord under any Lease, in each case subject to the terms hereof and of the Commitment Letter. Upon the occurrence and during the continuance of any Event of Default, (i) the license granted herein to Grantor shall immediately and automatically cease and terminate and shall be void and of no further force or effect, (ii) Beneficiary shall immediately be entitled to possession of all Rents (whether or not Beneficiary enters upon or takes control of the Property) and (iii) at the request of Beneficiary, Grantor shall notify in writing all tenants and subtenants under any of the Leases that all Rent due thereunder should be paid to Beneficiary at its address set forth in the Commitment Letter, or at such other place as Beneficiary shall notify Grantor in writing; provided that, if such Event of Default ceases to exist, the license described in the foregoing clause (i) shall automatically be reinstated. Notwithstanding said license, Grantor agrees that Beneficiary, and not Grantor, shall be deemed to be the creditor of each tenant or subtenant under any Lease in respect to assignments for the benefit of creditors and bankruptcy, reorganization, insolvency, dissolution or receivership proceedings affecting such tenant or subtenant (without obligation on the part of Beneficiary, however, to file or make timely filings of claims in such proceedings or otherwise to pursue creditors' rights therein), with an option to apply in accordance with the Loan Documents any money received from such tenant or subtenant in reduction of any amounts due under the Loan Documents. Upon the occurrence and during the continuance of an Event of Default, any portion of the Rents held by Grantor shall be held in trust for the benefit of Beneficiary for use in the payment of the Secured Obligations.

Section 4.3 Certain Rights of Beneficiary. Subject to the revocable license granted above, upon the occurrence and during the continuance of an Event of Default, Beneficiary shall have the immediate and continuing right, power and authority, either in Person or by agent, without bringing any action or proceeding, or by a receiver appointed by a court, without the necessity of taking possession of the Property in its own name, and without the need for any other authorization or action by Grantor or Beneficiary, in addition to and without limiting any of Beneficiary's rights and remedies hereunder, under the Commitment Letter and any other Loan Documents and as otherwise available at law or in equity, (a) to notify any tenant or other Person that the Leases have been assigned to Beneficiary and that all Rents are to be paid directly to Beneficiary, whether or not Beneficiary has commenced or completed foreclosure or taken possession of the Property; (b) to settle, compromise, release, extend the time of payment of, and make allowances, adjustments and discounts of any Rents or other obligations in, to and under the Leases; (c) to demand, sue for, collect, receive and enforce payment of Rents, including those past-due and unpaid and other rights under the Leases, prosecute any action or proceeding, and defend against any claim with respect to the Rents and Leases; (d) to enter upon, take possession of and operate the Property whether or not foreclosure under this Deed of Trust has been instituted and without applying for a receiver; (e) to lease all or any part of the Property; and/or (f) to perform any and all obligations of Grantor under the Leases and exercise any and all rights of Grantor therein contained to the full extent of Grantor's rights and obligations thereunder.

Section 4.4 Irrevocable Instructions to tenants. At Beneficiary's request, Grantor shall deliver a copy of this Deed of Trust to each tenant under a Lease and to each manager and managing agent or operator of the Property, and Beneficiary shall have the continuing right to do so. Grantor irrevocably directs any tenant, manager, managing agent, or operator of the



Property, without any requirement for notice to or consent by Grantor, to comply with all demands of Beneficiary under this Article 4 and to turn over to Beneficiary on demand all Rents that it receives. Grantor hereby acknowledges and agrees that payment of any Rents by a Person to Beneficiary as hereinabove provided shall constitute payment by such Person, as fully and with the same effect as if such Rents had been paid to Grantor. Beneficiary is hereby granted and assigned by Grantor the right, at its option, upon revocation of the license granted herein, upon an Event of Default that is continuing, to enter upon the Property in Person or by agent, without bringing any action or proceeding, or by court-appointed receiver to collect the Rents. Any Rents collected after the revocation of the license shall be applied in accordance with the provisions of the Commitment Letter. Neither the enforcement of any of the remedies under this Article 4 nor any other remedies or security interests afforded to Beneficiary under the Loan Documents, at law or in equity shall cause Beneficiary to be deemed or construed to be a mortgagee in possession of the Property, to obligate Beneficiary to lease the Property or attempt to do so, or to take any action, incur any expense, or perform or discharge any obligation, duty or liability whatsoever under any of the Leases or otherwise. Grantor shall, and hereby agrees to, indemnify Beneficiary for, and to hold Beneficiary harmless from and against, any and all claims, liability, expenses, losses or damages that may or might be asserted against or incurred by Beneficiary solely by reason of Beneficiary's status as an assignee pursuant to the assignment of Rents and Leases contained herein, but excluding any claim to the extent such claim has been found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from Beneficiary's gross negligence or willful misconduct. Should Beneficiary incur any such claim, liability, expense, loss or damage, the amount thereof, including all actual expenses and reasonable fees of attorneys, shall constitute Secured Obligations secured hereby, and Grantor shall reimburse Beneficiary therefor within five (5) Business Days after demand.

Section 4.5 Unilateral Subordination. Beneficiary may, at any time and from time to time by specific written instrument intended for the purpose, unilaterally subordinate the lien of this Deed of Trust to any Lease, without joinder or consent of, or notice to, Grantor, any tenant or any other Person, and notice is hereby given to each tenant under a Lease of such right to subordinate. No such subordination shall constitute a subordination to any lien or other encumbrance, whenever arising, or improve the right of any junior lienholder; and nothing herein shall be construed as subordinating this Deed of Trust to any Lease.

ARTICLE 5

COLLATERAL ASSIGNMENT OF PROPERTY AGREEMENTS

Section 5.1 Collateral Assignment. Grantor does hereby collaterally assign and pledge to Beneficiary, Grantor's right, title and interest in, to and under all current and future Property Agreements. Such collateral assignment to Beneficiary shall not be construed to bind Beneficiary to the performance of any of the covenants, conditions or provisions contained in any such Property Agreement or otherwise impose any obligation upon Beneficiary. Grantor agrees to execute and deliver to Beneficiary such additional instruments, in form and substance satisfactory to Beneficiary, as may hereafter be requested by Beneficiary to further evidence and confirm such collateral assignment.



Section 5.2 Retained Rights of Grantor. Subject to the other provisions of this Article 5 and the provisions of the other Loan Documents, for so long as no Event of Default shall have occurred and be continuing, Grantor may exercise all of its rights and privileges under the Property Agreements and shall have the exclusive right and authority to deal with, enjoy the benefit under, grant any consents and approvals under, and amend, modify or terminate, such Property Agreements, collect, receive and retain for its own benefit all monies due or to become due under such Property Agreements, sue and enforce all claims of Grantor for damages arising under such Property Agreements, and retain for its own benefit all items described in clause (d) of paragraph (9) of the definition of "Property" above, if and to the extent not prohibited by the Commitment Letter or the other Loan Documents. Upon the occurrence and during the continuance of any Event of Default, the rights of Grantor described in this Section shall immediately and automatically cease and terminate and shall be void and of no further force or effect. Upon the occurrence and during the continuance of an Event of Default, any amounts held by Grantor as a party to the Property Agreements shall be held in trust for the benefit of Beneficiary for use in the payment of the Secured Obligations.

Section 5.3 Exercise of Assigned Rights. Grantor hereby irrevocably directs the grantor or licensor of, or the contracting party to, any Property Agreement, upon demand from Beneficiary, to recognize and accept Beneficiary as the party to such Property Agreement for any and all purposes as fully as it would recognize and accept Grantor and the performance of Grantor thereunder; provided, that Beneficiary hereby covenants to Grantor that it will not make such demand except upon the occurrence and during the continuance of an Event of Default. Upon the occurrence, and during the continuance, of an Event of Default, without further notice or demand and at Grantor's sole cost and expense, Beneficiary shall be entitled to exercise all rights of Grantor arising under the Property Agreements. Grantor hereby acknowledges and agrees that payment of any amounts owing under any Property Agreement by a Person to Beneficiary as hereinabove provided shall constitute payment by such Person, as fully and with the same effect as if such amounts had been paid to Grantor. Any amounts collected upon the occurrence and during the continuance of an Event of Default shall be applied in accordance with the provisions of the Commitment Letter. At Beneficiary's request, Grantor shall deliver a copy of this Deed of Trust to each grantor or licensor of or the contracting party to a Property Agreement, and Beneficiary shall have the continuing right to do so.

Section 5.4 Indemnity. Grantor shall, and hereby agrees to, indemnify Beneficiary for, and to hold Beneficiary harmless from and against, any and all claims, liability, expenses, losses or damages that may or might be asserted against or incurred by Beneficiary solely by reason of Beneficiary's status as an assignee pursuant to the collateral assignment of Property Agreements contained herein, but excluding any claim to the extent such claim has been found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from Beneficiary's gross negligence or willful misconduct or any claim arising as a result of an act or omission of Beneficiary after the date on which Beneficiary has taken actual possession of the Property pursuant to an exercise of its rights and remedies hereunder. Should Beneficiary incur any such claim, liability, expense, loss or damage, the amount thereof, including all actual expenses and reasonable fees of attorneys, shall constitute Secured Obligations secured hereby, and Grantor shall reimburse Beneficiary therefor within five (5) Business Days after demand.



Section 5.5 Property Agreement Covenants. (a) Grantor shall perform and observe, in a timely manner, all of the covenants, conditions, obligations and agreements of Grantor under the Property Agreements and shall suffer or permit no delinquency on its part to exist thereunder if such action is prohibited by the Commitment Letter or would be reasonably likely to have a Material Adverse Effect.

(b) Grantor shall not (i) sell, assign, transfer, mortgage or pledge any Property Agreement or any such right or interest under any Property Agreement or (ii) cancel, terminate, amend, supplement or modify any Property Agreement, in either case, if such action is prohibited by the Commitment Letter or would have a Material Adverse Effect.

(c) Grantor shall exercise all reasonable efforts to enforce or secure the performance of each and every obligation, covenant, condition and agreement to be performed by the franchisor, manager, licensor, grantor or other contracting party under the Property Agreements if the failure to take such action would have a Material Adverse Effect.

ARTICLE 6

SECURITY AGREEMENT

Section 6.1 Security Interest. This Deed of Trust constitutes both a real property mortgage and a "Security Agreement" on personal property within the meaning of the UCC and other Applicable Law and with respect to the Personalty, Fixtures, Plans, Leases, Rents and Property Agreements (said portion of the Property subject to the UCC, the "UCC Collateral"). The Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Grantor in the Property. Grantor, by executing and delivering this Deed of Trust, hereby grants to Beneficiary a first and prior security interest in the Personalty, Fixtures, Plans, Leases, Rents and Property Agreements and all other Property that is personal property to secure the payment and performance of the Secured Obligations and agrees that Beneficiary shall have all the rights and remedies of a secured party under the UCC with respect to such property including, without limiting the generality of the foregoing, the right to take possession of the UCC Collateral or any part thereof, and to take such other measures as Beneficiary may deem necessary for the care, protection and preservation of the UCC Collateral. Upon request or demand of Beneficiary, Grantor shall at its expense assemble the UCC Collateral and make it available to Beneficiary at the Property. Grantor shall pay to Beneficiary on demand any and all expenses, including actual reasonable legal expenses and attorneys' fees, incurred or paid by Beneficiary in protecting the interest in the UCC Collateral and in enforcing the rights hereunder with respect to the UCC Collateral. Any notice of sale, disposition or other intended action by Beneficiary with respect to the UCC Collateral sent to Grantor in accordance with the provisions hereof at least ten (10) Business Days prior to such action shall constitute commercially reasonable notice to Grantor. The proceeds of any disposition of the UCC Collateral, or any part thereof, shall, except as otherwise required by law, be applied by Beneficiary in accordance with Section 3.7 hereof.

Section 6.2 Further Assurances. Grantor shall execute and deliver to Beneficiary and/or file, in form and substance satisfactory to Beneficiary, such further statements, documents and agreements, financing statements, continuation statements and such further assurances and



instruments, and do such further acts, as Beneficiary may, from time to time, reasonably consider necessary, desirable or proper to create, perfect and preserve Beneficiary's security interest hereunder and to carry out more effectively the purposes of this Deed of Trust and Beneficiary may cause such statements and assurances to be recorded and filed at such times and places as may be required or permitted by law to so create, perfect and preserve such security interest; provided that such further statements, documents, agreements, assurances, instruments and acts do not increase the liability or obligations or decrease the rights of Grantor from those provided for in the Loan Documents. Grantor hereby irrevocably authorizes Beneficiary to file UCC financing statements in each jurisdiction that Beneficiary deems necessary or desirable in its sole discretion in order to perfect the security interests in all or any portion of the UCC Collateral. Such financing statements may indicate or describe the UCC Collateral in any manner Beneficiary chooses, including, without limitation, describing such collateral as "all assets of debtor, whether now owned or hereafter acquired," "all personal property of debtor, whether now owned or hereafter acquired" or using words of similar import. As of the date hereof, Grantor's chief executive office and principal place of business is at the address set forth in the first paragraph of this Deed of Trust, and Grantor shall promptly notify Beneficiary of any change in such address.

Section 6.3 Fixture Filing. This Deed of Trust shall also constitute a "fixture filing" for the purposes of the UCC upon all of the Property that is or is to become "fixtures" (as that term is defined in the UCC), upon being filed for record in the real estate records of the city or county wherein such fixtures are located. Information concerning the security interest herein granted may be obtained at the addresses of Debtor (Grantor) and Secured Party (Beneficiary) as set forth in the first paragraph of this Deed of Trust.

Section 6.4 Multi-Site Real Estate Transactions. Grantor acknowledges that this Deed of Trust is one of a number of Mortgages and other security documents ("Other Mortgages") that secure the Secured Obligations. Grantor agrees that, except as otherwise provided by Applicable Law, the lien of this Deed of Trust shall be absolute and unconditional and shall not in any manner be affected or impaired by any acts or omissions whatsoever of Beneficiary, and without limiting the generality of the foregoing, the lien hereof shall not be impaired by any acceptance by Beneficiary of any security for or guarantees of the Secured Obligations, or by any failure, neglect or omission on the part of Beneficiary to realize upon or protect any Secured Obligation or any collateral security therefor including the Other Mortgages. Except as provided by Applicable Law, the lien of this Deed of Trust shall not in any manner be impaired or affected by any release (except as to the property released), sale, pledge, surrender, compromise, settlement, renewal, extension, indulgence, alteration, changing, modification or disposition of any of the Secured Obligations or of any of the collateral security therefor, including the Other Mortgages or any guarantee thereof, and, to the fullest extent permitted by Applicable Law, Beneficiary may at its discretion foreclose, exercise any power of sale, or exercise any other remedy available to it under any or all of the Other Mortgages without first exercising or enforcing any of its rights and remedies hereunder. Except as otherwise provided by Applicable law, such exercise of Beneficiary's rights and remedies under any or all of the Other Mortgages shall not in any manner impair the indebtedness hereby secured or the lien of this Deed of Trust and any exercise of the rights and remedies of Beneficiary hereunder shall not impair the lien of any of the Other Mortgages or any of Beneficiary's rights and remedies thereunder. To the fullest extent permitted by Applicable Law, Grantor specifically consents and



agrees that Beneficiary may exercise its rights and remedies hereunder and under the Other Mortgages separately or concurrently and in any order that it may deem appropriate and waives any right of subrogation.

ARTICLE 7

MISCELLANEOUS

Section 7.1 Notices. Any notice required or permitted to be given under this Deed of Trust shall be given in the manner described in Section 9.4 of the Commitment Letter.

Section 7.2 Covenant Running with the Land. All representations, warranties, covenants and obligations contained in the Commitment Letter are incorporated herein by this reference and, to the extent relating to the Property, are intended by the parties to be, and shall be construed as, covenants running with the land. All Persons who may have or acquire an interest in the Property shall be deemed to have notice of, and be bound by, the terms of the Commitment Letter and the other Loan Documents; however, no such party shall be entitled to any rights thereunder without the prior written consent of Beneficiary.

Section 7.3 Attorney-in-Fact. Grantor hereby irrevocably appoints Beneficiary and its successors and assigns as its attorney-in-fact, which appointment is irrevocable and coupled with an interest, upon the occurrence and during the continuance of an Event of Default (a) to execute and/or record any notices of completion, cessation of labor or any other notices that Beneficiary deems appropriate to protect Beneficiary's interest, if Grantor shall fail to do so within ten (10) days after written request by Beneficiary, (b) upon the issuance of a deed or assignment of lease pursuant to the foreclosure of this Deed of Trust or the delivery of a deed or assignment of lease in lieu of foreclosure, to execute all instruments of assignment, conveyance or further assurance with respect to the Leases, Rents, Personalty, Fixtures, Plans and Property Agreements in favor of the grantee of any such deed or the assignee of any such assignment of lease and as may be necessary or desirable for such purpose, (c) to prepare, execute and file or record financing statements, continuation statements, applications for registration and like papers necessary to create, perfect or preserve Beneficiary's security interests and rights in or to any of the collateral, and (d) to perform any obligation of Grantor hereunder; however: (1) Beneficiary shall not under any circumstances be obligated to perform any obligation of Grantor; (2) any sums advanced by Beneficiary in such performance shall be included in the Secured Obligations and shall bear interest at the Default Rate; (3) Beneficiary as such attorney-in-fact shall only be accountable for such funds as are actually received by Beneficiary; and (4) Beneficiary shall not be liable to Grantor or any other Person for any failure to take any action that it is empowered to take under this Section.

Section 7.4 Successors and Assigns. This Deed of Trust shall be binding upon and inure to the benefit of Beneficiary and Grantor and their respective successors and assigns. Beneficiary is expressly permitted to assign any or all of its rights under this Deed of Trust and/or any other Loan Documents in connection with an assignment of some or all of the Secured Obligations and Grantor hereby represents, warrants and covenants that in the event of such assignment by Beneficiary of this Deed of Trust, the assignee shall succeed to all rights,



remedies, and powers of Beneficiary as stated herein and Grantor hereby waives any right to dispute or enjoin any such assignment by Beneficiary.

Section 7.5 No Waiver. Any failure by Beneficiary or Trustee to insist upon strict performance of any of the terms, provisions or conditions of the Loan Documents shall not be deemed to be a waiver of same, and Beneficiary and Trustee shall each have the right at any time to insist upon strict performance of all of such terms, provisions and conditions.

Section 7.6 Subrogation. To the extent proceeds of the loans under the Commitment Letter have been used to extinguish, extend or renew any indebtedness against the Property, then Beneficiary shall be subrogated to all of the rights, liens and interests existing against the Property and held by the holder of such indebtedness and shall have the benefit of the priority of all of the same, and such former rights, liens and interests, if any, are not waived, but are continued in full force and effect in favor of Beneficiary.

Section 7.7 Commitment Letter. If any conflict or inconsistency exists between this Deed of Trust and the Commitment Letter, the Commitment Letter shall govern.

Section 7.8 Release. Upon payment in full of the Secured Obligations and performance in full of all of the outstanding Secured Obligations, the estate hereby granted shall cease, terminate and be void and Beneficiary, at Grantor's expense, shall release the liens and security interests created by this Deed of Trust or assign this Deed of Trust, in each case in accordance with the Commitment Letter.

Section 7.9 Waiver of Stay, Moratorium and Similar Rights. Grantor agrees, to the fullest extent that it may lawfully do so, that it will not at any time insist upon or plead or in any way take advantage of, and hereby waives, any appraisement, valuation, stay, marshaling of assets, exemption, extension, redemption or moratorium law now or hereafter in force and effect so as to prevent or hinder the enforcement of the provisions of this Deed of Trust or the indebtedness secured hereby or any agreement between Grantor and Beneficiary or any rights or remedies of Beneficiary.

Section 7.10 Waiver of Jury Trial; Consent to Jurisdiction. (a) TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LEGAL REQUIREMENTS, GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY AGREE TO WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS DEED OF TRUST, ANY OTHER LOAN DOCUMENT, OR ANY DEALINGS, CONDUCT, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS BY EITHER OF THEM RELATING TO THE SUBJECT MATTER OF THIS DEED OF TRUST. THE SCOPE OF THIS WAIVER IS INTENDED TO ENCOMPASS ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY ACKNOWLEDGE THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO THIS DEED OF TRUST. GRANTOR AND, BY ITS ACCEPTANCE



HEREOF, BENEFICIARY FURTHER WARRANT AND REPRESENT THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THE WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS DEED OF TRUST, OR ANY OTHER LOAN DOCUMENTS OR AGREEMENTS RELATING TO THIS DEED OF TRUST. IN THE EVENT OF LITIGATION, THIS DEED OF TRUST MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(b) GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY HEREBY CONSENT FOR THEMSELVES AND GRANTOR HEREBY CONSENTS IN RESPECT OF ITS PROPERTIES, GENERALLY, UNCONDITIONALLY AND IRREVOCABLY, TO THE NONEXCLUSIVE JURISDICTION OF THE FEDERAL AND STATE COURTS IN THE STATE OF NEW YORK WITH RESPECT TO ANY PROCEEDING RELATING TO ANY MATTER, CLAIM OR DISPUTE ARISING UNDER THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY. GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY FURTHER CONSENT, GENERALLY, UNCONDITIONALLY AND IRREVOCABLY, TO THE NONEXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS OF THE STATE IN WHICH ANY OF THE COLLATERAL IS LOCATED IN RESPECT OF ANY PROCEEDING RELATING TO ANY MATTER, CLAIM OR DISPUTE ARISING WITH RESPECT TO SUCH COLLATERAL. GRANTOR AND BENEFICIARY FURTHER IRREVOCABLY CONSENT TO THE SERVICE OF PROCESS BY MAIL, PERSONAL SERVICE OR IN ANY OTHER MANNER PERMITTED BY APPLICABLE LEGAL REQUIREMENTS, GENERALLY, UNCONDITIONALLY AND IRREVOCABLY, AT THE ADDRESSES SET FORTH IN THE COMMITMENT LETTER IN CONNECTION WITH ANY OF THE AFORESAID PROCEEDINGS IN ACCORDANCE WITH THE RULES APPLICABLE TO SUCH PROCEEDINGS. TO THE EXTENT PERMITTED BY APPLICABLE LEGAL REQUIREMENTS, GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY HEREBY IRREVOCABLY WAIVE ANY OBJECTION THAT THEY MAY NOW HAVE OR HAVE IN THE FUTURE TO THE LAYING OF VENUE IN RESPECT OF ANY OF THE AFORESAID PROCEEDINGS BROUGHT IN THE COURTS REFERRED TO ABOVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. NOTHING HEREIN SHALL AFFECT THE RIGHT OF BENEFICIARY TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW OR TO COMMENCE PROCEEDINGS OR OTHERWISE PROCEED AGAINST GRANTOR IN ANY JURISDICTION.

Section 7.11 Headings. The Article, Section and Subsection titles hereof are inserted for convenience of reference only and shall in no way alter, modify, limit or define, or be used in construing, the scope, intent or text of such Articles, Sections or Subsections.

Section 7.12 Governing Law. THIS DEED OF TRUST SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE



STATE IN WHICH THE LAND IS LOCATED. WITH RESPECT TO ANY PERSONAL PROPERTY INCLUDED IN THE "PROPERTY", THE CREATION OF THE SECURITY INTEREST THEREIN SHALL BE GOVERNED BY THE UCC, AND THE PERFECTION, THE EFFECT OF PERFECTION OR NON-PERFECTION AND PRIORITY OF SUCH SECURITY INTEREST SHALL BE GOVERNED IN ACCORDANCE WITH THE MANDATORY CHOICE OF LAW RULES SET FORTH IN THE UCC.

Section 7.13 General Indemnity; Payment of Expenses. The provisions of the Commitment Letter relating to indemnification and payment of expenses are incorporated by this reference, as if fully set forth herein.

Section 7.14 Entire Agreement. This Deed of Trust and the other Loan Documents embody the entire agreement and understanding between Beneficiary and Grantor pertaining to the subject matter hereof and thereof and supersede all prior agreements, understandings, representations or other arrangements, whether express or implied, written or oral, between such parties relating to the subject matter hereof and thereof. This Deed of Trust and the other Loan Documents may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

Section 7.15 Severability. If any provision of this Deed of Trust is invalid or unenforceable, then such provision shall be given full force and effect to the fullest possible extent, and all of the remaining provisions of this Deed of Trust shall remain in full force and effect and shall be binding on the parties hereto.

Section 7.16 Variable Rate of Interest. This Deed of Trust secures, inter alia, obligations that provide for a variable rate of interest (as described in the Commitment Letter).

Section 7.17 Lien Absolute. Grantor acknowledges that this Deed of Trust and a number of other Loan Documents and those documents required by the Loan Documents together secure the Secured Obligations. Grantor agrees that, to the extent permitted by law, the lien of this Deed of Trust and all obligations of Grantor hereunder shall be absolute and unconditional and shall not in any manner be affected or impaired by:

(a) any lack of validity or enforceability of the Commitment Letter or any other Loan Document, any agreement with respect to any of the Secured Obligations or any other agreement or instrument relating to any of the foregoing;

(b) any acceptance by Beneficiary of any security for or guarantees of any of the Secured Obligations;

(c) any failure, neglect or omission on the part of Beneficiary to realize upon or protect any of the Secured Obligations or any of the collateral security therefor, including the Loan Documents, or due to any other circumstance that might otherwise constitute a defense available to, or a discharge of, Grantor in respect of the Secured Obligations hereby secured or any collateral security therefor, including this Deed of Trust or any of the other Loan Documents (other than the indefeasible payment in full in cash of all of the Secured Obligations);



(d) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations;

(e) any release (except as to the property released), sale, pledge, surrender, compromise, settlement, nonperfection, renewal, extension, indulgence, alteration, exchange, modification or disposition of any of the Secured Obligations hereby secured or of any of the collateral security therefor;

(f) any amendment or waiver of or any consent to any departure from the Commitment Letter or any other Loan Documents or of any guaranty thereof, if any, and Beneficiary may in its discretion foreclose, exercise any power of sale, or exercise any other remedy available to it under any or all of the Loan Documents without first exercising or enforcing any of its rights and remedies hereunder; and

(g) any exercise of the rights or remedies of Beneficiary hereunder or under any or all of the Loan Documents.

Section 7.18 Real Estate Taxes. Grantor shall not be entitled to any credit upon the Secured Obligations or deduction from the assessed value of the Property by virtue of payment of real estate taxes on the Property. If any law or regulation applicable to Beneficiary, any Loan Document, any of the Property or this Deed of Trust is enacted that deducts from the value of property for the purpose of taxation any Lien thereon, or imposes upon Beneficiary the payment of the whole or any portion of the taxes or assessments or charges or Liens required by any of the Loan Documents to be paid by Grantor, or changes in any way the laws or regulations relating to the taxation of mortgages or security agreements or debts secured by mortgages or security agreements or the interest of the mortgagee or secured party in the property covered thereby, or the manner of collection of such taxes, so as to affect the Deed of Trust, the Secured Obligations or Beneficiary, then Grantor, upon demand by Beneficiary, shall pay such taxes, assessments, charges or Liens, or reimburse Beneficiary for any amounts paid by Beneficiary.

Section 7.19 Certain Restrictions. The parties hereby acknowledge that the Commitment Letter, among other things, contains restrictions on the prepayment of the Secured Obligations, as well as restrictions on the sale, transfer and encumbrance of the Property and the ownership interests of Grantor.

Section 7.20 State Specific Provisions. The provisions of Exhibit B attached hereto are hereby incorporated by reference as though set forth in full herein.

Section 7.21 Last Dollars Secured. The parties agree that any payments or repayments of the Secured Obligations shall be and be deemed to be applied first to the portion of the Secured Obligations that is not secured hereby, if any, it being the parties' intent that the portion of the Secured Obligations last remaining unpaid shall be secured hereby.

Section 7.22 Mortgage Recording Taxes. Grantor hereby covenants to pay any and all mortgage recording or other taxes or fees due in connection with this Deed of Trust.

Section 7.23 Multiple Exercise of Remedies. To the extent permitted by law, Grantor specifically consents and agrees that Beneficiary and Trustee may exercise rights and



remedies hereunder and under the other Loan Documents separately or concurrently and in any order that Beneficiary and Trustee may deem appropriate.

Section 7.24 Rules of Construction. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons referred to may require. All references to sections, schedules and exhibits are to sections, schedules and exhibits in or to this Deed of Trust unless otherwise specified. Unless otherwise specified: (i) all meanings attributed to defined terms in this Deed of Trust shall be equally applicable to both the singular and plural forms of the terms so defined, (ii) "including" means "including, but not limited to" and "including, without limitation" and (iii) the words "hereof," "herein," "hereby," "hereunder" and words of similar import when used in this Deed of Trust shall refer to this Deed of Trust as a whole and not to any particular provision, article, section or other subdivision of this Deed of Trust.

Section 7.25 Counterparts; Facsimile Signatures. This Deed of Trust may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Any counterpart delivered by facsimile, pdf or other electronic means shall have the same import and effect as original counterparts and shall be valid, enforceable and binding for the purposes of this Deed of Trust.

Section 7.26 Time of Essence. Time is of the essence with respect to this Deed of Trust.

ARTICLE 8

CONCERNING THE TRUSTEE

Section 8.1 Certain Rights. With the approval of Beneficiary, Trustee shall have the right to select, employ and consult with counsel. Trustee shall have the right to rely on any instrument, document or signature authorizing or supporting any action taken or proposed to be taken by Trustee hereunder, believed by Trustee in good faith to be genuine. Trustee shall be entitled to reimbursement for actual, reasonable expenses incurred by him in the performance of his duties hereunder. Grantor shall, from time to time, pay the compensation due to Trustee hereunder and reimburse Trustee for, and indemnify, defend and save Trustee harmless against, all liability and reasonable expenses which may be incurred by him in the performance of Trustee's duties, except as a result of Trustee's gross negligence or willful misconduct, in the performance of Trustee's duties. Grantor's obligations under this Section 8.1 shall not be reduced or impaired by principles of comparative or contributory negligence (except with respect to Trustee's gross negligence or willful misconduct).

Section 8.2 Retention of Money. All moneys received by Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys (except to the extent



required by law), and Trustee shall be under no liability for interest on any moneys received by him hereunder.

Section 8.3 Successor Trustees. If Trustee or any successor Trustee shall die, resign or become disqualified from acting in the execution of this trust, or Beneficiary shall desire to appoint a substitute Trustee, Beneficiary shall have full power to appoint one or more substitute or successor Trustees, without other formality than appointment and designation in writing executed by Beneficiary, and, if preferred, several substitute or successor Trustees in succession who shall succeed to all the estates, rights, powers and duties of Trustee. Such appointment may be executed by any authorized agent of Beneficiary, and as so executed, such appointment shall be conclusively presumed to be executed with authority, valid and sufficient, without further proof of any action. Upon the making of any such appointment and designation, all of the estate and title of Trustee in the Property shall vest in the named successor or substitute Trustee and he shall thereupon succeed to, and shall hold, possess and execute, all the rights, powers, privileges, immunities and duties herein conferred upon Trustee.

Section 8.4 Perfection of Appointment. Should any deed, conveyance or instrument of any nature be required from Grantor by any successor Trustee to more fully and certainly vest in and confirm to such successor Trustee such estates, rights, powers and duties, then, upon reasonable request by such Trustee, all such deeds, conveyances and instruments shall be made, executed, acknowledged and delivered and shall be caused to be recorded and/or filed by Grantor.

Section 8.5 Trustee Liability. In no event or circumstance shall Trustee or any substitute Trustee hereunder be personally liable under or as a result of this Deed of Trust, either as a result of any action by Trustee (or any substitute Trustee) in the exercise of the powers hereby granted or otherwise, except for Trustee's gross negligence or willful misconduct.

Grantor hereby acknowledges receipt of a true copy of the within Deed of Trust.

[No further text on this page; Signature page follows]



Executed and delivered as of the date first hereinabove set forth.

LOCAL FIRST PROPERTIES USA INC., a
Delaware corporation

By: Clifford Dumas

Name: Cliff Dumas

Title: Director

Deed of Trust -Signature Page



ACKNOWLEDGMENT

STATE OF ALASKA)
) SS.
 FIRST JUDICIAL DISTRICT)

I, Brenda McDowell, a Notary Public of the First Judicial District and State aforesaid, certify that Cliff Dumas, being personally known to me, personally came before me this day and acknowledged that he is the Director of LOCAL FIRST PROPERTIES USA INC., a Delaware corporation, and that he, as Director, being authorized to do so, voluntarily executed the foregoing on behalf of said limited partnership for the purposes stated therein.

Witness my hand and official stamp or seal, on 04/26/2023

Brenda McDowell

Notary Public

Printed Name: Brenda McDowell

My Commission Expires:

03/18/2027

[Notary Stamp/Seal]

BRENDA MCDOWELL
 Notary Public
 State of Alaska
 My commission expires March 18, 2027

This notarial act involved the use of communication technology

Deed of Trust -Signature Page



EXHIBIT A**Legal Description**

File No.: 65720

PARCEL 1:

Part of U.S. Survey No. 1075, Juneau Recording District, First Judicial District, State of Alaska, described as:

BEGIN at the Southwest Corner of Tract 2, land accreted to U.S. Survey No. 1075, established by Survey in 1971, said point bearing N 40° 57' 17" W, a distance of 846.37 feet from a point known as Meander Corner Number 1 on U.S. Survey No. 1075; thence N 5° 52' 30" W 138.73 feet; thence N 50° 55' 15" E 112.30 feet to the South Right-of-Way Line of the "Glacier Expressway Highway"; thence along the South Right-of-Way Line Easterly along a curve to the left (radius = 5,829.58 feet) having a long chord bearing S 36° 07' 43" E 79.00 feet; thence N 35° 44' 17" E 28.00 feet; thence Easterly along a curve to the left (radius = 5,801.58 feet) having a long chord bearing S 34° 29' 05" E 253.13 feet; thence S 33° 14' 17" W 41.80 feet; thence S 88° 53' 00" W 339.26 feet to the POINT OF BEGINNING

AND

Part of U.S. Survey No. 1075 and adjoining said U.S. Survey No. 1075, Juneau Recording District, First Judicial District, State of Alaska, described as:

BEGIN on the Westerly Line of Glacier Highway N 0° 52' W 159.27 feet from Bureau of Public Roads Highway Monument with a Brass Cap stamped P.O.S.T. 136+58.19 feet, run thence S 88° 53' W 263.39 feet; thence N 44° 45' W 172.47 feet; thence N 88° 53' E 386.71 feet to the Westerly Line of said highway; thence Southerly on said highway line, 125.00 feet, more or less, to the POINT OF BEGINNING

EXCEPT THEREFROM that part taken by the State of Alaska in case No. 72-163 of the Superior Court in Juneau.

PARCEL 2:

Lot 7, Block 27, U.S. Survey 437, Ketchikan Recording District, First Judicial District, State of Alaska,

EXCEPTING THEREFROM: The portion thereof conveyed to the State of Alaska by Warranty Deed recorded May 11, 1972 in Volume 41 of Deeds at Page 235

AND

Exhibit A



That portion of Lot 6, Block 27, U.S. Survey 437, Ketchikan Recording District, First Judicial District, State of Alaska, described as follows:

Beginning at a point 80 feet westerly along East Street from the southeast corner of Block 27, U.S. Survey 437, thence S.33°57'W 208.14 feet, thence N. 40°50' W. 66.10 feet, thence N. 19°15' W. 88.21 feet, thence N. 61°20' E. 68.25 feet, thence N. 46°52' E. 24.40 feet, thence N. 33°57' E. 64.74 feet, thence S. 49°07' E. 99.50 feet to point of beginning.

EXCEPTING THEREFROM: That portion thereof conveyed to John Danielson et ux by Quitclaim Deed recorded July20, 1966 in Volume 26 of Deeds at Page 170

PARCEL 3:

Lot 1, SITKA BROADCASTERS SUBDIVISION, according to the Plat thereof filed September 8, 1980 as Plat No. 80-6, Sitka Recording District, First Judicial District, State of Alaska

Exhibit A



EXHIBIT B**Special Provisions for the State of Alaska**

Section 1. Assignment of Leases and Rent. The assignments of Rents and Leases, as applicable, set forth in this Deed of Trust are not intended to constitute payment to Beneficiary or Trustee except to the extent that the Rents are actually received by Beneficiary and are not used for the operation or maintenance of the Property or for the payment of costs and expenses in connection therewith, taxes, assessments, water charges, sewer rents, and other charges levies, assessed or imposed against the Property, insurance premiums, costs and expenses with respect to any litigation affecting the Property, the leases, the concessions thereunder, any wages and salaries of employees for the Property, commissions of agents and reasonable attorneys' fees. The term Rents as used herein shall mean the gross rents without deduction or offsets of any kind.

Section 2. Additional Remedy Provisions.

(a) **Delivery Upon Sale.** Upon the completion of any sale or sales pursuant hereto, Trustee shall execute and deliver to the accepted purchaser or purchasers a good and sufficient instrument, or good and sufficient instruments, conveying, assigning and transferring all estate, right, title and interest in and to the property and rights sold by general warranty of title binding on Grantor. Trustee is hereby irrevocably appointed the true and lawful attorney of Grantor, in its name and stead, to make all necessary conveyances, assignments, transfers and deliveries of the Property and rights so sold and for that purpose Trustee may execute all necessary instruments of conveyance, assignment and transfer, and may substitute one or more persons with like power, Grantor hereby ratifying and confirming all that its said attorney or such substitute or substitutes shall lawfully do by virtue hereof. Any sale or sales made under or by virtue of this section, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, shall operate to divest all the estate, right, title, interest, claim and demand whatsoever, whether at law or in equity, of Grantor in and to the properties and rights so sold, and shall be a perpetual bar both at law and in equity against Grantor and against any and all persons claiming or who may claim the same, or any part thereof from, through or under Grantor.

(b) **Option to Bid.** Upon any sale made under or by virtue of this paragraph, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, Beneficiary may bid for and acquire the Property or any part thereof and in lieu of paying cash therefor may make settlement for the purchase price by crediting upon the Secured Obligations the net sales price.

(c) **Remaining Liens.** No recovery of any judgment by Beneficiary and no levy of an execution under any judgment upon the Property or upon any other property of Grantor shall affect in any manner or to any extent the lien of this Deed of Trust upon the Property or any part thereof, or any liens, rights, powers or remedies of Beneficiary



hereunder, but such liens, rights, powers and remedies of Beneficiary shall continue unimpaired as before.

(d) **No Waiver of Remedies.** Beneficiary may resort to any remedies and the security given by the Commitment Letter, this Deed of Trust or the other Loan Documents in whole or in part, and in such portions and in such order as determined by Beneficiary's sole discretion. No such action shall in any way be considered a waiver of any rights, benefits or remedies evidenced or provided by the Commitment Letter, this Deed of Trust or any of the other Loan Documents. The failure of Beneficiary to exercise any right, remedy or option provided in the Commitment Letter, this Deed of Trust or any of the other Loan Documents shall not be deemed a waiver of such right, remedy or option or of any covenant or obligation secured by the Commitment Letter, this Deed of Trust or the other Loan Documents. No acceptance by Beneficiary of any payment after the occurrence and during the continuance of any Event of Default and no payment by Beneficiary of any obligation for which Grantor is liable hereunder shall be deemed to waive or cure any Event of Default with respect to Grantor's liability to pay such obligation except to the extent funds are so applied by Beneficiary. No sale of all or any portion of the Property, no forbearance on the part of Beneficiary, and no extension of time for the payment of the whole or any portion of the Secured Obligations or any other indulgence given by Beneficiary to Grantor, shall operate to release or in any manner affect the interest of Beneficiary in the remaining Property or the liability of Grantor to pay the Secured Obligations. No waiver by Beneficiary shall be effective unless it is in writing and then only to the extent specifically stated. All costs and expenses of Beneficiary in exercising its rights and remedies under this Deed of Trust (including reasonable attorneys' fees and disbursements to the extent permitted by law), shall be paid by Grantor immediately upon notice from Beneficiary, and such costs and expenses shall constitute a portion of the Secured Obligations and shall be secured by this Deed of Trust.

(e) **No Waiver Continued.** The interests and rights of Beneficiary under the Commitment Letter, this Deed of Trust or in any of the other Loan Documents shall not be impaired by any indulgence, including (i) any renewal, extension or modification which Beneficiary may grant with respect to any of the Secured Obligations, (ii) any surrender, compromise, release, renewal, extension, exchange or substitution which Beneficiary may grant with respect to the Property or any portion thereof; or (iii) any release or indulgence granted to any maker, endorser, guarantor or surety of any of the Secured Obligations.

(f) **Foreclosure.** Upon the occurrence and during the continuance of any Event of Default, Beneficiary may request Trustee to proceed with foreclosure under the power of sale which is hereby conferred, such foreclosure to be accomplished in accordance with the following provisions:



(i) **Public Sale.** Trustee is hereby authorized and empowered, and it shall be Trustee's special duty, upon such request of Beneficiary, to sell the Mortgaged Property, or any part thereof, at public auction to the highest bidder for cash, with or without having taken possession of same. Any such sale (including notice thereof) shall comply with the applicable requirements, at the time of the sale, of Section 34.20.070 of the Alaska statutes or, if and to the extent such statute is not then in force, with the applicable requirements, at the time of the sale, of the successor statute or statutes, if any, governing sales of Alaska real property under powers of sale conferred by deeds of trust. If there is no statute in force at the time of the sale governing sales of Alaska real property under powers of sale conferred by deeds of trust, such sale shall comply with applicable law, at the time of the sale, governing sales of Alaska real property under powers of sale conferred by deeds of trust. Trustee or its successor or substitute may appoint or delegate any one or more persons as agent to perform any act or acts necessary or incident to any sale held by Trustee, including the posting and filing of notices, but not the conduct of sale or the accounting and administration of the proceeds generated by such sale.

(ii) **Right to Require Proof of Financial Ability and/or Cash Bid.** To the extent permitted by applicable law, any time during the bidding, Trustee may require a bidding party (A) to disclose its full name, state and city of residence, occupation, and specific business office location, and the name and address of the principal the bidding party is representing (if applicable), and (B) to demonstrate reasonable evidence of the bidding party's financial ability (or, if applicable, the financial ability of the principal of such bidding party), as a condition to the bidding party submitting bids at the foreclosure sale. If any such bidding party (the "**Questioned Bidder**") declines to comply with Trustee's requirement in this regard, or if such Questioned Bidder does respond but Trustee, in Trustee's sole and absolute discretion, deems the information or the evidence of the financial ability of the Questioned Bidder (or, if applicable, the principal of such bidding party) to be inadequate, then Trustee may continue the bidding with reservation, and in such event (1) Trustee shall be authorized to caution the Questioned Bidder concerning the legal obligations to be incurred in submitting bids, and (2) if the Questioned Bidder is not the highest bidder at the sale, or if having been the highest bidder the Questioned Bidder fails to deliver the cash purchase price payment promptly to Trustee, all bids by the Questioned Bidder shall be null and void. Trustee may, in Trustee's sole and absolute discretion, determine that a credit bid may be in the best interest of Grantor and Beneficiary, and elect to sell the Property for credit or for a combination of cash and credit; provided, however, that Trustee shall have no obligation to accept any bid except an all cash bid. In the event Trustee requires a cash bid and cash is not delivered within a reasonable time after conclusion of the bidding process, as specified by Trustee, but in no event later than 3:45 p.m. local time on the day of sale, then said contingent sale shall be null and void, the bidding process may be recommenced, and any subsequent bids or sale shall be made as if no prior bids were made or accepted.



(iii) It is intended by each of the foregoing provisions of this subsection that Trustee may, after any request or direction by Beneficiary, sell not only the Land and Improvements, but also the Fixtures, equipment, personal property and other property and interests constituting a part of the Property or any part thereof, along with the Land and Improvements or any part thereof, as a unit and as a part of a single sale, or may sell at any time or from time to time any part or parts of the Property separately from the remainder of the Property. It shall not be necessary to have present or to exhibit any of the Property at any sale. Any sale of personal property made hereunder shall be deemed to have been a public sale conducted in a commercially reasonable manner if held contemporaneously with, or as part of, and upon the same notice as required for the sale of real property under the power of sale granted herein.

(iv) **Trustee's Deeds.** After any sale under this subsection, Trustee shall make good and sufficient deeds, assignments, and other conveyances to the purchaser or purchasers thereunder in the name of Grantor, conveying the Property or any part thereof so sold to the purchaser or purchasers with general warranty of title by Grantor. It is agreed that in any deeds, assignments or other conveyances given by Trustee, any and all statements of fact or other recitals therein made as to the identity of Beneficiary, the occurrence or existence of any Event of Default, the notice of intention to accelerate, or acceleration of, the maturity of the Secured Obligations, the request to sell, notice of sale, time, place, terms and manner of sale, and receipt, distribution, and application of the money realized therefrom, the due and proper appointment of a substitute trustee, and without being limited by the foregoing, any other act or thing having been duly done by or on behalf of Beneficiary or by or on behalf of Trustee, shall be taken by all courts of law and equity as prima facie evidence that such statements or recitals state true, correct, and complete facts and Grantor does hereby ratify and confirm any and all acts that Trustee may lawfully do in the premises by virtue hereof.

Section 3. Entire Agreement. THIS DEED OF TRUST AND THE OTHER LOAN DOCUMENTS EMBODY THE FINAL, ENTIRE AGREEMENT AMONG THE PARTIES HERETO AND SUPERSEDE ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING TO THE SUBJECT MATTER HEREOF AND THEREOF AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OR PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO. THERE ARE NO ORAL AGREEMENTS AMONG THE PARTIES HERETO.

Section 4. Maturity Date. The final maturity date of the Secured Obligations are established in the Commitment Letter. The maturity of this Deed of Trust, for purposes of A.S. §34.20.150 or any similar statute, shall occur upon the full satisfaction of all indebtedness and other obligations secured by this Deed of Trust, or fifty (50) years from the execution of this instrument, whichever is later.



Section 5. Notice of Indemnification. GRANTOR ACKNOWLEDGES THAT THIS DEED OF TRUST PROVIDES FOR INDEMNIFICATION OF BENEFICIARY AND TRUSTEE BY GRANTOR. EXCEPT FOR THE GROSS NEGLIGENCE, WILLFUL MISCONDUCT, BAD FAITH, FRAUD, OR ILLEGAL ACTS OF BENEFICIARY, ITS AGENTS, EMPLOYEES OR CONTRACTORS WHICH SHALL BE EXCLUDED FROM THE INDEMNIFICATION OF GRANTOR, IT IS SPECIFICALLY INTENDED BY GRANTOR, BENEFICIARY, AND TRUSTEE THAT ALL INDEMNITY OBLIGATIONS AND LIABILITIES ASSUMED BY GRANTOR HEREUNDER BE WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES THEREOF (INCLUDING PREEXISTING CONDITIONS), STRICT LIABILITY, OR THE NEGLIGENCE OF ANY PARTY OR PARTIES (INCLUDING BENEFICIARY AND TRUSTEE) WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR PASSIVE. THE PARTIES SPECIFICALLY INTEND THAT BENEFICIARY AND TRUSTEE ARE TO BE INDEMNIFIED AGAINST THEIR OWN NEGLIGENCE, TO THE EXTENT ALLOWED BY APPLICABLE LAW.

Section 6. Future Advances. This Deed of Trust shall secure any and all future advances of the proceeds of the loans made to Borrower and Holdings by Beneficiary pursuant to the terms of the Commitment Letter. This provision shall not constitute an obligation upon or commitment of Beneficiary to make additional advances or loans to Borrower and Holdings.

Section 7. Location, State of Formation and Name of Debtor and Secured Party. The following information contained in this Section 7 is provided in order that this Deed of Trust shall comply with the requirements of the Uniform Commercial Code, as enacted in the State of Alaska, for instruments to be filed as financing statements and with other requirements of applicable law:

- (a) Debtor (Local First Properties USA Inc.)'s:
 - (i) Chief executive office is located at 3000, 700 – 9th Avenue SW, Calgary, Alberta T2P 3V4;
 - (ii) Is a Delaware corporation;
 - (iii) Exact legal name is as set forth in the recitals of this Deed of Trust; and
 - (iv) Delaware organizational identification number is 7338415.
- (b) Beneficiary (Secured Party-ATB Financial)'s:
 - (i) Principal place of business is located at 585 – 8th Avenue,



S.W., Suite 600, Calgary, Alberta, Canada T2P 1G1;

- (ii) Is an Alberta corporation; and
- (iii) Exact legal name is as set forth in the first paragraph of this Deed of Trust.

Section 8. Substitute Trustee. In case of the resignation of Trustee, or the inability (through death or otherwise), refusal or failure of Trustee to act, or at the option of Beneficiary for any other reason (which reason need not be stated), a substitute Trustee (herein referred to as the "**Substitute Trustee**") may be named, constituted and appointed by Beneficiary, without other formality than an appointment and designation in writing, which appointment and designation shall be full evidence of the right and authority to make the same and of all facts therein recited, and this conveyance shall vest in the Substitute Trustee the title, powers and duties herein conferred on Trustee originally named herein, and the conveyance of the Substitute Trustee to the purchaser(s) at any sale of the Property or any part thereof shall be equally valid and effective. The right to appoint a Substitute Trustee shall exist as often and whenever from any of said causes, Trustee, original or substitute, resigns or cannot, will not or does not act, or Beneficiary desires to appoint a new Trustee. The recitals in any conveyance made by Trustee, original or substitute, shall be accepted and construed in court and elsewhere as prima facie evidence and proof of the facts recited, and no other proof shall be required as to the request by Beneficiary to Trustee to enforce this Trust, or as to the notice of or holding of the sale, or as to any particulars thereof, or as to the resignation of Trustee, original or substitute, or as to the inability, refusal or failure of Trustee, original or substitute, to act, or as to the election of Beneficiary to appoint a new Trustee, or as to appointment of a Substitute Trustee, and all prerequisites of said sale shall be presumed to have been performed; and each sale made under the powers herein granted shall be a perpetual bar against Grantor and the successors and assigns of Grantor.

Section 9. Maximum Amount Secured by this Deed of Trust. The maximum amount of the Secured Obligations secured by this Deed of Trust on such portion of the Property as constitutes an interest in real property under applicable State Law is \$10,000,000.00; plus accrued interest, default interest, late fees and all other amounts due under the Commitment Letter, and the other Loan Documents.

Section 10. THE OBLIGATIONS SECURED BY THIS DEED OF TRUST ARE IN WHOLE OR IN PART REVOLVING IN NATURE SUCH THAT THEY MAY BE BORROWED, REPAYED AND REBORROWED. THE OUTSTANDING AMOUNT BORROWER THEREUNDER MAY FROM TIME TO TIME BE REDUCED TO ZERO WITHOUT EFFECTING A RELEASE, RECONVEYANCE OR SATISFACTION OF THIS DEED OF TRUST.

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NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

DRAWN BY AND MAIL TO:

Willkie, Farr & Gallagher LLP
787 Seventh Avenue
New York, New York 10019
Attention: Jennifer Coffey, Esq.

COLLATERAL IS OR INCLUDES FIXTURES

**DEED OF TRUST, ASSIGNMENT OF RENTS AND LEASES, COLLATERAL
ASSIGNMENT OF PROPERTY AGREEMENTS, SECURITY AGREEMENT AND
FIXTURE FILING**

This Deed of Trust, Assignment of Rents and Leases, Collateral Assignment of Property Agreements, Security Agreement and Fixture Filing (as amended from time to time, this "Deed of Trust") is made, and is executed as of April 26, 2023, by LOCAL FIRST PROPERTIES USA INC., a Delaware corporation (together with its permitted successors and permitted assigns, "Grantor"), whose mailing address for all purposes hereunder is 3000, 700 – 9th Avenue SW, Calgary, Alberta T2P 3V4, to Carla Ward (together with its permitted successors and permitted assigns, "Trustee"), whose mailing address for all purposes hereunder is 3310 Arista Blvd., Texarkana, Texas 75503, for the benefit of ATB FINANCIAL, a financial institution in the Province of Alberta, whose mailing address for all purposes hereunder is Suite 600, 585-8th Avenue, S.W., Calgary, ABT2P 1G1 (together with its successors and assigns, the "Beneficiary").

ARTICLE 1

DEFINITIONS

Section 1.1 Definitions. As used herein, the following terms shall have the following meanings:

“Borrower” means, collectively, LOCAL FIRST MEDIA GROUP INC., and LOCAL FIRST PROPERTIES INC., each an Alberta corporation.

“Commitment Letter” means that certain Commitment Letter dated April 10, 2023, by and between, *inter alios*, the Beneficiary, as lender, the Borrower, as borrowers, and certain subsidiaries of the Borrower party thereto, as guarantors (as the same may be amended, amended and restated, renewed, modified, restated, replaced, assigned or supplemented from time to time).

“Loan Documents” means the Commitment Letter, the Security Documents and each instrument, agreement, certificate, application, request, indemnity and other document of any nature or kind now or hereafter executed in connection with the Commitment Letter or any Security Documents, all as amended, restated and replaced from time to time.

“Loan Party” and “Loan Parties” means, individually or collectively, as the context may require, the Persons identified as “Loan Party” or “Loan Parties” in the Commitment Letter or the other Loan Documents.

“Property” means all of Grantor’s right, title and interest in and to each of the following (whether now owned or hereafter acquired):

(1) the real property described in Exhibit A attached hereto and made a part hereof, together with any greater estate therein as hereafter may be acquired by Grantor (the “Land”),

(2) all buildings, structures and other improvements, now or at any time situated, placed or constructed upon the Land (the “Improvements”),

(3) all materials, machinery, supplies, equipment, fixtures (including “fixtures” as defined in the UCC), apparatus and other items of personal property now owned or hereafter acquired by Grantor and now or hereafter attached to, installed in or used in connection with any of the Improvements or the Land, including any and all partitions, dynamos, window screens and shades, drapes, rugs and other floor coverings, awnings, motors, engines, boilers, furnaces, pipes, plumbing, cleaning, call and sprinkler systems, fire extinguishing apparatus and equipment, water tanks, swimming pools, heating, ventilating, plumbing, lighting, communications and elevator fixtures, laundry, incinerating, air conditioning and air cooling equipment and systems, gas and electric machinery and equipment, disposals, dishwashers, furniture, refrigerators and ranges, security systems, artwork, recreational and pool equipment and facilities of all kinds, water, gas, electrical, storm and sanitary sewer facilities of all kinds, and all other utilities

whether or not situated in easements together with all accessions, replacements, betterments and substitutions for any of the foregoing (the "Fixtures"),

(4) all goods, accounts, general intangibles, instruments, documents, books and records, accounts receivable, chattel paper, investment property, securities accounts and all other personal property of any kind or character, including such items of "personal property" as defined in the UCC, now owned or hereafter acquired by Grantor and now or hereafter affixed to, placed upon, used in connection with, arising from or otherwise related to the Land and/or the Improvements or that may be used in or relating to the planning, development, financing or operation of the Land and/or the Improvements, including furniture, furnishings, equipment, machinery, money, insurance proceeds, condemnation awards, accounts, contract rights, causes of action, trademarks, tradenames, servicemarks, logos, copyrights, patents, website domains, goodwill, chattel paper, documents, trade names, licenses and/or franchise agreements, rights of Grantor under leases of Fixtures or other personal property or equipment, inventory, all refundable, returnable or reimbursable fees, deposits or other funds or evidences of credit or indebtedness deposited by or on behalf of Grantor with any governmental authorities, boards, corporations, providers of utility services, public or private, including specifically, but without limitation, all refundable, returnable or reimbursable tap fees, utility deposits, commitment fees and development costs and all refunds, rebates or credits in connection with a reduction in real estate taxes and assessments against the Land and/or Improvements as a result of tax certiorari or any applications or proceedings for reduction (the "Personalty"),

(5) all reserves, escrows or impounds and all deposit accounts (including any tenant's security and cleaning deposits and deposits with respect to utility services) maintained by or on behalf of Grantor with respect to the Land and/or Improvements,

(6) all plans, specifications, shop drawings and other technical descriptions prepared for construction, repair or alteration of the Improvements, and all amendments and modifications thereof (together with any and all modifications, renewals, extensions and substitutions of the foregoing, the "Plans"),

(7) all leasehold estates, leases, subleases, sub-subleases, licenses, concessions, occupancy agreements or other agreements, including, without limitation, any master leases or operating leases (written or oral, now or at any time in effect and every modification, amendment or other agreement relating thereto, including every guarantee of the performance and observance of the covenants, conditions and agreements to be performed and observed by the other party thereto) that grant a possessory interest in, or the right to use or occupy, all or any part of the Land and/or Improvements, together with all related security and other deposits (together with any and all modifications, renewals, extensions and substitutions of the foregoing, the "Leases"),

(8) all of the rents, revenues, income, proceeds, issues, profits (including all oil or gas or other mineral royalties and bonuses), security and other types of deposits, and other benefits paid or payable and to become due or payable by parties to the Leases

other than Grantor for using, leasing, licensing, possessing, occupying, operating from, residing in, selling or otherwise enjoying any portion or portions of the Land and/or Improvements (the "Rents"),

(9) all contracts and agreements in any way relating to, executed in connection with, or used in, the development, construction, use, occupancy, operation, maintenance, enjoyment, acquisition, management or ownership of the Land and/or Improvements or the sale of goods or services produced in or relating to the Land and/or Improvements (together with any and all modifications, renewals, extensions and substitutions of the foregoing, the "Property Agreements"), including all right, title and interest of Grantor in, to and under (a) all construction contracts, architects' agreements, engineers' contracts, utility contracts, letters of credit, escrow agreements, maintenance agreements, management, leasing and related agreements, parking agreements, equipment leases, service contracts, operating leases, catering and restaurant leases and agreements, agreements for the sale, lease or exchange of goods or other property, agreements for the performance of services, permits, variances, licenses, certificates and entitlements, (b) all material agreements and instruments under which Grantor or any of its affiliates or the seller of the Property have remaining rights or obligations in respect of Grantor's acquisition of the Property or equity interests therein, (c) applicable business licenses, variances, entitlements, certificates, state health department licenses, liquor licenses, food service licenses, licenses to conduct business, certificates of need and all other permits, licenses and rights obtained from any Governmental Authority or private Person, (d) all rights of Grantor to receive monies due and to become due under or pursuant to the Property Agreements, (e) all claims of Grantor for damages arising out of or for breach of or default under the Property Agreements, (f) all rights of Grantor to terminate, amend, supplement, modify or waive performance under the Property Agreements, to compel performance and otherwise to exercise all remedies thereunder, and, with respect to Property Agreements that are letters of credit, to make any draws thereon, (g) all purchase options and other preferential rights and (h) to the extent not included in the foregoing, all cash and non-cash proceeds, products, offspring, rents, revenues, issues, profits, royalties, income, benefits, additions, renewals, extensions, substitutions, replacements and accessions of and to any and all of the foregoing,

(10) all rights, privileges, titles, interests, liberties, tenements, hereditaments, rights-of-way, easements, sewer rights, water, water courses, water rights and powers, air rights, development rights, licenses, permits and construction and equipment warranties, appendages and appurtenances appertaining to the foregoing, and all right, title and interest, if any, of Grantor in and to any streets, ways, alleys, underground vaults, passages, strips or gores of land adjoining the Land or any part thereof,

(11) all accessions, replacements, renewals, additions and substitutions for any of the foregoing and all proceeds thereof,

(12) all insurance policies, unearned premiums therefor and proceeds from such policies, including the right to receive and apply the proceeds of any insurance, judgments or settlements made in lieu thereof, covering any of the above property now or hereafter acquired by Grantor,

(13) all minerals and mineral rights and, without limiting the foregoing, all oil, coal, gas and coalbed methane and all related rights, and all riparian, littoral and water rights, in each case now owned or hereafter acquired and relating to all or any part of the Land and/or Improvements,

(14) any awards, remunerations, reimbursements, settlements or compensation heretofore made or hereafter to be made by any Governmental Authority pertaining to the Land, Improvements, Fixtures or Personalty, and

(15) all after acquired title to or remainder or reversion in any of the property (or any portion thereof) described herein.

Notwithstanding the foregoing, the Property shall not include any interest in any permits or licenses if the grant of a security interest therein is prohibited as a matter of law, rule or regulation, in each case after giving effect to any applicable Uniform Commercial Code and other applicable law; provided that Property shall include, to the maximum extent permitted by law, the proceeds of any such permits or licenses, the economic value thereof, all rights incident or appurtenant thereto and the right to receive all monies, consideration and proceeds derived from or in connection with the sale, assignment or transfer thereof.

“Secured Obligations” means, collectively, all debts, liabilities and obligations of the Grantor to the Beneficiary, howsoever arising, both present and future, absolute and contingent, direct and indirect, matured or not, and whether Grantor be bound alone or jointly or severally with others, including, without limitation, such debts, liabilities and obligations arising under or in connection with the Commitment Letter and the other Loan Documents (including interest and fees accruing during the pendency of any bankruptcy, insolvency, receivership, administration or other similar proceeding, regardless of whether allowed or allowable in such proceeding).

“UCC” means the Uniform Commercial Code (or any similar or equivalent legislation) as in effect in the jurisdiction in which the Land is located.

Capitalized terms used herein but not otherwise defined shall have the respective meanings ascribed to such terms in the Commitment Letter.

ARTICLE 2

HABENDUM

Section 2.1 Grant. To secure the full and timely payment and performance of the Secured Obligations, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor HAS MORTGAGED, GIVEN, GRANTED, BARGAINED, SOLD, TRANSFERRED, WARRANTED, PLEDGED, ASSIGNED and CONVEYED, and does hereby MORTGAGE, GIVE, GRANT, BARGAIN, SELL, TRANSFER, WARRANT, PLEDGE, ASSIGN and CONVEY to Trustee, its heirs, successors and assigns forever, IN TRUST, WITH POWER OF SALE, TO HAVE AND TO HOLD all of the Property unto, for the use and benefit of Beneficiary, its heirs, successors and assigns in fee

simple forever, and Grantor does hereby bind itself, its heirs, successors and assigns to WARRANT AND FOREVER DEFEND (i) the title to the Property unto Trustee and Beneficiary and its heirs, successors and assigns, subject only to Permitted Encumbrances, and (ii) the validity and priority of the Liens of this Deed of Trust, subject only to Permitted Encumbrances, in each case against the claims of all Persons whomsoever.

THIS CONVEYANCE IS MADE IN TRUST, that if Grantor shall pay and perform or cause to be paid and performed all of the Secured Obligations in accordance with the terms of the Loan Documents, then this conveyance shall be null and void and may be canceled of record at the request and cost of Grantor, which cost Grantor hereby agrees to pay; provided, however, that if, at any time, there shall be any Event of Default, then Beneficiary and Trustee shall be entitled to exercise the remedies set forth in Article 3 below.

ARTICLE 3

DEFAULT AND FORECLOSURE

Section 3.1 Remedies. If an Event of Default is continuing, Beneficiary may, at Beneficiary's election and by or through Trustee or otherwise, take such action permitted at law or in equity, without notice or demand (except as explicitly provided in the Commitment Letter), as it deems advisable to protect and enforce its rights against Grantor and to the Property, including but not limited to any or all of the following rights, remedies and recourses, each of which may be pursued concurrently or otherwise, at such time and in such order as Beneficiary may determine, in its sole discretion, without impairing or otherwise affecting the other rights and remedies of Beneficiary:

(a) Acceleration. Declare the Secured Obligations to be immediately due and payable, without further notice, presentment, protest, notice of intent to accelerate, notice of acceleration, demand or action of any nature whatsoever (each of which hereby is expressly waived by Grantor), whereupon the same shall become immediately due and payable.

(b) Entry on Property. Enter the Property and take exclusive possession thereof and of all books, records and accounts relating thereto. If Grantor remains in possession of the Property upon the occurrence and during the continuance of an Event of Default and without Beneficiary's prior written consent, Beneficiary may invoke any legal remedies to dispossess Grantor.

(c) Operation of Property. Whether or not a receiver has been appointed pursuant to Section 3.1(e) hereof, hold, lease, develop, manage, operate, control and otherwise use the Property upon such terms and conditions as Beneficiary may deem reasonable under the circumstances (making such repairs, alterations, additions and improvements and taking other actions, from time to time, as Beneficiary deems reasonably necessary or desirable), exercise all rights and powers of Grantor with respect to the Property, whether in the name of Grantor or otherwise, including the right to make, cancel, enforce or modify Leases, obtain and evict tenants, and demand, sue for, collect and receive all Rents, and apply all Rents and other amounts collected by Beneficiary or Trustee in connection therewith in accordance with the provisions of Section 3.7 hereof.

(d) Foreclosure and Sale. Institute proceedings for the complete foreclosure of this Deed of Trust, either by judicial action or by exercise of the STATUTORY POWER OF SALE or otherwise, in which case the Property may be sold for cash or credit in one or more parcels or in several interests or portions and in any order or manner in accordance with applicable law governing foreclosures. At any such sale by virtue of any judicial proceedings or any other legal right, remedy or recourse including power of sale, the title to and right of possession of any such Property shall pass to the purchaser thereof, and to the fullest extent permitted by law, Grantor shall be completely and irrevocably divested of all of its right, title, interest, claim and demand whatsoever, either at law or in equity, in and to the Property sold and such sale shall be a perpetual bar both at law and in equity against Grantor, and against all other Persons claiming or to claim the Property sold or any part thereof by, through or under Grantor. Beneficiary may be a purchaser at such sale and, if Beneficiary is the highest bidder, may credit the portion of the purchase price that would be distributed to Beneficiary against the Secured Obligations in lieu of paying cash. At any such sale (A) whether made under the power herein contained, the UCC, any other legal requirement or by virtue of any judicial proceedings or any other legal right, remedy or recourse, including power of sale, it shall not be necessary for Trustee to be physically present at or to have constructive possession of the Property (Grantor shall deliver to Trustee any portion of the Property not actually or constructively possessed by Trustee immediately upon demand by Trustee), and the title to and right of possession of any such Property shall pass to the purchaser thereof, as completely as if Trustee had been actually present and delivered to purchaser at such sale, (B) each instrument of conveyance executed by Trustee shall contain a general warranty of title, binding upon Grantor, (C) each recital contained in any instrument of conveyance made by Trustee shall conclusively establish the truth and accuracy of the matters recited therein, including, without limitation, nonpayment of the Secured Obligations, advertisement and conduct of such sale in the manner provided herein and otherwise by law, and appointment of any successor Trustee hereunder, (D) any prerequisites to the validity of such sale shall be conclusively presumed to have been performed, and (E) the receipt of Trustee or other party making the sale shall be a sufficient discharge to the purchaser or purchasers for his/her/their purchase money and no such purchaser or purchasers, or his/her/their assigns or Personal representatives, shall thereafter be obligated to see to the application of such purchase money or be in any way answerable for any loss, misapplication or nonapplication thereof. With respect to any notices required or permitted under the UCC, Grantor agrees that thirty (30) days' prior written notice shall be deemed commercially reasonable.

(e) Receiver. Prior to, concurrently with, or subsequent to the institution of foreclosure proceedings, make application to a court of competent jurisdiction for, and (to the extent permitted by Applicable Law) obtain from such court as a matter of strict right and without notice to Grantor or anyone claiming under Grantor or regard to the value of the Property or the solvency or insolvency of Grantor or the adequacy of any collateral for the repayment of the Secured Obligations or the interest of Grantor therein, the appointment of a receiver or receivers of the Property, and Grantor irrevocably consents to such appointment. Any such receiver or receivers shall have all the usual powers and duties of receivers in similar cases, including the full power to rent, maintain and otherwise operate the Property upon such terms as may be approved by the court, and shall apply such Rents in accordance with the provisions of Section 3.7 hereof.

(f) Other. Exercise all other rights, remedies and recourses granted under the Loan Documents or otherwise available at law or in equity (including an action for specific performance of any covenant contained in the Loan Documents, or a judgment on the Secured Obligations either before, during or after any proceeding to enforce this Deed of Trust).

Section 3.2 Separate Sales. In connection with the exercise by Beneficiary or Trustee of its rights and remedies hereunder, the Property may be sold in one or more parcels and in such manner and order as Beneficiary, in its sole discretion, may elect, subject to Applicable Law; the right of sale arising out of any Event of Default shall not be exhausted by any one or more sales.

Section 3.3 Remedies Cumulative, Concurrent and Nonexclusive. Beneficiary shall have all rights, remedies and recourses granted in the Loan Documents and available at law or equity (including the UCC), which rights (a) shall be cumulative and concurrent and shall be in addition to every other remedy so provided or permitted, (b) may be pursued separately, successively or concurrently against Grantor, or against the Property, or against any one or more of them, at the sole discretion of Beneficiary, (c) may be exercised as often as occasion therefor shall arise, and the exercise or failure to exercise any of them shall not be construed as a waiver or release thereof or of any other right, remedy or recourse, and (d) are intended to be, and shall be, nonexclusive. No action by Beneficiary or Trustee in the enforcement of any rights, remedies or recourses under the Loan Documents or otherwise at law or equity shall be deemed to cure any Event of Default.

Section 3.4 Release of and Resort to Collateral. Beneficiary may release, regardless of consideration and without the necessity for any notice to or consent by the holder of any subordinate lien on the Property, any part of the Property without, as to the remainder, in any way impairing, affecting, subordinating or releasing the lien or security interests created in or evidenced by the Loan Documents or their stature as a first and prior lien and security interest in and to the Property. For payment of the Secured Obligations, Beneficiary may resort to any other security in such order and manner as Beneficiary may elect.

Section 3.5 Waiver of Redemption, Notice and Marshaling of Assets. To the fullest extent permitted by law, Grantor hereby irrevocably and unconditionally waives and releases (a) all benefit that might accrue to Grantor by virtue of any present or future statute of limitations or "moratorium law" or other law or judicial decision exempting the Property or any part thereof, or any part of the proceeds arising from any sale of any such property, from attachment, levy or sale on execution or providing for any appraisal, valuation, stay of execution, exemption from civil process, redemption reinstatement (to the extent permitted by law) or extension of time for payment, (b) any right to a marshaling of assets or a sale in inverse order of alienation, and (c) any and all rights it may have to require that the Property be sold as separate tracts or units in the event of foreclosure.

Section 3.6 Discontinuance of Proceedings. If Beneficiary shall have proceeded to invoke any right, remedy or recourse permitted under the Loan Documents and shall thereafter elect to discontinue or abandon it for any reason, Beneficiary shall have the unqualified right to do so and, in such an event, Grantor and Beneficiary shall be restored to their former positions with respect to the Secured Obligations, the Loan Documents, the Property and otherwise, and

the rights, remedies, recourses and powers of Beneficiary shall continue as if the right, remedy or recourse had never been invoked, but no such discontinuance or abandonment shall waive any Event of Default that may then exist or the right of Beneficiary thereafter to exercise any right, remedy or recourse under the Loan Documents for such Event of Default.

Section 3.7 Application of Proceeds. Except as otherwise provided in the Loan Documents and unless otherwise required by Applicable Law, the proceeds of any sale of, and the Rents and other amounts generated by the holding, leasing, management, operation or other use of the Property, shall be applied by Beneficiary or Trustee (or the receiver, if one is appointed) in the following order or in such other order as Beneficiary shall determine in its sole discretion:

(a) to the payment of the reasonable costs and expenses of taking possession of the Property and of holding, using, leasing, repairing, improving and selling the same, including (1) receiver's fees and expenses, (2) court costs, (3) reasonable attorneys', accountants', appraisers', environmental consultants', engineers' and other experts' fees and expenses, (4) costs of advertisement, (5) costs of procuring title searches, title policies and similar data and assurance with respect to title, (6) the payment of all applicable transfer taxes and mortgage recording taxes, and (7) the payment of all ground rent, real estate taxes and assessments;

(b) to the payment of all amounts, other than the unpaid principal balance of the Secured Obligations and accrued but unpaid interest, which may be due under the Loan Documents;

(c) to the payment and performance of the Secured Obligations in such manner and order of preference as Beneficiary in its sole discretion may determine; and

(d) the balance, if any, to the payment of the Persons legally entitled thereto.

If Beneficiary shall be ordered, in connection with any bankruptcy, insolvency or reorganization of Grantor, to restore or repay to or for the account of Grantor or its creditors any amount theretofore received under this Section, the amount of such restoration or repayment shall be deemed to be a part of the Secured Obligations so as to place Beneficiary in the same position it would have been in had such amount never been received by Beneficiary.

Section 3.8 Occupancy After Foreclosure. The purchaser at any foreclosure sale pursuant to Section 3.1(d) hereof shall become the legal owner of the Property. All occupants of the Property shall, at the option of such purchaser, become tenants of the purchaser at the foreclosure sale and shall deliver possession thereof immediately to the purchaser upon demand. It shall not be necessary for the purchaser at said sale to bring any action for possession of the Property other than the statutory action of forcible detainer in any court having jurisdiction over the Property.

Section 3.9 Additional Advances and Disbursements; Costs of Enforcement. If any Event of Default is continuing, Beneficiary shall have the right, but not the obligation, to cure such Event of Default in the name and on behalf of Grantor. All sums advanced and expenses incurred at any time by Beneficiary under this Section, or otherwise under this Deed of Trust or any of the other Loan Documents or Applicable Law, shall bear interest from the date

that such sum is advanced or expense incurred to and including the date of reimbursement, computed at the Default Rate, and all such sums, together with interest thereon, shall constitute additions to the Secured Obligations and shall be secured by this Deed of Trust and Grantor covenants and agrees to pay them to the order of Beneficiary promptly upon demand.

Section 3.10 No Mortgagee in Possession. Neither the enforcement of any of the remedies under this Article 3, the assignment of the Rents and Leases under Article 4, the collateral assignment of the Property Agreements under Article 5, the security interests under Article 6, nor any other remedies afforded to Beneficiary under the Loan Documents, at law or in equity shall cause Beneficiary or Trustee to be deemed or construed to be a mortgagee in possession of the Property, to obligate Beneficiary or Trustee to lease the Property or attempt to do so, or to take any action, incur any expense, or perform or discharge any obligation, duty or liability whatsoever under any of the Leases or otherwise. Grantor shall, and hereby agrees to, indemnify Beneficiary for, and to hold Beneficiary harmless from and against, any and all claims, liability, expenses, losses or damages that may or might be asserted against or incurred by Beneficiary, as the case may be, solely by reason of Beneficiary's status as an assignee pursuant to the assignment of Rents and Leases contained herein, but excluding any claim to the extent such claim has been found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from Beneficiary's gross negligence or willful misconduct. Should Beneficiary incur any such claim, liability, expense, loss or damage, the amount thereof, including all actual expenses and reasonable fees of attorneys, shall constitute Secured Obligations secured hereby, and Grantor shall reimburse Beneficiary, as the case may be, therefor immediately upon demand.

ARTICLE 4

ASSIGNMENT OF RENTS AND LEASES

Section 4.1 Assignment. Grantor does hereby presently, absolutely and unconditionally assign to Trustee for the benefit of Beneficiary, Grantor's right, title and interest in all current and future Leases and the absolute, unconditional and continuing right to receive and collect all Rents, it being intended by Grantor that this assignment constitutes a present, outright, immediate, continuing and absolute assignment and not an assignment for additional security only. Such assignment to Trustee for the benefit of Beneficiary shall not be construed to bind Beneficiary to the performance of any of the covenants, conditions or provisions contained in any such Lease or otherwise impose any obligation upon Beneficiary. Beneficiary shall have no responsibility on account of this assignment for the control, care, maintenance, management or repair of the Property, for any dangerous or defective condition of the Property, or for any negligence in the management, upkeep, repair or control of the Property. Grantor agrees to execute and deliver to Beneficiary such additional instruments, in form and substance satisfactory to Beneficiary, as may hereafter be requested by Beneficiary to further evidence and confirm such assignment.

Section 4.2 License. Notwithstanding that Grantor hereby presently grants to Trustee for the benefit of Beneficiary an outright, immediate, continuing and absolute assignment of the Rents and Leases and not merely the collateral assignment of, or the grant of a lien or security interest in, the Rents and Leases, Trustee on behalf of Beneficiary hereby grants

to Grantor and its successors, and not to any tenant or any other Person, a revocable license to collect and receive the Rents and to retain, use and enjoy the same and otherwise exercise all rights as landlord under any Lease, in each case subject to the terms hereof and of the Commitment Letter. Upon the occurrence and during the continuance of any Event of Default, (i) the license granted herein to Grantor shall immediately and automatically cease and terminate and shall be void and of no further force or effect, (ii) Beneficiary shall immediately be entitled to possession of all Rents (whether or not Beneficiary enters upon or takes control of the Property) and (iii) at the request of Beneficiary, Grantor shall notify in writing all tenants and subtenants under any of the Leases that all Rent due thereunder should be paid to Beneficiary at its address set forth in the Commitment Letter, or at such other place as Beneficiary shall notify Grantor in writing; provided that, if such Event of Default ceases to exist, the license described in the foregoing clause (i) shall automatically be reinstated. Notwithstanding said license, Grantor agrees that Beneficiary, and not Grantor, shall be deemed to be the creditor of each tenant or subtenant under any Lease in respect to assignments for the benefit of creditors and bankruptcy, reorganization, insolvency, dissolution or receivership proceedings affecting such tenant or subtenant (without obligation on the part of Beneficiary, however, to file or make timely filings of claims in such proceedings or otherwise to pursue creditors' rights therein), with an option to apply in accordance with the Loan Documents any money received from such tenant or subtenant in reduction of any amounts due under the Loan Documents. Upon the occurrence and during the continuance of an Event of Default, any portion of the Rents held by Grantor shall be held in trust for the benefit of Beneficiary for use in the payment of the Secured Obligations.

Section 4.3 Certain Rights of Beneficiary. Subject to the revocable license granted above, upon the occurrence and during the continuance of an Event of Default, Beneficiary shall have the immediate and continuing right, power and authority, either in Person or by agent, without bringing any action or proceeding, or by a receiver appointed by a court, without the necessity of taking possession of the Property in its own name, and without the need for any other authorization or action by Grantor or Beneficiary, in addition to and without limiting any of Beneficiary's rights and remedies hereunder, under the Commitment Letter and any other Loan Documents and as otherwise available at law or in equity, (a) to notify any tenant or other Person that the Leases have been assigned to Beneficiary and that all Rents are to be paid directly to Beneficiary, whether or not Beneficiary has commenced or completed foreclosure or taken possession of the Property; (b) to settle, compromise, release, extend the time of payment of, and make allowances, adjustments and discounts of any Rents or other obligations in, to and under the Leases; (c) to demand, sue for, collect, receive and enforce payment of Rents, including those past-due and unpaid and other rights under the Leases, prosecute any action or proceeding, and defend against any claim with respect to the Rents and Leases; (d) to enter upon, take possession of and operate the Property whether or not foreclosure under this Deed of Trust has been instituted and without applying for a receiver; (e) to lease all or any part of the Property; and/or (f) to perform any and all obligations of Grantor under the Leases and exercise any and all rights of Grantor therein contained to the full extent of Grantor's rights and obligations thereunder.

Section 4.4 Irrevocable Instructions to tenants. At Beneficiary's request, Grantor shall deliver a copy of this Deed of Trust to each tenant under a Lease and to each manager and managing agent or operator of the Property, and Beneficiary shall have the continuing right to do so. Grantor irrevocably directs any tenant, manager, managing agent, or operator of the

Property, without any requirement for notice to or consent by Grantor, to comply with all demands of Beneficiary under this Article 4 and to turn over to Beneficiary on demand all Rents that it receives. Grantor hereby acknowledges and agrees that payment of any Rents by a Person to Beneficiary as hereinabove provided shall constitute payment by such Person, as fully and with the same effect as if such Rents had been paid to Grantor. Beneficiary is hereby granted and assigned by Grantor the right, at its option, upon revocation of the license granted herein, upon an Event of Default that is continuing, to enter upon the Property in Person or by agent, without bringing any action or proceeding, or by court-appointed receiver to collect the Rents. Any Rents collected after the revocation of the license shall be applied in accordance with the provisions of the Commitment Letter. Neither the enforcement of any of the remedies under this Article 4 nor any other remedies or security interests afforded to Beneficiary under the Loan Documents, at law or in equity shall cause Beneficiary to be deemed or construed to be a mortgagee in possession of the Property, to obligate Beneficiary to lease the Property or attempt to do so, or to take any action, incur any expense, or perform or discharge any obligation, duty or liability whatsoever under any of the Leases or otherwise. Grantor shall, and hereby agrees to, indemnify Beneficiary for, and to hold Beneficiary harmless from and against, any and all claims, liability, expenses, losses or damages that may or might be asserted against or incurred by Beneficiary solely by reason of Beneficiary's status as an assignee pursuant to the assignment of Rents and Leases contained herein, but excluding any claim to the extent such claim has been found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from Beneficiary's gross negligence or willful misconduct. Should Beneficiary incur any such claim, liability, expense, loss or damage, the amount thereof, including all actual expenses and reasonable fees of attorneys, shall constitute Secured Obligations secured hereby, and Grantor shall reimburse Beneficiary therefor within five (5) Business Days after demand.

Section 4.5 Unilateral Subordination. Beneficiary may, at any time and from time to time by specific written instrument intended for the purpose, unilaterally subordinate the lien of this Deed of Trust to any Lease, without joinder or consent of, or notice to, Grantor, any tenant or any other Person, and notice is hereby given to each tenant under a Lease of such right to subordinate. No such subordination shall constitute a subordination to any lien or other encumbrance, whenever arising, or improve the right of any junior lienholder; and nothing herein shall be construed as subordinating this Deed of Trust to any Lease.

ARTICLE 5

COLLATERAL ASSIGNMENT OF PROPERTY AGREEMENTS

Section 5.1 Collateral Assignment. Grantor does hereby collaterally assign and pledge to Beneficiary, Grantor's right, title and interest in, to and under all current and future Property Agreements. Such collateral assignment to Beneficiary shall not be construed to bind Beneficiary to the performance of any of the covenants, conditions or provisions contained in any such Property Agreement or otherwise impose any obligation upon Beneficiary. Grantor agrees to execute and deliver to Beneficiary such additional instruments, in form and substance satisfactory to Beneficiary, as may hereafter be requested by Beneficiary to further evidence and confirm such collateral assignment.

Section 5.2 Retained Rights of Grantor. Subject to the other provisions of this Article 5 and the provisions of the other Loan Documents, for so long as no Event of Default shall have occurred and be continuing, Grantor may exercise all of its rights and privileges under the Property Agreements and shall have the exclusive right and authority to deal with, enjoy the benefit under, grant any consents and approvals under, and amend, modify or terminate, such Property Agreements, collect, receive and retain for its own benefit all monies due or to become due under such Property Agreements, sue and enforce all claims of Grantor for damages arising under such Property Agreements, and retain for its own benefit all items described in clause (d) of paragraph (9) of the definition of "Property" above, if and to the extent not prohibited by the Commitment Letter or the other Loan Documents. Upon the occurrence and during the continuance of any Event of Default, the rights of Grantor described in this Section shall immediately and automatically cease and terminate and shall be void and of no further force or effect. Upon the occurrence and during the continuance of an Event of Default, any amounts held by Grantor as a party to the Property Agreements shall be held in trust for the benefit of Beneficiary for use in the payment of the Secured Obligations.

Section 5.3 Exercise of Assigned Rights. Grantor hereby irrevocably directs the grantor or licensor of, or the contracting party to, any Property Agreement, upon demand from Beneficiary, to recognize and accept Beneficiary as the party to such Property Agreement for any and all purposes as fully as it would recognize and accept Grantor and the performance of Grantor thereunder; provided, that Beneficiary hereby covenants to Grantor that it will not make such demand except upon the occurrence and during the continuance of an Event of Default. Upon the occurrence, and during the continuance, of an Event of Default, without further notice or demand and at Grantor's sole cost and expense, Beneficiary shall be entitled to exercise all rights of Grantor arising under the Property Agreements. Grantor hereby acknowledges and agrees that payment of any amounts owing under any Property Agreement by a Person to Beneficiary as hereinabove provided shall constitute payment by such Person, as fully and with the same effect as if such amounts had been paid to Grantor. Any amounts collected upon the occurrence and during the continuance of an Event of Default shall be applied in accordance with the provisions of the Commitment Letter. At Beneficiary's request, Grantor shall deliver a copy of this Deed of Trust to each grantor or licensor of or the contracting party to a Property Agreement, and Beneficiary shall have the continuing right to do so.

Section 5.4 Indemnity. Grantor shall, and hereby agrees to, indemnify Beneficiary for, and to hold Beneficiary harmless from and against, any and all claims, liability, expenses, losses or damages that may or might be asserted against or incurred by Beneficiary solely by reason of Beneficiary's status as an assignee pursuant to the collateral assignment of Property Agreements contained herein, but excluding any claim to the extent such claim has been found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from Beneficiary's gross negligence or willful misconduct or any claim arising as a result of an act or omission of Beneficiary after the date on which Beneficiary has taken actual possession of the Property pursuant to an exercise of its rights and remedies hereunder. Should Beneficiary incur any such claim, liability, expense, loss or damage, the amount thereof, including all actual expenses and reasonable fees of attorneys, shall constitute Secured Obligations secured hereby, and Grantor shall reimburse Beneficiary therefor within five (5) Business Days after demand.

Section 5.5 Property Agreement Covenants. (a) Grantor shall perform and observe, in a timely manner, all of the covenants, conditions, obligations and agreements of Grantor under the Property Agreements and shall suffer or permit no delinquency on its part to exist thereunder if such action is prohibited by the Commitment Letter or would be reasonably likely to have a Material Adverse Effect.

(b) Grantor shall not (i) sell, assign, transfer, mortgage or pledge any Property Agreement or any such right or interest under any Property Agreement or (ii) cancel, terminate, amend, supplement or modify any Property Agreement, in either case, if such action is prohibited by the Commitment Letter or would have a Material Adverse Effect.

(c) Grantor shall exercise all reasonable efforts to enforce or secure the performance of each and every obligation, covenant, condition and agreement to be performed by the franchisor, manager, licensor, grantor or other contracting party under the Property Agreements if the failure to take such action would have a Material Adverse Effect.

ARTICLE 6

SECURITY AGREEMENT

Section 6.1 Security Interest. This Deed of Trust constitutes both a real property mortgage and a "Security Agreement" on personal property within the meaning of the UCC and other Applicable Law and with respect to the Personalty, Fixtures, Plans, Leases, Rents and Property Agreements (said portion of the Property subject to the UCC, the "UCC Collateral"). The Property includes both real and personal property and all other rights and interests, whether tangible or intangible in nature, of Grantor in the Property. Grantor, by executing and delivering this Deed of Trust, hereby grants to Beneficiary a first and prior security interest in the Personalty, Fixtures, Plans, Leases, Rents and Property Agreements and all other Property that is personal property to secure the payment and performance of the Secured Obligations and agrees that Beneficiary shall have all the rights and remedies of a secured party under the UCC with respect to such property including, without limiting the generality of the foregoing, the right to take possession of the UCC Collateral or any part thereof, and to take such other measures as Beneficiary may deem necessary for the care, protection and preservation of the UCC Collateral. Upon request or demand of Beneficiary, Grantor shall at its expense assemble the UCC Collateral and make it available to Beneficiary at the Property. Grantor shall pay to Beneficiary on demand any and all expenses, including actual reasonable legal expenses and attorneys' fees, incurred or paid by Beneficiary in protecting the interest in the UCC Collateral and in enforcing the rights hereunder with respect to the UCC Collateral. Any notice of sale, disposition or other intended action by Beneficiary with respect to the UCC Collateral sent to Grantor in accordance with the provisions hereof at least ten (10) Business Days prior to such action shall constitute commercially reasonable notice to Grantor. The proceeds of any disposition of the UCC Collateral, or any part thereof, shall, except as otherwise required by law, be applied by Beneficiary in accordance with Section 3.7 hereof.

Section 6.2 Further Assurances. Grantor shall execute and deliver to Beneficiary and/or file, in form and substance satisfactory to Beneficiary, such further statements, documents and agreements, financing statements, continuation statements and such further assurances and

instruments, and do such further acts, as Beneficiary may, from time to time, reasonably consider necessary, desirable or proper to create, perfect and preserve Beneficiary's security interest hereunder and to carry out more effectively the purposes of this Deed of Trust and Beneficiary may cause such statements and assurances to be recorded and filed at such times and places as may be required or permitted by law to so create, perfect and preserve such security interest; provided that such further statements, documents, agreements, assurances, instruments and acts do not increase the liability or obligations or decrease the rights of Grantor from those provided for in the Loan Documents. Grantor hereby irrevocably authorizes Beneficiary to file UCC financing statements in each jurisdiction that Beneficiary deems necessary or desirable in its sole discretion in order to perfect the security interests in all or any portion of the UCC Collateral. Such financing statements may indicate or describe the UCC Collateral in any manner Beneficiary chooses, including, without limitation, describing such collateral as "all assets of debtor, whether now owned or hereafter acquired," "all personal property of debtor, whether now owned or hereafter acquired" or using words of similar import. As of the date hereof, Grantor's chief executive office and principal place of business is at the address set forth in the first paragraph of this Deed of Trust, and Grantor shall promptly notify Beneficiary of any change in such address.

Section 6.3 Fixture Filing. This Deed of Trust shall also constitute a "fixture filing" for the purposes of the UCC upon all of the Property that is or is to become "fixtures" (as that term is defined in the UCC), upon being filed for record in the real estate records of the city or county wherein such fixtures are located. Information concerning the security interest herein granted may be obtained at the addresses of Debtor (Grantor) and Secured Party (Beneficiary) as set forth in the first paragraph of this Deed of Trust.

ARTICLE 7

MISCELLANEOUS

Section 7.1 Notices. Any notice required or permitted to be given under this Deed of Trust shall be given in the manner described in Section 9.4 of the Commitment Letter.

Section 7.2 Covenant Running with the Land. All representations, warranties, covenants and obligations contained in the Commitment Letter are incorporated herein by this reference and, to the extent relating to the Property, are intended by the parties to be, and shall be construed as, covenants running with the land. All Persons who may have or acquire an interest in the Property shall be deemed to have notice of, and be bound by, the terms of the Commitment Letter and the other Loan Documents; however, no such party shall be entitled to any rights thereunder without the prior written consent of Beneficiary.

Section 7.3 Attorney-in-Fact. Grantor hereby irrevocably appoints Beneficiary and its successors and assigns as its attorney-in-fact, which appointment is irrevocable and coupled with an interest, upon the occurrence and during the continuance of an Event of Default (a) to execute and/or record any notices of completion, cessation of labor or any other notices that Beneficiary deems appropriate to protect Beneficiary's interest, if Grantor shall fail to do so within ten (10) days after written request by Beneficiary, (b) upon the issuance of a deed or assignment of lease pursuant to the foreclosure of this Deed of Trust or the delivery of a deed or

assignment of lease in lieu of foreclosure, to execute all instruments of assignment, conveyance or further assurance with respect to the Leases, Rents, Personalty, Fixtures, Plans and Property Agreements in favor of the grantee of any such deed or the assignee of any such assignment of lease and as may be necessary or desirable for such purpose, (c) to prepare, execute and file or record financing statements, continuation statements, applications for registration and like papers necessary to create, perfect or preserve Beneficiary's security interests and rights in or to any of the collateral, and (d) to perform any obligation of Grantor hereunder; however: (1) Beneficiary shall not under any circumstances be obligated to perform any obligation of Grantor; (2) any sums advanced by Beneficiary in such performance shall be included in the Secured Obligations and shall bear interest at the Default Rate; (3) Beneficiary as such attorney-in-fact shall only be accountable for such funds as are actually received by Beneficiary; and (4) Beneficiary shall not be liable to Grantor or any other Person for any failure to take any action that it is empowered to take under this Section.

Section 7.4 Successors and Assigns. This Deed of Trust shall be binding upon and inure to the benefit of Beneficiary and Grantor and their respective successors and assigns. Beneficiary is expressly permitted to assign any or all of its rights under this Deed of Trust and/or any other Loan Documents in connection with an assignment of some or all of the Secured Obligations and Grantor hereby represents, warrants and covenants that in the event of such assignment by Beneficiary of this Deed of Trust, the assignee shall succeed to all rights, remedies, and powers of Beneficiary as stated herein and Grantor hereby waives any right to dispute or enjoin any such assignment by Beneficiary.

Section 7.5 No Waiver. Any failure by Beneficiary or Trustee to insist upon strict performance of any of the terms, provisions or conditions of the Loan Documents shall not be deemed to be a waiver of same, and Beneficiary and Trustee shall each have the right at any time to insist upon strict performance of all of such terms, provisions and conditions.

Section 7.6 Subrogation. To the extent proceeds of the loans under the Commitment Letter have been used to extinguish, extend or renew any indebtedness against the Property, then Beneficiary shall be subrogated to all of the rights, liens and interests existing against the Property and held by the holder of such indebtedness and shall have the benefit of the priority of all of the same, and such former rights, liens and interests, if any, are not waived, but are continued in full force and effect in favor of Beneficiary.

Section 7.7 Commitment Letter. If any conflict or inconsistency exists between this Deed of Trust and the Commitment Letter, the Commitment Letter shall govern.

Section 7.8 Release. Upon payment in full of the Secured Obligations and performance in full of all of the outstanding Secured Obligations, the estate hereby granted shall cease, terminate and be void and Beneficiary, at Grantor's expense, shall release the liens and security interests created by this Deed of Trust or assign this Deed of Trust, in each case in accordance with the Commitment Letter.

Section 7.9 Waiver of Stay, Moratorium and Similar Rights. Grantor agrees, to the fullest extent that it may lawfully do so, that it will not at any time insist upon or plead or in any way take advantage of, and hereby waives, any appraisement, valuation, stay, marshaling of

assets, exemption, extension, redemption or moratorium law now or hereafter in force and effect so as to prevent or hinder the enforcement of the provisions of this Deed of Trust or the indebtedness secured hereby or any agreement between Grantor and Beneficiary or any rights or remedies of Beneficiary.

Section 7.10 Waiver of Jury Trial; Consent to Jurisdiction. (a) TO THE MAXIMUM EXTENT PERMITTED UNDER APPLICABLE LEGAL REQUIREMENTS, GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY AGREE TO WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS DEED OF TRUST, ANY OTHER LOAN DOCUMENT, OR ANY DEALINGS, CONDUCT, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS BY EITHER OF THEM RELATING TO THE SUBJECT MATTER OF THIS DEED OF TRUST. THE SCOPE OF THIS WAIVER IS INTENDED TO ENCOMPASS ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY ACKNOWLEDGE THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO THIS DEED OF TRUST. GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY FURTHER WARRANT AND REPRESENT THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THE WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS DEED OF TRUST, OR ANY OTHER LOAN DOCUMENTS OR AGREEMENTS RELATING TO THIS DEED OF TRUST. IN THE EVENT OF LITIGATION, THIS DEED OF TRUST MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

(b) GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY HEREBY CONSENT FOR THEMSELVES AND GRANTOR HEREBY CONSENTS IN RESPECT OF ITS PROPERTIES, GENERALLY, UNCONDITIONALLY AND IRREVOCABLY, TO THE NONEXCLUSIVE JURISDICTION OF THE FEDERAL AND STATE COURTS IN THE STATE OF NEW YORK WITH RESPECT TO ANY PROCEEDING RELATING TO ANY MATTER, CLAIM OR DISPUTE ARISING UNDER THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY. GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY FURTHER CONSENT, GENERALLY, UNCONDITIONALLY AND IRREVOCABLY, TO THE NONEXCLUSIVE JURISDICTION OF THE STATE AND FEDERAL COURTS OF THE STATE IN WHICH ANY OF THE COLLATERAL IS LOCATED IN RESPECT OF ANY PROCEEDING RELATING TO ANY MATTER, CLAIM OR DISPUTE ARISING WITH RESPECT TO SUCH COLLATERAL. GRANTOR AND BENEFICIARY FURTHER IRREVOCABLY CONSENT TO THE SERVICE OF PROCESS BY MAIL, PERSONAL SERVICE OR IN ANY OTHER MANNER PERMITTED BY APPLICABLE LEGAL REQUIREMENTS, GENERALLY, UNCONDITIONALLY AND IRREVOCABLY, AT THE ADDRESSES SET

FORTH IN THE COMMITMENT LETTER IN CONNECTION WITH ANY OF THE AFORESAID PROCEEDINGS IN ACCORDANCE WITH THE RULES APPLICABLE TO SUCH PROCEEDINGS. TO THE EXTENT PERMITTED BY APPLICABLE LEGAL REQUIREMENTS, GRANTOR AND, BY ITS ACCEPTANCE HEREOF, BENEFICIARY HEREBY IRREVOCABLY WAIVE ANY OBJECTION THAT THEY MAY NOW HAVE OR HAVE IN THE FUTURE TO THE LAYING OF VENUE IN RESPECT OF ANY OF THE AFORESAID PROCEEDINGS BROUGHT IN THE COURTS REFERRED TO ABOVE AND AGREE NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. NOTHING HEREIN SHALL AFFECT THE RIGHT OF BENEFICIARY TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW OR TO COMMENCE PROCEEDINGS OR OTHERWISE PROCEED AGAINST GRANTOR IN ANY JURISDICTION.

Section 7.11 Headings. The Article, Section and Subsection titles hereof are inserted for convenience of reference only and shall in no way alter, modify, limit or define, or be used in construing, the scope, intent or text of such Articles, Sections or Subsections.

Section 7.12 Governing Law. THIS DEED OF TRUST SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE IN WHICH THE LAND IS LOCATED. WITH RESPECT TO ANY PERSONAL PROPERTY INCLUDED IN THE "PROPERTY", THE CREATION OF THE SECURITY INTEREST THEREIN SHALL BE GOVERNED BY THE UCC, AND THE PERFECTION, THE EFFECT OF PERFECTION OR NON-PERFECTION AND PRIORITY OF SUCH SECURITY INTEREST SHALL BE GOVERNED IN ACCORDANCE WITH THE MANDATORY CHOICE OF LAW RULES SET FORTH IN THE UCC.

Section 7.13 General Indemnity; Payment of Expenses. The provisions of the Commitment Letter relating to indemnification and payment of expenses are incorporated by this reference, as if fully set forth herein.

Section 7.14 Entire Agreement. This Deed of Trust and the other Loan Documents embody the entire agreement and understanding between Beneficiary and Grantor pertaining to the subject matter hereof and thereof and supersede all prior agreements, understandings, representations or other arrangements, whether express or implied, written or oral, between such parties relating to the subject matter hereof and thereof. This Deed of Trust and the other Loan Documents may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

Section 7.15 Severability. If any provision of this Deed of Trust is invalid or unenforceable, then such provision shall be given full force and effect to the fullest possible extent, and all of the remaining provisions of this Deed of Trust shall remain in full force and effect and shall be binding on the parties hereto.

Section 7.16 Variable Rate of Interest. This Deed of Trust secures, inter alia, obligations that provide for a variable rate of interest (as described in the Commitment Letter).

Section 7.17 Lien Absolute. Grantor acknowledges that this Deed of Trust and a number of other Loan Documents and those documents required by the Loan Documents together secure the Secured Obligations. Grantor agrees that, to the extent permitted by law, the lien of this Deed of Trust and all obligations of Grantor hereunder shall be absolute and unconditional and shall not in any manner be affected or impaired by:

(a) any lack of validity or enforceability of the Commitment Letter or any other Loan Document, any agreement with respect to any of the Secured Obligations or any other agreement or instrument relating to any of the foregoing;

(b) any acceptance by Beneficiary of any security for or guarantees of any of the Secured Obligations;

(c) any failure, neglect or omission on the part of Beneficiary to realize upon or protect any of the Secured Obligations or any of the collateral security therefor, including the Loan Documents, or due to any other circumstance that might otherwise constitute a defense available to, or a discharge of, Grantor in respect of the Secured Obligations hereby secured or any collateral security therefor, including this Deed of Trust or any of the other Loan Documents (other than the indefeasible payment in full in cash of all of the Secured Obligations);

(d) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations;

(e) any release (except as to the property released), sale, pledge, surrender, compromise, settlement, nonperfection, renewal, extension, indulgence, alteration, exchange, modification or disposition of any of the Secured Obligations hereby secured or of any of the collateral security therefor;

(f) any amendment or waiver of or any consent to any departure from the Commitment Letter or any other Loan Documents or of any guaranty thereof, if any, and Beneficiary may in its discretion foreclose, exercise any power of sale, or exercise any other remedy available to it under any or all of the Loan Documents without first exercising or enforcing any of its rights and remedies hereunder; and

(g) any exercise of the rights or remedies of Beneficiary hereunder or under any or all of the Loan Documents.

Section 7.18 Real Estate Taxes. Grantor shall not be entitled to any credit upon the Secured Obligations or deduction from the assessed value of the Property by virtue of payment of real estate taxes on the Property. If any law or regulation applicable to Beneficiary, any Loan Document, any of the Property or this Deed of Trust is enacted that deducts from the value of property for the purpose of taxation any Lien thereon, or imposes upon Beneficiary the payment of the whole or any portion of the taxes or assessments or charges or Liens required by any of the Loan Documents to be paid by Grantor, or changes in any way the laws or regulations relating to the taxation of mortgages or security agreements or debts secured by mortgages or security agreements or the interest of the mortgagee or secured party in the property covered thereby, or the manner of collection of such taxes, so as to affect the Deed of Trust, the Secured

Obligations or Beneficiary, then Grantor, upon demand by Beneficiary, shall pay such taxes, assessments, charges or Liens, or reimburse Beneficiary for any amounts paid by Beneficiary.

Section 7.19 Certain Restrictions. The parties hereby acknowledge that the Commitment Letter, among other things, contains restrictions on the prepayment of the Secured Obligations, as well as restrictions on the sale, transfer and encumbrance of the Property and the ownership interests of Grantor.

Section 7.20 State Specific Provisions. The provisions of Exhibit B attached hereto are hereby incorporated by reference as though set forth in full herein.

Section 7.21 Last Dollars Secured. The parties agree that any payments or repayments of the Secured Obligations shall be and be deemed to be applied first to the portion of the Secured Obligations that is not secured hereby, if any, it being the parties' intent that the portion of the Secured Obligations last remaining unpaid shall be secured hereby.

Section 7.22 Mortgage Recording Taxes. Grantor hereby covenants to pay any and all mortgage recording or other taxes or fees due in connection with this Deed of Trust.

Section 7.23 Multiple Exercise of Remedies. To the extent permitted by law, Grantor specifically consents and agrees that Beneficiary and Trustee may exercise rights and remedies hereunder and under the other Loan Documents separately or concurrently and in any order that Beneficiary and Trustee may deem appropriate.

Section 7.24 Rules of Construction. All pronouns and any variations thereof shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons referred to may require. All references to sections, schedules and exhibits are to sections, schedules and exhibits in or to this Deed of Trust unless otherwise specified. Unless otherwise specified: (i) all meanings attributed to defined terms in this Deed of Trust shall be equally applicable to both the singular and plural forms of the terms so defined, (ii) "including" means "including, but not limited to" and "including, without limitation" and (iii) the words "hereof," "herein," "hereby," "hereunder" and words of similar import when used in this Deed of Trust shall refer to this Deed of Trust as a whole and not to any particular provision, article, section or other subdivision of this Deed of Trust.

Section 7.25 Counterparts; Facsimile Signatures. This Deed of Trust may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Any counterpart delivered by facsimile, pdf or other electronic means shall have the same import and effect as original counterparts and shall be valid, enforceable and binding for the purposes of this Deed of Trust.

ARTICLE 8

CONCERNING THE TRUSTEE

Section 8.1 Certain Rights. With the approval of Beneficiary, Trustee shall have the right to select, employ and consult with counsel. Trustee shall have the right to rely on any

instrument, document or signature authorizing or supporting any action taken or proposed to be taken by Trustee hereunder, believed by Trustee in good faith to be genuine. Trustee shall be entitled to reimbursement for actual, reasonable expenses incurred by him in the performance of his duties hereunder. Grantor shall, from time to time, pay the compensation due to Trustee hereunder and reimburse Trustee for, and indemnify, defend and save Trustee harmless against, all liability and reasonable expenses which may be incurred by him in the performance of Trustee's duties, except as a result of Trustee's gross negligence or willful misconduct, in the performance of Trustee's duties. Grantor's obligations under this Section 8.1 shall not be reduced or impaired by principles of comparative or contributory negligence (except with respect to Trustee's gross negligence or willful misconduct).

Section 8.2 Retention of Money. All moneys received by Trustee shall, until used or applied as herein provided, be held in trust for the purposes for which they were received, but need not be segregated in any manner from any other moneys (except to the extent required by law), and Trustee shall be under no liability for interest on any moneys received by him hereunder.

Section 8.3 Successor Trustees. If Trustee or any successor Trustee shall die, resign or become disqualified from acting in the execution of this trust, or Beneficiary shall desire to appoint a substitute Trustee, Beneficiary shall have full power to appoint one or more substitute or successor Trustees, without other formality than appointment and designation in writing executed by Beneficiary, and, if preferred, several substitute or successor Trustees in succession who shall succeed to all the estates, rights, powers and duties of Trustee. Such appointment may be executed by any authorized agent of Beneficiary, and as so executed, such appointment shall be conclusively presumed to be executed with authority, valid and sufficient, without further proof of any action. Upon the making of any such appointment and designation, all of the estate and title of Trustee in the Property shall vest in the named successor or substitute Trustee and he shall thereupon succeed to, and shall hold, possess and execute, all the rights, powers, privileges, immunities and duties herein conferred upon Trustee.

Section 8.4 Perfection of Appointment. Should any deed, conveyance or instrument of any nature be required from Grantor by any successor Trustee to more fully and certainly vest in and confirm to such successor Trustee such estates, rights, powers and duties, then, upon reasonable request by such Trustee, all such deeds, conveyances and instruments shall be made, executed, acknowledged and delivered and shall be caused to be recorded and/or filed by Grantor.

Section 8.5 Trustee Liability. In no event or circumstance shall Trustee or any substitute Trustee hereunder be personally liable under or as a result of this Deed of Trust, either as a result of any action by Trustee (or any substitute Trustee) in the exercise of the powers hereby granted or otherwise, except for Trustee's gross negligence or willful misconduct.

Grantor hereby acknowledges receipt of a true copy of the within Deed of Trust.

[No further text on this page; Signature page follows]

Executed and delivered as of the date first hereinabove set forth.

LOCAL FIRST PROPERTIES USA INC., a
Delaware corporation

By: 

Name:

Title:

CLIFF DUMAS

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness accuracy, or validity of that document.

STATE OF California)
COUNTY OF Kern) SS.

I, Kristian Goodwin, a Notary Public of the County and State aforesaid, certify that Cliff Dumas, being personally known to me, personally came before me this day and acknowledged that ~~he~~/she is the Director of LOCAL FIRST PROPERTIES USA INC., a Delaware corporation, and that ~~he~~/she, as Director, being authorized to do so, voluntarily executed the foregoing on behalf of said limited partnership for the purposes stated therein.

Witness my hand and official stamp or seal, on April 25, 2023.

Kristian Goodwin
Notary Public
Printed Name: Kristian Goodwin

My Commission Expires:

May 16, 2025

[Notary Stamp/Seal]



EXHIBIT A**Legal Description****TRACT ONE:**

The South 10.8 feet of Lot Numbered Two (2), all of Lots Numbered Three (3) and Four (4) in Block Numbered Forty-eight (48) of TRIGGS ADDITION to the City of Texarkana, Bowie County, Texas; said Addition also being known as the Original City of Texarkana, Bowie County, Texas.

TRACT TWO:

All that certain tract or parcel of land being a part of the NANCY DYCUS HEADRIGHT SURVEY, A-145, Bowie County, Texas and being all of a 8.491 acre tract (Tract No. 3) as described in Warranty Deed from KATQ Radio, Inc. to Sandra A. May dated June 29, 2000, recorded in Volume 3291, Page 83 of the Real Property Records of Bowie County, Texas; and being part of a 305.7 acre tract as described in Correction Deed from Dan S. Dillon and Gretchen M. Dillon to E.B. Levee, Jr., recorded in Volume 323, Page 372 of the Deed Records of Bowie County, Texas and being more particularly described as follows:

BEGINNING at a found 1" iron pipe for corner at an existing fence corner at the Northwest corner of the above described 8.491 acre tract of land;

THENCE: N 88 deg. 59 min. 17 sec. E, along an existing fence line, same being the North boundary line of the above described 8.491 acre tract, 658.23 feet to a found 1" iron pipe for corner at an existing fence corner on the West boundary line of Village North Fifth Addition to the City of Wake Village, Bowie County, Texas, according to the map or plat recorded in Volume 730, Page 758 of the Real Property Records of Bowie County, Texas;

THENCE: S 00 deg. 11 min. 06 sec. E, along an existing fence line, same being the East boundary line of the above described 8.491 acre tract, same being the West boundary line of said Village North Fifth Addition, 560.86 feet to a found 1" iron pipe for corner at an existing fence corner;

THENCE: S 89 deg. 59 min. 45 sec. W, along an existing fence line, same being the most Northerly South boundary line of the above described 8.491 acre tract, same being the most Westerly North boundary line of said Village North Fifth Addition, 610.64 feet to a found 1" iron pipe for corner;

THENCE: S 00 deg. 51 min. 38 sec. E, with the most Southerly East boundary line of the above described 8.491 acre tract, same being the most Southerly West boundary line of said Village North Fifth Addition, passing at 140.45 feet a found 1/2" rebar on the North right-of-way line of Brown Drive and continuing a total distance of 165.19 feet to a set 60D nail for corner;

THENCE: N 90 deg. 00 min. 00 sec. W, with the centerline of Brown Drive, same being the

most Southerly South boundary line of the above described 8.491 acre tract, 41.57 feet to a set 60D nail for corner;

THENCE: N 00 deg. 49 min. 07 sec. W, with the West boundary line of the above described 8.491 acre tract, passing at 44.26 feet a found 1/2" rebar and continuing a total distance of 714.53 feet to the POINT OF BEGINNING and containing 8.5058 acres of land, more or less.

SAVE AND EXCEPT from the above described Tract 2, the following tract or parcel of land:

All that certain parcel or tract of land located in the extreme Southeast corner of the 8.5058 acre tract of land in the Nancy Dycus Headright Survey, A-145, Bowie County, Texas, owned by ArkLaTex, LLC, recorded as Tract 3 in Volume 3620, Page 93 of the Real Property Records of Bowie County, Texas, and more particularly described as follows:

BEGINNING at the Southeast corner of said 8.5058 acre tract at a found iron pipe, also being on the North boundary line of Lot 12, Block 9 of the Village North Fifth Addition, City of Wake Village, Bowie County, Texas, according to the map or plat recorded in Volume 730, Page 758 of the Real Property Records of Bowie County, Texas;

THENCE: West with the South boundary line of 8.5058 acre tract and the North boundary line of said Lot 12, 40 feet to the Northwest corner of Lot 12 and the Northeast corner of Lot 13, said Block and Addition, iron pipe found, continuing West with North boundary line of Lot 13 of said Block and Addition, in all 135 feet to the Northwest corner of Lot 13, said Block and Addition, iron pipe found;

THENCE: North 45 feet to an iron pipe for corner;

THENCE: East 135 feet to East boundary line of 8.5058 acre tract and West boundary line of said Village North Fifth Addition to an iron pipe;

THENCE: South 45 feet to the POINT OF BEGINNING, being the same tract of land conveyed by ArkLaTex, LLC to Herchel E. Lynch and Tommie S. Lynch by Warranty Deed dated May 8, 2003, recorded in Volume 3982, Page 258, Real Property Records of Bowie County, Texas.

TRACT THREE:

All that certain tract or parcel of land being a part of the JACOB CARSNER HEADRIGHT SURVEY, A-116, Bowie County, Texas and being all of a called 10 acre tract (Tract No. 2) as described in Warranty Deed from KATQ Radio, Inc. to Sandra A. May dated June 29, 2000, recorded in Volume 3291, Page 83 of the Real Property Records of Bowie County, Texas; same being the West ten (10) acres of the North One-half (N1/2) of Block Lettered "Z" of the subdivision of the Jacob Carsner Headright Survey, Bowie County, Texas, and being more particularly described as follows:

BEGINNING at a set 5/8" rebar for corner at the Northwest corner of the above described 10 acre tract of land same being the Northwest corner of Block Lettered "Z" of the subdivision of

the Jacob Carsner Headright Survey, Bowie County, Texas, 635.00 feet to a set 5/8" rebar for corner on the West right-of-way line of South Oak Street;

THENCE: S 00 deg. 00 min. 00 sec. E, with the West right-of-way line of South Oak Street, 655.78 feet to a set 5/8" rebar for corner;

THENCE: S 89 deg. 34 min. 00 sec. W, with the South boundary line of the N-1/2 of Block Lettered "Z" of the subdivision of the Jacob Carsner Headright Survey, Bowie County, Texas, 635.00 feet to a set 5/8" rebar for corner on the West boundary line of the above described Block Lettered "Z";

THENCE: N 00 deg. 00 min. 00 sec. E, with the West boundary line of Block Lettered "Z" of the subdivision of the Jacob Carsner Headright Survey, Bowie County, Texas, 655.78 feet to the POINT OF BEGINNING, containing 9.5594 acres of land, more or less.

NOTE: The Company is prohibited from insuring the area or quantity of the land described herein. Any statement in the above legal description of the area or quantity of land is not a representation that such area or quantity is correct, but is made only for informational and/or identification purposes and does not override Item 2 of Schedule B hereof.

EXHIBIT B**Special Provisions for the State of Texas**

Section 1.1 In the event of a conflict between the provisions of this Exhibit B and the remainder of this Deed of Trust, the provisions of this Exhibit B shall control.

Section 1.2 In addition to all other remedies available at law or in equity, upon and after any Event of Default, Trustee, at the request of Beneficiary, may proceed with foreclosure under the power of sale which is hereby conferred, such foreclosure to be accomplished in accordance with the following provisions:

(i) Trustee is hereby authorized and empowered, and it shall be Trustee's special duty, upon such request of Beneficiary, to sell the Property, or any part thereof, at public auction to the highest bidder for cash, with or without having taken possession of same. Any such sale (including notice thereof) shall comply with the applicable requirements, at the time of the sale, of Section 51.002 of the Texas Property Code or, if and to the extent such statute is not then in force, with the applicable requirements, at the time of the sale, of the successor statute or statutes, if any, governing sales of Texas real property under powers of sale conferred by deeds of trust. If there is no statute in force at the time of the sale governing sales of Texas real property under powers of sale conferred by deeds of trust, such sale shall comply with all applicable law, at the time of the sale, governing sales of Texas real property under powers of sale conferred by deeds of trust.

(ii) At any time during the bidding, the Trustee may require a bidding party (A) to disclose its full name, state and city of residence, occupation, and specific business office location, and the name and address of the principal the bidding party is representing (if applicable), and (B) to demonstrate reasonable evidence of the bidding party's financial ability (or, if applicable, the financial ability of the principal of such bidding party), as a condition to the bidding party submitting bids at the foreclosure sale. If any such bidding party (the "Questioned Bidder") declines to comply with the Trustee's requirement in this regard, or if such Questioned Bidder does respond but the Trustee, in Trustee's sole and absolute discretion, deems the information or the evidence of the financial ability of the Questioned Bidder (or, if applicable, the principal of such bidding party) to be inadequate, then the Trustee may continue the bidding with reservation; and in such event (1) the Trustee shall be authorized to caution the Questioned Bidder concerning the legal obligations to be incurred in submitting bids, and (2) if the Questioned Bidder is not the highest bidder at the sale, or if having been the highest bidder the Questioned Bidder fails to deliver the cash purchase price payment promptly to the Trustee, all bids by the Questioned Bidder shall be null and void. The Trustee may, in Trustee's sole and absolute discretion, determine that a credit bid may be in the best interest of the Grantor and Beneficiary, and elect to sell the Property for credit or for a combination of cash and credit; provided, however, that the Trustee shall have no obligation to accept any bid except an all cash bid. In the event the Trustee requires a cash bid and cash is not delivered within a reasonable time after conclusion of the bidding process, as specified by the Trustee, but in no event later than 3:45 p.m. local time on the day of sale, then said contingent sale shall be null and void, the

bidding process may be recommenced, and any subsequent bids or sale shall be made as if no prior bids were made or accepted.

(iii) In addition to the rights and powers of sale granted under the preceding provisions of this subsection, if default is made in the payment of any installment of the Secured Obligations, Beneficiary may, at Beneficiary's option, at once or at any time thereafter while any matured installment remains unpaid, without declaring the Secured Obligations to be due and payable, orally or in writing direct Trustee to enforce this trust and to sell the Property subject to the Secured Obligations and to the rights, powers, liens, security interests, and assignments securing or providing recourse for payment of the Secured Obligations, in the same manner, all as provided in the preceding provisions of this subsection. Sales made without maturing the Secured Obligations may be made hereunder whenever there is a default in the payment of any installment of the Secured Obligations, without exhausting the power of sale granted hereby, and without affecting in any way the power of sale granted under this subsection, the unmatured balance of the Secured Obligations or the rights, powers, liens, security interests, and assignments securing or providing recourse for payment of the Secured Obligations.

(iv) Sale of a part of the Property shall not exhaust the power of sale, but sales may be made from time to time until the Secured Obligations are paid and discharged in full. It is intended by each of the foregoing provisions of this subsection that Trustee may, after any request or direction by Beneficiary, sell not only the Property, but also the fixtures and personalty and other interests constituting a part of the Property or any part thereof, along with the Property or any part thereof, as a unit and as a part of a single sale, or may sell at any time or from time to time any part or parts of the Property separately from the remainder of the Property. It shall not be necessary to have present or to exhibit at any sale any of the Property.

(v) After any sale under this subsection, Trustee shall make good and sufficient deeds, assignments, and other conveyances to the purchaser or purchasers thereunder in the name of Grantor, conveying the Property or any part thereof so sold to the purchaser or purchasers with general warranty of title by Grantor. It is agreed that in any deeds, assignments or other conveyances given by Trustee, any and all statements of fact or other recitals therein made as to the identity of Beneficiary, the occurrence or existence of any Event of Default, the notice of intention to accelerate, or acceleration of, the maturity of the indebtedness secured hereby, the request to sell, notice of sale, time, place, terms and manner of sale, and receipt, distribution, and application of the money realized therefrom, the due and proper appointment of a substitute trustee, and without being limited by the foregoing, any other act or thing having been duly done by or on behalf of Beneficiary or by or on behalf of Trustee, shall be taken by all courts of law and equity as prima facie evidence that such statements or recitals state true, correct, and complete facts and are without further question to be so accepted, and Grantor does hereby ratify and confirm any and all acts that Trustee may lawfully do in the premises by virtue hereof.

Section 1.3 Deficiency Statute.

(i) Waiver. In the event that the fee, a leasehold estate or any other interest in all or any portion of the Property is foreclosed upon by judicial or nonjudicial foreclosure sale pursuant to any of the Loan Documents (the "Foreclosed Property Interest"), and Beneficiary is entitled to

seek a deficiency judgment against Grantor or any guarantor under the terms of the Loan Documents, Grantor agrees that notwithstanding the provisions of Sections 51.003, 51.004 and 51.005 of the Texas Property Code or any other similar statute hereinafter enacted (as the same may be amended from time to time, the "Deficiency Statute"), such deficiency judgment shall be in an amount equal to the difference between the amount of the Secured Obligations outstanding immediately prior to the foreclosure sale and the amount for which the Foreclosed Property Interest was sold pursuant to such judicial or nonjudicial foreclosure sale. Grantor expressly recognizes that this Section 1.3 of Exhibit B constitutes a waiver of the above-cited provisions of the Deficiency Statute which would otherwise permit Grantor and other persons against whom recovery of deficiencies could be sought or Grantor independently (even absent the initiation of deficiency proceedings against them) to present competent evidence of the fair market value of the Foreclosed Property Interest as of the date of the foreclosure sale and offset against any deficiency the amount by which the foreclosure sale price is determined to be less than such fair market value. Grantor further recognizes and agrees that this waiver creates an irrebuttable presumption that the foreclosure sale price of the Foreclosed Property Interest is equal to its fair market value for purposes of calculating deficiencies owed by Grantor and any others against whom recovery of a deficiency is sought.

(ii) Alternative to Waiver. Alternatively, in the event the waiver provided for in Section 1.3(i) of Exhibit B hereof is determined by a court of competent jurisdiction to be unenforceable, the following shall be the basis for the finder of fact's determination of the fair market value of the Foreclosed Property Interest as of the date of the foreclosure sale in proceedings governed by the Deficiency Statute:

(A) the Foreclosed Property Interest shall be valued in an "as is" condition as of the date of the foreclosure sale, without any assumption or expectation that it will be repaired or improved in any manner before a resale after foreclosure;

(B) the valuation shall be based upon an assumption that the foreclosure purchaser desires a resale of the Foreclosed Property Interest for cash promptly (but no later than twelve (12) months) following the foreclosure sale;

(C) all reasonable closing costs customarily borne by the seller in commercial real estate transactions should be deducted from the gross fair market value of the Foreclosed Property Interest, including, without limitation, brokerage commissions, title insurance premiums, an as-built survey of the Foreclosed Property Interest prepared in accordance with current ALTA/ACSM standards and including customary Table A Items, tax prorations, attorneys' fees, and marketing costs;

(D) the gross fair market value of the Foreclosed Property Interest shall be further discounted to account for any estimated holding costs associated with maintaining the Foreclosed Property Interest pending sale, including, without limitation, utilities expenses, property management fees, taxes and assessments (to the extent not accounted for in Section 1.3(ii)(C) of Exhibit B hereof), and other maintenance, operational and ownership expenses; and

(E) any expert opinion testimony given or considered in connection with a determination of the fair market value of the Foreclosed Property Interest must be given by persons having at least five (5) years' experience in appraising property and interests therein similar to the Property and the Foreclosed Property Interest and who have conducted and prepared a complete written appraisal of the Property and the Foreclosed Property Interest, each taking into consideration the factors set forth in this Section 1.3(ii) of Exhibit B.

Section 1.4 TEXAS FINANCE CODE SECTION 307.052 COLLATERAL PROTECTION INSURANCE NOTICE:

(a) PURSUANT TO THIS SECURITY INSTRUMENT AND THE COMMITMENT LETTER, GRANTOR IS REQUIRED TO:

(i) KEEP THE PROPERTY INSURED AGAINST DAMAGE IN THE AMOUNT SPECIFIED THEREIN AND UNDER ANY OTHER LOAN DOCUMENT;

(ii) PURCHASE THE INSURANCE FROM AN INSURER THAT IS AUTHORIZED TO DO BUSINESS IN THE STATE OF TEXAS OR AN ELIGIBLE SURPLUS LINES INSURER OR OTHERWISE AS PROVIDED HEREIN AND UNDER ANY OTHER LOAN DOCUMENT; AND

(iii) NAME BENEFICIARY AS THE PERSON TO BE PAID UNDER THE POLICY IN THE EVENT OF A LOSS AS PROVIDED THEREIN AND UNDER ANY OTHER LOAN DOCUMENT;

(b) SUBJECT TO THE PROVISIONS THEREOF AND UNDER THE OTHER LOAN DOCUMENTS, GRANTOR MUST, IF REQUIRED BY BENEFICIARY, DELIVER TO BENEFICIARY A COPY OF THE POLICY AND PROOF OF THE PAYMENT OF PREMIUMS; AND

(c) SUBJECT TO THE PROVISIONS THEREOF AND UNDER THE OTHER LOAN DOCUMENTS, IF GRANTOR FAILS TO MEET ANY REQUIREMENT LISTED IN PARAGRAPHS (a) OR (b) IN THIS NOTICE, BENEFICIARY MAY OBTAIN COLLATERAL PROTECTION INSURANCE ON BEHALF OF GRANTOR AT GRANTOR'S EXPENSE.

Section 1.5 ENTIRE AGREEMENT. IN ACCORDANCE WITH SECTION 26.02 OF THE TEXAS BUSINESS AND COMMERCE CODE, THIS SECURITY INSTRUMENT AND THE OTHER LOAN DOCUMENTS EMBODY THE FINAL, ENTIRE AGREEMENT AMONG THE PARTIES HERETO AND SUPERSEDE ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS AND UNDER-STANDINGS, WHETHER WRITTEN OR ORAL, RELATING TO THE SUBJECT MATTER HEREOF AND THEREOF AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OR PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

THE STATE OF TEXAS
COUNTY OF BOWIE

I hereby certify that this instrument was FILED on the
date and the time stamped hereon by me and was duly
RECORDED in the Records of Bowie County, Texas.

2023-00004059 DOFT


05/02/2023 08:20:57 AM Total Fees: \$142.00

Tina Petty, County Clerk
Bowie County, Texas



THIS IS EXHIBIT "23" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.

SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Search ID #: Z18286620

Transmitting Party

ELDOR-WAL REGISTRATIONS (1987) LTD.

1200, 10123 99 st NW
EDMONTON, AB T5J 3H1

Party Code: 50073881

Phone #: 780 429 5969

Reference #:

Search ID #: Z18286620

Date of Search: 2025-Jan-21

Time of Search: 10:53:14

Business Debtor Search For:

ALASKA BROADCAST COMMUNICATIONS, INC.

Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID #: Z18286620

Business Debtor Search For:

ALASKA BROADCAST COMMUNICATIONS, INC.

Search ID #: Z18286620

Date of Search: 2025-Jan-21

Time of Search: 10:53:14

Registration Number: 23041800728

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Apr-18

Registration Status: Current

Expiry Date: 2033-Apr-18 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

1 ALASKA BROADCAST COMMUNICATIONS, INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Current

Secured Party / Parties

Block

Status

1 ATB FINANCIAL
SUITE 600, 585-8TH AVENUE, SW
CALGARY, AB T2P 1G1
Email: pprnotices@atb.com

Current

Collateral: General

Block

Description

Status

1 ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY

Current

Search ID #: Z18286620

Business Debtor Search For:

ALASKA BROADCAST COMMUNICATIONS, INC.

Search ID #: Z18286620

Date of Search: 2025-Jan-21

Time of Search: 10:53:14

Registration Number: 23041800935

Registration Type: LAND CHARGE

Registration Date: 2023-Apr-18

Registration Status: Current

Registration Term: Infinity

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

Current

1 ALASKA BROADCAST COMMUNICATIONS, INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Secured Party / Parties

Block

Status

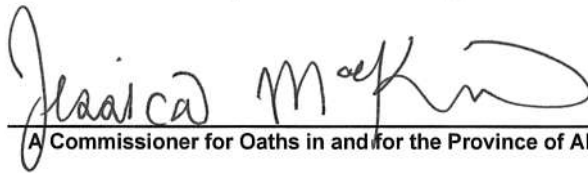
Current

1 ATB FINANCIAL
SUITE 600, 585-8TH AVENUE, SW
CALGARY, AB T2P 1G1
Email: pprnotices@atb.com

Result Complete

THIS IS EXHIBIT "24" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.

SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.

A handwritten signature in cursive script, reading "Jessica Mackinnon", written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

Jessica Mackinnon
Barrister & Solicitor

Client Reference: File # 834395

Project Number: 735237

Name Searched	ALASKA BROADCAST COMMUNICATIONS, INC.
---------------	---------------------------------------

Search Summary

Search Type	Jurisdiction(s)	Jurisdictional Through Date	Results
UCC Liens (Debtor/Active/ Unlapsed)	Alaska UCC Central File System	01/17/2025	1 filing(s) found

Search Details


UCC Liens - Alaska UCC Central File System (Debtor/Active/Unlapsed)			
Filing Type	File Date	File Number	Secured Party
Financing Statement	04/28/2023	20230068913	ATB Financial

As requested, no copies are attached

The above information is a representation of data retrieved from the public records of the respective jurisdiction(s). Verification of the files and information contained therein is the sole responsibility of the jurisdictional filing officers. Registered Agent Solutions, Inc. makes no representations, warranties or guarantees as to the accuracy or completeness of such information.

**THIS IS EXHIBIT "25" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

Jessica Mackinnon
Barrister & Solicitor

Search ID #: Z18286614

Transmitting Party

ELDOR-WAL REGISTRATIONS (1987) LTD.

1200, 10123 99 st NW
EDMONTON, AB T5J 3H1

Party Code: 50073881

Phone #: 780 429 5969

Reference #:

Search ID #: Z18286614

Date of Search: 2025-Jan-21

Time of Search: 10:52:56

Business Debtor Search For:

BTC USA HOLDINGS MANAGEMENT INC.

Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID #: Z18286614

Business Debtor Search For:

BTC USA HOLDINGS MANAGEMENT INC.

Search ID #: Z18286614

Date of Search: 2025-Jan-21

Time of Search: 10:52:56

Registration Number: 23041800808

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Apr-18

Registration Status: Current

Expiry Date: 2033-Apr-18 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

1 BTC USA HOLDINGS MANAGEMENT INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Current

Secured Party / Parties

Block

Status

1 ATB FINANCIAL
SUITE 600, 585-8TH AVENUE, SW
CALGARY, AB T2P 1G1
Email: pprnotices@atb.com

Current

Collateral: General

Block

Description

Status

1 ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY

Current

Search ID #: Z18286614

Business Debtor Search For:

BTC USA HOLDINGS MANAGEMENT INC.

Search ID #: Z18286614

Date of Search: 2025-Jan-21

Time of Search: 10:52:56

Registration Number: 23041801001

Registration Type: LAND CHARGE

Registration Date: 2023-Apr-18

Registration Status: Current

Registration Term: Infinity

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

Current

1 BTC USA HOLDINGS MANAGEMENT INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Secured Party / Parties

Block

Status


Current

1 ATB FINANCIAL
SUITE 600, 585-8TH AVENUE, SW
CALGARY, AB T2P 1G1
Email: pprnotices@atb.com

Result Complete

**THIS IS EXHIBIT "26" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Client Reference: File # 834395

Project Number: 735237

Name Searched	BTC USA HOLDINGS MANAGEMENT INC.
---------------	----------------------------------

Search Summary

Search Type	Jurisdiction(s)	Jurisdictional Through Date	Results
UCC Liens (Debtor/Active/ Unlapsed)	Delaware Secretary of State	12/16/2024	See Attached

The above information is a representation of data retrieved from the public records of the respective jurisdiction(s). Verification of the files and information contained therein is the sole responsibility of the jurisdictional filing officers. Registered Agent Solutions, Inc. makes no representations, warranties or guarantees as to the accuracy or completeness of such information.

Delaware

Page 1

The First State

CERTIFICATE

SEARCHED JANUARY 21, 2025 AT 2:55 P.M.
FOR DEBTOR, BTC USA HOLDINGS MANAGEMENT INC.

1 OF 2 FINANCING STATEMENT 20233069118

DEBTOR: EXPIRATION DATE: 04/28/2028
BTC USA HOLDINGS MANAGEMENT INC.

3000, 700 - 9TH AVENUE SW ADDED 04-28-23

CALGARY, AB CA T2P3V4

SECURED: ATB FINANCIAL

SUITE 600, 585-8TH AVENUE, S.W. ADDED 04-28-23

CALGARY, AB CA T2P1G1

F I L I N G H I S T O R Y

20233069118 FILED 04-28-23 AT 12:29 P.M. FINANCING STATEMENT

2 OF 2 FINANCING STATEMENT 20241044674

DEBTOR: EXPIRATION DATE: 02/15/2029
BTC USA HOLDINGS MANAGEMENT INC.

251 LITTLE FALLS DR. ADDED 02-15-24

WILMINGTON, DE US 19808



A handwritten signature in black ink, appearing to read "Kristopher E. Knight".

Kristopher E. Knight, Acting Secretary of State

20260302821-UCC11
SR# 20250195557

Authentication: 202738071
Date: 01-21-25

You may verify this certificate online at corp.delaware.gov/authver.shtml

Delaware

The First State

Page 2

SECURED: 7032749 CANADA INC.

23 BOBWHITE CRES

ADDED 02-15-24

TORONTO

TORONTO, ON CA M2L2E2

F I L I N G H I S T O R Y

20241044674 FILED 02-15-24 AT 10:30 P.M. FINANCING STATEMENT

E N D O F F I L I N G H I S T O R Y

THE UNDERSIGNED FILING OFFICER HEREBY CERTIFIES THAT THE ABOVE LISTING IS A RECORD OF ALL PRESENTLY EFFECTIVE FINANCING STATEMENTS, FEDERAL TAX LIENS AND UTILITY SECURITY INSTRUMENTS FILED IN THIS OFFICE WHICH NAME THE ABOVE DEBTOR, BTC USA HOLDINGS MANAGEMENT INC. AS OF DECEMBER 16, 2024 AT 11:59 P.M.



Kristopher E. Knight, Acting Secretary of State

20260302821-UCC11
SR# 20250195557

Authentication: 202738071
Date: 01-21-25

You may verify this certificate online at corp.delaware.gov/authver.shtml

**THIS IS EXHIBIT "27" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Search ID #: Z18286617

Transmitting Party

ELDOR-WAL REGISTRATIONS (1987) LTD.

1200, 10123 99 st NW
EDMONTON, AB T5J 3H1

Party Code: 50073881
Phone #: 780 429 5969
Reference #:

Search ID #: Z18286617

Date of Search: 2025-Jan-21

Time of Search: 10:53:04

Business Debtor Search For:

LOCAL FIRST PROPERTIES USA INC.

Both Exact and Inexact Result(s) Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID #: Z18286617

Business Debtor Search For:

LOCAL FIRST PROPERTIES USA INC.

Search ID #: Z18286617

Date of Search: 2025-Jan-21

Time of Search: 10:53:04

Registration Number: 23041800857

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Apr-18

Registration Status: Current

Expiry Date: 2033-Apr-18 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 LOCAL FIRST PROPERTIES USA INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Current

Secured Party / Parties

Block

Status

1 ATB FINANCIAL
SUITE 600, 585-8TH AVENUE, SW
CALGARY, AB T2P 1G1
Email: pprnotices@atb.com

Current

Collateral: General

Block

Description

Status

1 ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY

Current

Search ID #: Z18286617

Business Debtor Search For:

LOCAL FIRST PROPERTIES USA INC.

Search ID #: Z18286617

Date of Search: 2025-Jan-21

Time of Search: 10:53:04

Registration Number: 23041801022

Registration Type: LAND CHARGE

Registration Date: 2023-Apr-18

Registration Status: Current

Registration Term: Infinity

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

Current

1 LOCAL FIRST PROPERTIES USA INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Secured Party / Parties

Block

Status

Current

1 ATB FINANCIAL
SUITE 600, 585-8TH AVENUE, SW
CALGARY, AB T2P 1G1
Email: pprnotices@atb.com

Search ID #: Z18286617

Note:

The following is a list of matches closely approximating your Search Criteria,
which is included for your convenience and protection.

Debtor Name / Address

LOCAL FIRST MEDIA GROUP INC.
304 EDMONTON PL NW
CALGARY, AB T3A 2K2

Reg.#

23022230378

SECURITY AGREEMENT

Debtor Name / Address

LOCAL FIRST MEDIA GROUP INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Reg.#

23041800668

SECURITY AGREEMENT

Debtor Name / Address

LOCAL FIRST MEDIA GROUP INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Reg.#

23041800878

LAND CHARGE

Debtor Name / Address

LOCAL FIRST PROPERTIES INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Reg.#

23041800699

SECURITY AGREEMENT

Debtor Name / Address

LOCAL FIRST PROPERTIES INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Reg.#


23041800891

LAND CHARGE

Result Complete

THIS IS EXHIBIT "28" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.

SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Client Reference: File # 834395

Project Number: 735237

Name Searched	LOCAL FIRST PROPERTIES USA INC.
---------------	---------------------------------

Search Summary

Search Type	Jurisdiction(s)	Jurisdictional Through Date	Results
UCC Liens (Debtor/Active/ Unlapsed)	Delaware Secretary of State	12/16/2024	See Attached

The above information is a representation of data retrieved from the public records of the respective jurisdiction(s). Verification of the files and information contained therein is the sole responsibility of the jurisdictional filing officers. Registered Agent Solutions, Inc. makes no representations, warranties or guarantees as to the accuracy or completeness of such information.

Delaware

Page 1

The First State

CERTIFICATE

SEARCHED JANUARY 21, 2025 AT 2:57 P.M.
FOR DEBTOR, LOCAL FIRST PROPERTIES USA INC.

1 OF 2 FINANCING STATEMENT 20233069126

DEBTOR: EXPIRATION DATE: 04/28/2028
LOCAL FIRST PROPERTIES USA INC.

3000, 700 - 9TH AVENUE SW ADDED 04-28-23
CALGARY, AB CA T2P3V4

SECURED: ATB FINANCIAL

SUITE 600, 585-8TH AVENUE, S.W. ADDED 04-28-23
CALGARY, AB CA T2P1G1

F I L I N G H I S T O R Y

20233069126 FILED 04-28-23 AT 12:29 P.M. FINANCING STATEMENT

2 OF 2 FINANCING STATEMENT 20241044666

DEBTOR: EXPIRATION DATE: 02/15/2029
LOCAL FIRST PROPERTIES USA INC.

251 LITTLE FALLS DR. ADDED 02-15-24
WILMINGTON, DE US 19808



A handwritten signature in black ink, appearing to read "Kristopher E. Knight".

Kristopher E. Knight, Acting Secretary of State

20260302862-UCC11
SR# 20250195589

Authentication: 202738091
Date: 01-21-25

You may verify this certificate online at corp.delaware.gov/authver.shtml

Delaware

Page 2

The First State

SECURED: 7032749 CANADA INC.

23 BOBWHITE CRES

ADDED 02-15-24

TORONTO

TORONTO, ON CA M2L2E2

F I L I N G H I S T O R Y

20241044666 FILED 02-15-24 AT 10:23 P.M. FINANCING STATEMENT

E N D O F F I L I N G H I S T O R Y

THE UNDERSIGNED FILING OFFICER HEREBY CERTIFIES THAT THE ABOVE LISTING IS A RECORD OF ALL PRESENTLY EFFECTIVE FINANCING STATEMENTS, FEDERAL TAX LIENS AND UTILITY SECURITY INSTRUMENTS FILED IN THIS OFFICE WHICH NAME THE ABOVE DEBTOR, LOCAL FIRST PROPERTIES USA INC. AS OF DECEMBER 16, 2024 AT 11:59 P.M.



Kristopher E. Knight, Acting Secretary of State

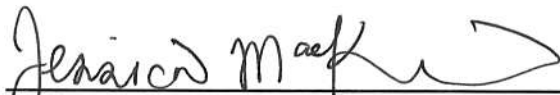
20260302862-UCC11
SR# 20250195589

Authentication: 202738091
Date: 01-21-25

You may verify this certificate online at corp.delaware.gov/authver.shtml

**THIS IS EXHIBIT "29" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Search ID #: Z18286624

Transmitting Party

ELDOR-WAL REGISTRATIONS (1987) LTD.

1200, 10123 99 st NW
EDMONTON, AB T5J 3H1

Party Code: 50073881

Phone #: 780 429 5969

Reference #:

Search ID #: Z18286624

Date of Search: 2025-Jan-21

Time of Search: 10:53:24

Business Debtor Search For:

BROADCAST 2 PODCAST, INC.

Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID #: Z18286624

Business Debtor Search For:

BROADCAST 2 PODCAST, INC.

Search ID #: Z18286624

Date of Search: 2025-Jan-21

Time of Search: 10:53:24

Registration Number: 23041800757

Registration Date: 2023-Apr-18

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2033-Apr-18 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 BROADCAST 2 PODCAST, INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Current

Secured Party / Parties

Block

Status

1 ATB FINANCIAL
SUITE 600, 585-8TH AVENUE, SW
CALGARY, AB T2P 1G1
Email: pprnotices@atb.com

Current

Collateral: General

Block

Description

Status

1 ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY

Current

Search ID #: Z18286624

Business Debtor Search For:

BROADCAST 2 PODCAST, INC.

Search ID #: Z18286624

Date of Search: 2025-Jan-21

Time of Search: 10:53:24

Registration Number: 23041800964

Registration Date: 2023-Apr-18

Registration Type: LAND CHARGE

Registration Status: Current

Registration Term: Infinity

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

Current

1 BROADCAST 2 PODCAST, INC.
3000, 700 - 9TH AVENUE, SW
CALGARY, AB T2P 3V4

Secured Party / Parties

Block

Status

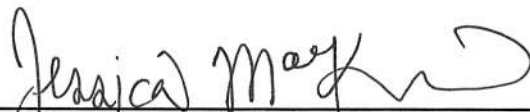
Current

1 ATB FINANCIAL
SUITE 600, 585-8TH AVENUE, SW
CALGARY, AB T2P 1G1
Email: pprnotices@atb.com

Result Complete

**THIS IS EXHIBIT "30" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Client Reference: File # 834395

Project Number: 735237

Name Searched	BROADCAST 2 PODCAST, INC.
---------------	---------------------------

Search Summary

Search Type	Jurisdiction(s)	Jurisdictional Through Date	Results
UCC Liens (Debtor/Active/ Unlapsed)	California Secretary of State	01/14/2025	See Attached

The above information is a representation of data retrieved from the public records of the respective jurisdiction(s). Verification of the files and information contained therein is the sole responsibility of the jurisdictional filing officers. Registered Agent Solutions, Inc. makes no representations, warranties or guarantees as to the accuracy or completeness of such information.



Secretary of State

Business Programs Division

1500 11th Street, Sacramento, CA 95814

REGISTERED AGENT SOLUTIONS, INC.
REGISTERED AGENT SOLUTIONS, INC.
5301 SOUTHWEST PKWY, SUITE 400
STE 400
AUSTIN, TX 78735

Request Date: 01/21/2025 2:09 PM
Information
Request No.: U250104851322
Certification No.: 287188134

LIEN SEARCH CERTIFICATE

The search results herein reflect only the specific information requested. The results of this Debtor search will not reflect variances of this name. If the Debtor is known under other personal names, trade names, business entities, or addresses, separate searches of these names will have to be requested and conducted. The Secretary of State, his officers and agents disclaim any and all liability for claims resulting from other filings on which the name of the Debtor can be found in any other form than which was requested.

Search Criteria:

Debtor Organization: BROADCAST 2 PODCAST
Request Type: Lien Information Request (UCC 11)
Active (Unlapsed Records Only), List Only

Lien Listing

Lien File No.: U230030198024 **Filed: 04/28/2023 09:53 AM** **Lapse: 04/28/2028 11:59 PM**

Lien Type: Financing Statement

Debtor(s): BROADCAST 2 PODCAST, INC., 3000, 700 - 9TH AVENUE SW CANADA

Secured Party(s): ATB FINANCIAL, SUITE 600, 585-8TH AVENUE, S.W. CANADA

Certification No.: 287188134

Page Count: 2

I, Shirley N. Weber, Ph.D., Secretary of State, do hereby certify that the above listing is a record of all presently active financing statements, tax liens, attachment liens and judgment liens, including any change documents relating to them, which name the referenced debtor, subject to any above-stated search qualifiers and are on file in my office as of **01/14/2025 11:59 PM**.




IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California on January 21, 2025.

A handwritten signature in black ink, appearing to read "S. N. Weber", is written over a faint circular watermark that matches the Great Seal of the State of California.

Secretary of State

THIS IS EXHIBIT "31" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.

SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

FORBEARANCE AGREEMENT

THIS FORBEARANCE AGREEMENT (this "**Agreement**") is made this 24th day of November, 2023.

AMONG:

ATB FINANCIAL

(the "**Lender**")

- and -

LOCAL FIRST MEDIA GROUP INC.

- and -

LOCAL FIRST PROPERTIES INC.

(each, a "**Borrower**" and collectively, the "**Borrowers**")

- and -

BTC USA HOLDINGS MANAGEMENT INC.

- and -

LOCAL FIRST PROPERTIES USA INC.

- and -

ALASKA BROADCAST COMMUNICATIONS, INC.

- and -

BROADCAST 2 PODCAST, INC.

- and -

FRONTIER MEDIA LLC¹

(each a "**Guarantor**" and collectively, the "**Guarantors**")

WHEREAS:

- A. The Lender extended credit facilities and related services (collectively, the "**Loans**") to the Borrowers pursuant to a commitment letter dated April 10, 2023 (as amended to the date hereof, the "**Loan Agreement**"). As security for the Loans and for all other present and future indebtedness, fees, expenses and other liabilities direct or indirect, absolute or contingent, due by the Borrowers to the Lender (the "**Borrowers Obligations**"), each Borrower granted certain

¹ Borrowers to provide updated org-chart detailing ownership and structure (including Frontier Media, LLC).

security in favour of the Lender, as more particularly described in **Schedule "A"** (the "**Borrower Security**").

- B. The Loans are in default pursuant to the terms of the Loan Agreement and the Borrower Security. Accordingly: (a) a "Default Event" (under and as defined in the Convertible Debt Subordination Agreement) has occurred; and (b) the Lender may increase each of the interest rates and fees payable under the Loan Agreement by 2.00% (the "**Default Rate**").
- C. In connection with the Loan Agreement, the Guarantors have granted guarantees in favour of the Lender as more particularly described in **Schedule "B"** (the "**Guarantees**").
- D. As security for the obligations owed by each Guarantor to the Lender under, *inter alia*, the Loan Agreement and the Guarantees (collectively, the "**Guarantor Obligations**" and together with the Borrowers Obligations, the "**Obligations**", each Guarantor has granted security in favour of the Lender as more particularly set out in **Schedule "C"** (the "**Guarantor Security**", and together with the Borrower Security, the "**Security**").
- E. The Lender is prepared to forbear from exercising its rights and remedies and to forbear from enforcing the Security, in each case, subject to the terms of this Agreement.
- F. The Borrowers and the Guarantors have agreed to observe all of the provisions of this Agreement.

NOW THEREFORE, in consideration of the foregoing and the mutual covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Lender from the Borrowers and the Guarantors and by the Borrowers and the Guarantors from the Lender, the Lender, the Borrowers and the Guarantors agree as follows:

ARTICLE 1 NO AMENDMENT

- 1.1 Save as expressly provided in this Agreement, nothing in this Agreement is intended to alter, amend, modify or limit the existence or the effectiveness of any agreement between the Lender, the Borrowers and the Guarantors, including, without limitation, the Loan Agreement, the Security, the Guarantees, or any other agreement evidencing the Loans or detailing their terms (collectively, the "**Loan Documents**"). In the event of any conflict between provisions of this Agreement and any provisions of the Security, the provisions of this Agreement shall prevail.
- 1.2 All provisions of the Loan Documents shall continue in full force and effect, save and except as amended by this Agreement and to the extent that any provisions thereof are inconsistent with this Agreement, this Agreement shall prevail.

ARTICLE 2 ACKNOWLEDGMENTS

- 2.1 The Borrowers and the Guarantors each acknowledge and agree in favour of the Lender that:
 - (a) the facts as set out in the recitals and schedules to this Agreement are true and accurate in all respects;
 - (b) the Loan Agreement has been duly and properly executed and is valid, binding, and enforceable in accordance with its terms;

- (c) the Guarantees have been duly and properly executed and are valid, binding and enforceable in accordance with their terms;
 - (d) the Security has been duly and properly executed, is valid, binding and enforceable in accordance with its terms, and secures repayment and performance of all obligations of the Borrowers and the Guarantors to the Lender, including without limitation the Obligations and the Current Loan Indebtedness (as defined below);
 - (e) without limitation, as at the opening of business on October 25, 2023 the aggregate amount of Borrowings under the Loans, together with all accrued interest and pre-payment penalties (if any), was U.S.\$6,770,171.49 but for certainty excluding: (i) the Lender's legal costs and expenses accrued prior to such date, (ii) any interest payable at the Default Rate prior to such date, and (iii) all interest and legal costs and expenses accrued or incurred by the Lender on or after such date (the "**Current Loan Indebtedness**") , as more particularly described in **Schedule "D"**;
 - (f) without limitation, except as provided in this Agreement, the Lender is in a position to enforce the Security and pursue all remedies with respect to the Obligations as it may deem appropriate; and
 - (g) without limitation, except as provided in this Agreement, the Lender (either by itself or through its employees or agents) has made no promises, nor has it taken any action or omitted to take any action, that would constitute a waiver of its rights to enforce the Security and pursue its remedies in respect of the Obligations or that would stop it from so doing.
- 2.2 Each of the Borrowers and the Guarantors acknowledge that the Security has not been discharged, varied, waived or altered (except to the extent set out herein) and that the Security is binding upon each of them and is enforceable in accordance with the terms thereof.
- 2.3 Neither the Borrowers nor the Guarantors dispute in any way their respective liability to repay the Obligations, including the Loans, on any basis, and acknowledge and agree that they have no claims for set-off, counterclaim or damages on any basis whatsoever against the Lender or any of its directors, officers, employees, representatives and agents.

ARTICLE 3 DEFAULTS

- 3.1 The Borrowers have committed certain defaults under the Loan Agreement, including but not limited to:
- (a) the failure to maintain the required financial covenants set forth in Section 10 of the Loan Agreement;
 - (b) the failure to comply with the reporting requirements set forth in Section 9 of the Loan Agreement; and
 - (c) the failure to make scheduled payments of principal or interest to the Lender, or payment of the Lender's legal fees and expenses, in each case, in accordance with the Loan Agreement.

ARTICLE 4 COVENANTS AND AGREEMENTS

- 4.1 Each of the Borrowers and the Guarantors covenants and agrees with the Lender (to the extent applicable to it), as follows:
- (a) none of the Borrowers or the Guarantors will make any payments of principal, interest, fees or costs on account of any Convertible Debt;
 - (b) without limiting the reporting covenants in the Loan Agreement, the Borrowers will provide to the Lender, as soon as possible and in any event by November 30, 2023:
 - (i) with respect to each calendar month commencing with April, 2023 and ending with September, 2023 (inclusive):
 - (A) consolidated unaudited financial statements of the Parent, on an internally prepared basis; and
 - (B) a list of all aged accounts payable and all Accounts Receivable, including all Priority Payables, as at the end of each such month, certified by a senior officer of each Borrower;
 - (ii) with respect to the Fiscal Quarters ending June 30, 2023 and September 30, 2023:
 - (A) consolidated unaudited financial statements of the Parent, on an internally prepared basis;
 - (B) an internally-prepared management and discussion analysis, including detailed variance to budget and historical performance; and
 - (C) a Compliance Certificate; and
 - (iii) an updated cash flow forecast, in form and substance satisfactory to the Lender and the Monitor;
 - (c) provided there is no default under this Agreement or any other Loan Document, the Borrowers shall repay all accrued and unpaid interest under the Loans for the period from April 26, 2023 to June 30, 2023 by way of monthly payments to the Lender in an amount of not less than U.S.\$[41,250], each payable on the last Business Day of each month commencing on November 30, 2023 and ending on February 28, 2024;
 - (d) the Borrowers and Guarantors shall not, at any time, maintain cash in any U.S. domiciled bank accounts in an amount, in the aggregate, greater than U.S.\$50,000;
 - (e) the Parent shall provide regular updates to the Lender with respect to the anticipated disposition of the property more particularly described in **Schedule "E"** (the "**Sitka Property**") (the "**Sitka Transaction**"). Without limiting the foregoing, the Parent shall:
 - (i) provide to the Lender an executed binding letter of intent, in form and substance satisfactory to the Lender, from a prospective purchaser thereof, setting out the terms and conditions of the Sitka Transaction and concurrently therewith evidence satisfactory to the Lender of its receipt of a deposit from such prospective purchaser in an amount of not less

than U.S.\$25,000, in each case no later than December 8, 2023, and (ii) complete the Sitka Transaction giving rise to net proceeds in an amount of not less than U.S.\$550,000 no later than December 31, 2023;

- (f) the Parent shall provide regular updates to the Lender with respect to its anticipated disposition of 100% of the Equity Interests in Local Properties Alberta and 90% of the Equity Interests of Local Properties USA (the "**SkyConnect Transaction**"). Without limiting the foregoing, the Parent shall: (i) provide to the Lender an executed binding letter of intent, in form and substance satisfactory to the Lender from SkyConnect Ltd. ("**SkyConnect**") setting out the terms and conditions of the SkyConnect Transaction and concurrently therewith evidence satisfactory to the Lender of its receipt of a deposit from SkyConnect in an amount of not less than U.S.\$100,000, in each case no later than December 8, 2023, (ii) provide to the Lender evidence, in form and substance satisfactory to the Lender, that SkyConnect has sufficient financing to complete the SkyConnect Transaction no later than December 15, 2023, (iii) provide to the Lender an executed, binding share purchase agreement between the Parent and SkyConnect, in form and substance satisfactory to the Lender, documenting the SkyConnect Transaction no later than January 31, 2024, and (iv) complete the SkyConnect Transaction no later than March 15, 2024;
- (g) without limiting the covenants set forth in Section 4.1(c) above, the Parent shall apply 100% of the net cash proceeds of each of the Sitka Transaction and the SkyConnect Transaction, promptly upon receipt thereof, to repay and satisfy the following amounts comprising the Obligations in the following order: (i) the quarterly principal repayment required to be paid under Facility #2 pursuant to Section 3(c) of the Loan Agreement for the Fiscal Quarter ending December 31, 2023 in an amount of not less than U.S.\$250,000; (ii) all outstanding accrued interest then remaining unpaid under the Loans; and (iii) all fees and expenses then due and owing to Lender under the Loan Documents including, without limitation, all documented fees, charges and expenses of Lender's legal counsel, which for certainty shall include all such fees, charges and expenses incurred in connection with this Agreement and the Loan Documents (collectively, the "**Make Whole Amount**"). The Parent further covenants and agrees with the Lender to deposit the aggregate net proceeds of the Sitka Transaction and the SkyConnect Transaction in excess of the Make Whole Amount (if any), into a segregated blocked account held with the Lender to be applied in accordance with the Loan Agreement; and
- (h) no later than December 8, 2023, the Borrowers shall provide the Lender with a physical appraisal of the property located at 3161 Channel Drive, Juneau, Alaska 99801.

4.2 The Borrowers and the Guarantors covenant and agree to deliver each of the following to the Lender concurrently with their respective execution of this Agreement:

- (a) a Consent Receivership Order in the form attached as **Schedule "G"** to be held in trust by Burnet, Duckworth & Palmer LLP ("**BD&P**") pursuant to the terms of this Agreement (the "**Receivership Order**"); and
- (b) evidence, in form and substance satisfactory to the Lender, that the Borrowers have notified each of the Convertible Debt Lenders of the occurrence of a "Default Event" (under and as defined in the Convertible Debt Subordination Agreement).

4.3 Each of the Borrowers and the Guarantors acknowledges and agrees that:

- (a) the Receivership Order shall be held by BD&P in trust on behalf of the Lender, releasable upon the earlier of: (x) an Event of Default, (y) expiry of the Forbearance Period, or (z) termination of this Agreement, at which time:
 - (i) the Lender or the Lender's agent is hereby authorized by the Borrowers and the Guarantors to fill in all blanks appearing in the Receivership Order as the Lender deems fit, in its sole discretion, and to make such non-material revisions as the Lender may, acting reasonably, seek and as may be approved by the Court, including to add or remove such parties from the style of cause as may be necessary to properly bring an action before the Court; and
 - (ii) the Lender, or the Lender's agent, in its sole discretion, shall, without notice to the Borrowers and the Guarantors in writing, be at liberty to bring an application before the Court in accordance with Section 9.2 hereof (an "**Application**"), and may enter the Receivership Order as soon as convenient thereafter, and the Borrowers and the Guarantors expressly waive the right to: (A) receive any further notice of any Application; or (B) contest any Application or withdraw their consent thereto; and
- (b) the Lender's unfettered and irrevocable right to exercise the relief as set forth in this Section 4.3 is a fundamental and essential term of this Agreement and, but for this Agreement, the Lender would have brought proceedings to enforce the remedies contemplated in this Section 4.3 immediately.

4.4 Each of the Borrowers and the Guarantors covenants and agrees:

- (a) to comply with the terms of the Loan Documents;
- (b) to provide the Lender with immediate notice of any defaults of which the Borrowers or the Guarantors are aware under the Loan Documents;
- (c) that no mediation, bankruptcy, insolvency, debt restructuring, reorganization, readjustment of debt, dissolution, liquidation or other similar proceedings (including, without limitation, proceedings under the *Bankruptcy and Insolvency Act* (Canada), the *Winding-up and Restructuring Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy Code* or other similar federal, provincial or foreign legislation) including, without limitation, the filing of a proposal or plan of arrangement or a notice of intention to file same, or proceedings for the appointment of a trustee, trustee in bankruptcy, interim receiver, receiver, receiver and manager, custodian, guardian, liquidator, provisional liquidator, administrator, sequestrator or other like official with respect to the Borrowers or the Guarantors, or any of them, or all or any substantial part of the assets of any of them, or any similar relief shall be commenced by the Borrowers or the Guarantors without the consent of the Lender; and
- (d) that, without the consent of the Lender, no application seeking or extending any stay of proceedings shall occur, which would, in the assessment of the Lender, to be determined in its absolute discretion acting reasonably, impact the Lender's rights and remedies against the Borrowers or the Guarantors.

ARTICLE 5
APPOINTMENT OF MONITOR

- 5.1 Each of the Borrowers and the Guarantors acknowledges and agrees that the Lender shall be entitled, in its sole discretion, to retain and appoint a monitor (the "**Monitor**") of the Lender's sole and absolute choosing for the purpose of monitoring the business and affairs of the Borrowers including, without limitation, the business, property, contracts, projects, business plans, disposition plans, restructuring plans, refinancing plans and viability of the Borrowers and the Guarantors in accordance with the following:
- (a) the monitoring engagement shall be of such nature as the Monitor shall deem advisable and may include any and all reviews, investigations, analyses, valuations and inspections as considered appropriate by the Monitor for the purpose of enabling the Monitor to conduct a business review and evaluation of the business, property, contracts, projects, business plans, disposition plans, restructuring plans, refinancing plans and viability of the Borrowers, including, without limitation, an assessment of the prospects for the business of the Borrowers, evaluation of the Security (including, without limitation a review and analysis of any encumbrances or charges in relation to any of the property secured by the Security), the valuation of any or all of the property owned or leased by the Borrowers or the Guarantors, an assessment of any reporting documents provided by the Borrowers and the Guarantors as provided by Article 7 hereof, and an assessment of the Borrowers' plans and efforts for restructuring or for the sale or refinancing of all or any of the property of the Borrowers and Guarantors or any portion of the business of the Borrowers and Guarantors;
 - (b) the Monitor shall report to the Lender and make recommendations to the Lender in relation to any matter reviewed, investigated, analyzed, valued and inspected. The Monitor shall make all reasonable efforts to ensure that the information and advice contained in any report to the Lender shall address any requirements of the Lender as to form, substance and timeliness, provided that the Lender shall not be entitled to direct the Monitor with respect to any opinion which may be inserted in any report by the Monitor;
 - (c) the findings, analyses, recommendations and valuations provided by the Monitor (or such other third party as may be appointed pursuant to this Article 5 shall not be binding upon the Lender and the Lender shall be at liberty to disagree with all or any of such findings, analyses, recommendations and valuations or to seek additional or other input, analysis, review, investigation and valuation with respect to any matter referenced in any report of the Monitor to the Lender;
 - (d) any report or document prepared by the Monitor specifically for the Lender shall become the property of the Lender, although copies may at the option of the Lender be released to the Borrowers. The Monitor may in its discretion provide any draft factual portions of a report (as opposed to conclusions or recommendations) to the Borrowers for their review prior to submission to the Lender. The Monitor may ask the Borrowers to confirm that the facts as stated are accurate in all material respects and that the Borrowers are not aware of any material matters that have been excluded. The Borrowers shall respond to the draft documentation within 48 hours of such documentation being provided to the Borrowers. The Monitor is, however, under no obligation to change any report as a result of any comment or response of the Borrowers (or as a result of the failure of the Borrowers to provide a comment or response). Any reports prepared by the Monitor shall not be

delivered by the Borrowers, in whole or in part, or disclosed by the Borrowers, in whole or in part, to any third party without the Monitor's prior written consent;

- (e) the Monitor is authorized with the prior approval of the Lender to employ such agents, consultants, firms, employees, advisors and monitors including legal and professional advisors as it may in its discretion consider appropriate to carry out its mandate hereunder;
- (f) the Borrowers shall promptly pay the Monitor for the services rendered by it and the disbursements incurred by it on a full indemnity basis. If the Borrowers do not pay any account of the Monitor pursuant to this Agreement, the Lender is entitled to pay such account and any such payment shall constitute an addition to the Current Loan Indebtedness, the specific allocation of which shall be in the absolute discretion of the Lender and shall be secured by the Security and guaranteed by the Guarantees;
- (g) the Monitor is not the agent of the Lender by this Agreement;
- (h) the Borrowers shall not be entitled to dictate to the Lender or the Monitor the means by which the Monitor carries on its duties hereunder;
- (i) the Monitor shall discharge its duties in a professional manner and it is acknowledged and agreed that the Monitor shall act only as a monitor in accordance with this Agreement and has no decision making responsibility or managerial authority over the affairs of the Borrowers;
- (j) the Monitor shall not take possession or be deemed to be in possession of any of the property of the Borrowers; and
- (k) each of the Borrowers acknowledges that it remains solely responsible for the management, direction and conduct of its business and affairs and agrees that it will not hold out to any person that the Lender or the Monitor is responsible for the management, direction or conduct of its business and affairs.

5.2 The Borrowers and the Guarantors irrevocably agree to promptly:

- (a) provide the Monitor full and unrestricted access to all lands and buildings whether owned by the Borrowers, leased by or to the Borrowers or on which the Borrowers otherwise carry on business or businesses;
- (b) provide to the Monitor all computer records, electronic transmissions, books, records, account documents, including financial statements, supporting notes, analyses, working papers and related documents requested by the Monitor;
- (c) provide to the Monitor any information which it requests and to instruct its financial advisors, joint venturers, employees, agents, accountants, auditors, consultants, customers, insurers and insurance adjusters to supply any such information;
- (d) provide to the Monitor any information, communications and documentation which has been communicated to or released by the Borrowers to any other creditor or creditors, which communications and information are to be provided to the Monitor in a prompt and comprehensive manner;

- (e) report to the Monitor in a prompt and comprehensive manner any and all communications and information received from any other creditor or creditors to the Borrowers from time to time and to provide, concurrent therewith any and all relevant documentation received by the Borrowers in connection with such communications or information;
- (f) make available to the Monitor for inspection all purchase and sale agreements, contracts, documents, records, inventory and equipment;
- (g) provide to the Monitor any information necessary to assist the Monitor in locating inventory or equipment of the Borrowers and the Guarantors, whether owned or leased, and to instruct any person in the possession of such inventory or equipment to grant to the Monitor access to such inventory or equipment and to the premises upon which such inventory or equipment is located so as to facilitate the discharge of the Monitor's duties hereunder;
- (h) cooperate with the Monitor in every way to facilitate the discharge of the Monitor's duties hereunder and not to withhold any information which may be relevant to the Monitor's review;
- (i) provide to the Monitor all information, including supporting documentation with respect to contracts, insurance claims, revenues, expenses, accounts receivable and the collection thereof and payables;
- (j) report to the Monitor on a bi-weekly or more frequent basis, in the discretion of the Monitor, with respect to all efforts (and the results of all efforts) in relation to attempts by or on behalf of the Borrowers to solicit interest from persons to:
 - (i) acquire all or any of the shares of the Borrowers;
 - (ii) acquire all or any portion of the business or assets of the Borrowers;
 - (iii) provide financing to repay the Obligations in full; or
 - (iv) inject capital by way of equity, loan or otherwise in favour of the Borrowers;
- (k) provide to the Monitor in a prompt and timely manner, copies of all documentation in the possession or control of the Borrowers with respect to the efforts set out herein at paragraph 5.2(j), including, without limitation, confidential information memoranda, teasers, control sheets, offers, letters of intent or other related documentation;
- (l) execute a revised or supplemental standard form engagement letter of the Monitor (or any consent thereto) if requested to do so by the Monitor;
- (m) authorize any restructuring officer and any monitor or Trustee (appointed in any CCAA (defined below) or proposal proceedings) to provide full, prompt and complete disclosure to the Monitor of any and all information and documentation in their respective possession or control which information and documentation is requested by the Monitor in respect of the Borrowers or any of their respective business, affairs, property and restructuring, refinancing or liquidation efforts; and

- (n) report to the Monitor on a daily basis all receipts, deposits, and all cash balances in all accounts of the Borrowers with financial institutions.

5.3 The Monitor shall be entitled to, without consultation or authorization from the Borrowers:

- (a) disclose and communicate to the Lender, its agents or employees and professional advisors any confidential or other information or knowledge that the Monitor may acquire in its review;
- (b) disclose and communicate any confidential or other information or knowledge concerning the affairs or operations of the Borrowers to the Monitor's employees, agents, consultants and professional advisors;
- (c) copy any document which may come into the Monitor's possession and the Monitor shall not be required to return or otherwise account to the Borrowers for any copies made and the Monitor shall be at liberty to provide copies to the Lender; and
- (d) use such methods and techniques as the Monitor considers reasonably necessary to carry out its duties hereunder including, without limitation:
 - (i) contacting the Borrowers, customers, partners, joint venturers, suppliers, purchasers, contractors, subcontractors, bonding companies, insurers, and others to confirm the status of contracts, negotiations, receivables, and other similar matters; and
 - (ii) contacting creditors or other persons with claims to confirm the status of accounts.

5.4 The Borrowers and the Guarantors release and indemnify the Monitor and its officers, directors, agents, consultants, servants and employees from any and all claims (save for claims arising as a result of gross negligence or willful misconduct) that the Borrowers and the Guarantors may have or acquire against the Monitor as the result of any steps taken and any methods and techniques employed in accordance with this Agreement, notwithstanding that such steps, methods or techniques may have an adverse impact on the reputation of the Borrowers in the business community.

5.5 The Borrowers and the Guarantors agree that:

- (a) the Monitor may be appointed monitor, receiver, receiver/manager or trustee of the Borrowers all in the Lender's discretion notwithstanding its appointment as Monitor;
- (b) the assignment of the Monitor in accordance with this Agreement shall not be performed to audit standards;
- (c) the terms of this Agreement so far as they concern the Monitor may (in the discretion of the Lender) be read in supplement to any prior engagement letter between the Lender and the Monitor; and
- (d) the Monitor will make all reasonable efforts to conduct and fulfill its duties in coordination with the Borrowers' financial advisors.

ARTICLE 6
DISCRETION OF LENDER

- 6.1 The Lender is not acting in a fiduciary capacity with respect to the Borrowers or the Guarantors. Any exercise of any discretion by or on behalf of the Lender shall be final and binding upon the Borrowers and the Guarantors and may be exercised by the Lender in its best interests, without regard to the interests of the Borrowers or the Guarantors.

ARTICLE 7
REPAYMENT OF OBLIGATIONS & CONTINUED AVAILABILITY OF LOANS

- 7.1 Subject to the terms of this Agreement, the Lender will continue to make the Loans available to the Borrowers until 5:00pm Calgary time on February 15, 2024 (the "**Forbearance Period**"), which Forbearance Period may be extended on the written agreement of the Lender (acting in its sole discretion), the Borrowers and the Guarantors; provided that the Borrowers and the Guarantors shall comply with each and every covenant set out in:
- (a) this Agreement;
 - (b) the Loan Agreement;
 - (c) the Guarantees; and
 - (d) the Security.
- 7.2 Each of the Guarantors hereby undertakes and guarantees that any payments required to bring the outstanding amount under the Loans in compliance with paragraph 7.1 herein shall be made.

ARTICLE 8
REPORTING, ACCESS TO INFORMATION, RETENTION OF CONSULTANTS

- 8.1 The Borrowers and the Guarantors covenant and agree to provide to the Lender any and all information concerning their business, trade, operations, finances and any matters relating thereto or in any way connected therewith (other than what may be subject to rules of privilege), as the Lender may request.
- 8.2 The Borrowers and the Guarantors agree to allow the Lender and its agents access to any of its premises or real property for the purpose of observing, verifying, cataloguing or otherwise recording the nature, extent, location, ownership and any other relevant aspect of their property and operations, and the collateral subject to the Security, forthwith upon request by the Lender for such access by the Lender or its agents.
- 8.3 The Borrowers and the Guarantors agree and acknowledge that the Lender is at liberty to engage such professional advisors, or other individuals or entities as the Lender's agents as the Lender may determine necessary or desirable, in its sole discretion.
- 8.4 The Borrowers and the Guarantors acknowledge and agree that they will be liable for the payment of the reasonable fees, disbursements and costs of any agents engaged by the Lender incurred at their standard rates and charges.

- 8.5 Notwithstanding the foregoing, the Borrowers and the Guarantors agree that the Lender may pay the reasonable fees, disbursements, and costs of the Lender's agents incurred at their standard rates and charges, and thereafter debit the Borrowers' accounts with the Lender, thereby increasing the Obligations by the amount of such fees, disbursements and costs, and all such amounts will be added to the aggregate Obligations of the Borrowers, and will be subject to the Security and the Loan Agreement.

ARTICLE 9 EVENTS OF DEFAULT

- 9.1 Each of the following shall constitute an event of default (an "**Event of Default**") under the terms of this Agreement:
- (a) if the Borrowers or the Guarantors, or any of them, further default under the Loan Agreement or under the Security, unless such default is cured within five (5) Business Days following its occurrence; or
 - (b) if the Borrowers or the Guarantors, or any of them, fail to perform or comply with any of their covenants or obligations contained in this Agreement or in any other agreement or undertaking made between the Borrowers or the Guarantors and the Lender.
- 9.2 If an Event of Default occurs, and notwithstanding any other provision hereof, each of the Borrowers and the Guarantors acknowledges and agrees that the Lender may immediately proceed to enforce any or all of its rights and remedies, including without limitation the Security, and each of the Borrowers and the Guarantors acknowledges and agrees that the Lender may take whatever steps it deems necessary or advisable to enforce the Security including, without limitation, the filing of the Receivership Order granted pursuant to the terms of this Agreement as permitted by law.

ARTICLE 10 FORBEARANCE

- 10.1 The forbearance of the Lender's rights pursuant to this Agreement shall remain in full force and effect until the occurrence of the earlier of any of the following events:
- (a) an Event of Default, including the non-performance of any obligation of the Borrowers or the Guarantors under any agreement with the Lender including, but not limited to, the Loan Agreement, the Security or this Agreement; or
 - (b) the expiry of the Forbearance Period.

ARTICLE 11 RELEASE

- 11.1 Each of the Borrowers and the Guarantors hereby:
- (a) releases and forever discharges the Lender and its affiliates, and their directors, officers, servants, agents, consultants, shareholders, assigns, insurers, predecessors and successors (collectively, the "**Releasees**"), of and from any and all manner of actions, causes of actions, suits, contracts, claims, demands, damages, costs and expenses of any nature or kind whatsoever, whether known or unknown, suspected or unsuspected whether at law or in equity, which any one or more of the Borrowers or the Guarantors ever had or now has

or hereafter can, shall or may have or by reason of any cause, matter or thing whatsoever existing up to the present time and relating, whether directly or indirectly, to the Obligations or the Security or any errors or omissions of any of the Releasees with regard thereto;

- (b) waives against each of the Releasees, any defence which they may have existing up to the present time to any present or future legal action or other enforcement brought by the Lender to collect the Obligations or enforce or realize upon the Security, whether said defence arises (and expressed through counterclaim, defence, or otherwise), by reason of any cause, matter, error, omission, neglect or thing caused or done, whether direct or indirect, by any of the Releasees existing as at the date of this Agreement and relating to or arising, whether directly or indirectly, from the Obligations or the Security; and
- (c) acknowledges that the Lender has not waived any of its rights in respect of the Events of Defaults, as defined in the Loan Agreement, and expressly reserve its rights to rely on the Events of Defaults upon the occurrence of an Event of Default.

ARTICLE 12 NOTICE

- 12.1 Without prejudice to any other method of giving notice, any notice required or permitted to be given to a party pursuant to this Agreement or in connection with the exercise of any of the Lender's rights under this Agreement, the Loan Agreement or the Security, including, but not limited to, the service of any court documents, including commencement documents pursuant to Part 11 of the *Alberta Rules of Court*, shall be conclusively deemed to be sufficient service of such documents and to have been received by such party on the next business day following the sending of the notice by prepaid private courier or on the same business day if sent by electronic mail or facsimile to such party at its email address or facsimile number as set out in this section. Any party may change its address for service by notice in the foregoing manner. The address, email and facsimile numbers for the parties are as follows:

- (a) for the Borrowers and the Guarantors:

Local First Media Group Inc. and Local First Properties Inc.
c/o 3000, 700 – 9th Avenue S.W.
Calgary, Alberta T2P 3V4

Attention: Bryan Woodruff, President
Email: bwoodruff@localfirstmediagroup.com

- (b) each with a copy to:

Miller Thompson LLP
3000, 700 – 9th Avenue S.W.
Calgary, Alberta T2P 3V4

Attention: Wayne Logan
Email: wlogan@millerthomson.com

- (c) for the Lender:

ATB Financial
Suite 600, 585 – 8th Avenue S.W.
Calgary, Alberta T2P 1G1

Attention: Shawn Bunnin, Senior Director
Email: sbunnin@atb.com

(d) with a copy to:

Burnet, Duckworth & Palmer LLP
2400, 525 – 8th Avenue SW
Calgary, AB T2P 1G1

Attention: David LeGeyt / Simina Ionescu-Mocanu
Email: dlegeyt@bdplaw.com / sionescu@bdplaw.com

- 13.2 The parties are entitled to rely upon the accuracy of the names, addresses, email addresses and fax numbers set out herein unless and until notice of change is received by each party.

ARTICLE 13 MISCELLANEOUS

- 13.1 **Waiver of Confidentiality.** Each of the Borrowers and the Guarantors waives its rights to Lender confidentiality in respect of all communications the Lender has in favour of, and hereby authorize the Lender, and its agents to, communicate with any shareholders, guarantors, advisors, agents, creditors, suppliers, parties interested in providing financing to or purchasing the assets of the Borrowers or the Guarantors, parties interested in purchasing the Security and/or Obligations and any professionals retained by any of the foregoing parties (collectively, the "**Borrowers' Stakeholders**"), and each of the Borrowers or the Guarantors shall provide such waivers and consents as may be required to ensure that any such Borrowers' Stakeholders can fully and frankly discuss with the Lender all matters touching on its relationship with the Borrowers or the Guarantors.
- 13.2 **Independence.** Each of the Borrowers and the Guarantors hereby acknowledges and agrees that the implementation and performance of this Agreement is to facilitate the Lender's management of the Lender's financial risk and to facilitate the Borrowers' and the Guarantors' efforts to retire the Obligations and does not constitute any form of management or control over either or any of their assets or operations.
- 13.3 **Further Acts.** Each of the Borrowers and the Guarantors agrees to promptly do, make, execute and deliver all such further acts, documents and instruments as the Lender may reasonably require to allow the Lender to enforce any of its rights under this Agreement and to give effect to the intention of this Agreement.
- 13.4 **Binding Effect.** Each of the Borrowers and the Guarantors represents and warrants that the execution and delivery of this Agreement and any document contemplated by this Agreement has been duly authorized and all corporate and other approvals and resolutions have been obtained prior to the execution and delivery of this Agreement and any document contemplated by this Agreement

for the purpose of ensuring that this Agreement and any such document is valid, effective and binding upon each of the Borrowers and the Guarantors.

- 13.5 **Entire Agreement.** This Agreement constitutes the entire agreement of the parties relating to the subject matter hereof and may not be amended or modified except by written consent executed by all parties. There are no representations, warranties or undertakings between the parties hereto with respect to the subject matter hereof other than as set out in this Agreement (and the Security and other Loan Documents).
- 13.6 **Costs of Preparation.** The Borrowers covenant and agree that this Agreement shall be subject to documentation by the Lender's legal counsel, all costs of which shall be for the account of the Borrowers.
- 13.7 **Legal Costs.** Each of the Borrowers and the Guarantors agrees that all legal costs on a solicitor and his own client full indemnity basis incurred by the Lender with respect to its dealings with the Borrowers and the Guarantors shall comprise part of the Obligations and are secured by the Security and guaranteed by the Guarantees.
- 13.8 **Independent Legal Advice.** Each of the Borrowers and the Guarantors agrees that they have either reviewed this Agreement with legal counsel and/or has had the opportunity to review this Agreement with legal counsel and has chosen not to do so.
- 13.9 **Time of the Essence.** The Borrowers acknowledge that time is of the essence in this Agreement. The term "business day" in this Agreement means a day which is not a Saturday, Sunday or other statutory holiday in the Province of Alberta. In the event that any action, step or proceeding contemplated by this Agreement is scheduled to occur on a day which is not a business day, then the action or step or proceeding shall instead be required to occur on the next following business day.
- 13.10 **Governing Law.** This Agreement shall be governed by the laws of the Province of Alberta and the laws of Canada applicable therein. The parties attorn to the non-exclusive jurisdiction of the courts of the Province of Alberta, Judicial Centre of Calgary, with respect to the enforcement and interpretation of this Agreement, the Loan Agreement and the Security.
- 13.11 **Judicial Centre.** Each of the Borrowers and the Guarantors acknowledges and agrees that any action commenced by the Lender in respect of the Borrowers or the Guarantors, or any of them, may be started and carried on in the judicial center of Calgary, Alberta. The Borrowers and the Guarantors hereby waive any right to apply to transfer any judicial proceedings to another jurisdiction.
- 13.12 **Currency.** All references in this Agreement to currency are to Canadian currency unless expressly stated otherwise.
- 13.13 **Severability.** If any provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect:
- (a) the legality, validity or enforceability of the remaining provisions of this Agreement; or
 - (b) the legality, validity or enforceability of that provision in any other jurisdiction.

- 13.14 **Interpretation.** Words importing singular number only shall include the plural and vice versa. Words importing the neuter gender "**it**" shall include the feminine and masculine genders and words importing persons shall include corporations, partnerships, syndicates, trusts and any number or aggregate of persons. Capitalized terms not otherwise defined in this Agreement have the meaning set forth in the Schedules hereto, the Loan Agreement or the Security.
- 13.15 **Headings.** The headings contained in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.
- 13.16 **Assignment.** This Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors and assigns.
- 13.17 **Effective Date.** This Agreement shall be deemed effective as of the date first written above.
- 13.18 **Further Costs.** If the Borrowers or the Guarantors fail to perform any of their covenants or agreements hereunder, the Lender may itself, but shall not be obliged to, perform or cause to be performed the same and all reasonable expenses incurred or payments made by the Lender in so doing shall be paid by the Borrowers or the Guarantors to the Lender forthwith upon demand. Any such expenses or payments remaining unpaid after demand shall bear interest at the rates agreed to pursuant to the Loan Agreement from the date such expense or payment was incurred or made by the Lender until paid and shall be added to the Obligations and secured by the Security.
- 13.19 **Execution.** This Agreement may be executed in counterparts and such counterparts together shall be deemed to be an original and shall constitute a single instrument. Notwithstanding the date of execution, such counterparts shall be deemed to bear a date as of the date of this Agreement. Delivery of an executed counterpart of this Agreement by electronic means, including, without limitation, by facsimile transmission or by electronic delivery in portable document format (.pdf) or tagged image file format (.tif), shall be equally effective as delivery of a manually executed counterpart hereof. Any party delivering an executed counterpart of this Agreement by electronic means shall also deliver a manually executed counterpart hereof by mail or courier upon demand.

[Remainder of page intentionally left blank, signature page follows]

IN WITNESS WHEREOF, this Agreement has been executed and delivered by the parties hereto.

LOCAL FIRST MEDIA GROUP INC.

Per:



(Signature of Authorized Representative)

Name: Bryan Woodruff
Title: CEO

LOCAL FIRST PROPERTIES INC.

Per:



(Signature of Authorized Representative)

Name: Bryan Woodruff
Title: President

ATB FINANCIAL

Per: _____

Name: _____
Title: _____

Each Guarantor hereby acknowledges receiving all information and advice that they require, including legal advice, related to this Agreement and, in this regard: (i) acknowledge receiving valuable consideration (the adequacy and sufficiency of which is specifically acknowledged) for their obligations hereunder; (ii) acknowledge and consent to this Agreement; (iii) agree to be bound by the provisions of this Agreement; and (iv) agree that if the Lender fails to insist upon strict performance or observance of the requirements of its rights set forth in this Agreement, or waives or amends any such requirements, such action shall not prejudice the Lender's rights under any or all of the guarantee and security arrangements granted by each of the undersigned in favour of the Lender.

BTC USA HOLDINGS MANAGEMENT INC.

Per:



Name: Cliff Dumas
Title: President

LOCAL FIRST PROPERTIES USA INC.

Per:



(Signature of Authorized Representative)

Name: _____
Title: _____

ALASKA BROADCAST COMMUNICATIONS, INC.

Per:



Name: Cliff Dumas
Title: President

BROADCAST 2 PODCAST, INC.

Per:



Name: Cliff Dumas
Title: President

FRONTIER MEDIA LLCPer: 

Name: Cliff Dumas

Title: President

SCHEDULE "A"
BORROWER SECURITY

1. General Security Agreement dated April 26, 2023 granted by Local First Media Group Inc. in favour of ATB Financial.
2. General Security Agreement dated April 26, 2023 granted by Local First Properties Inc. in favour of ATB Financial.
3. Pledge Agreement dated April 26, 2023, granted by Local First Media Group Inc. in favour of ATB Financial.

SCHEDULE "B"
GUARANTEES

1. Continuing Guarantee dated April 26, 2023 granted by Alaska Broadcast Communications, Inc. in favour of ATB Financial.
2. Continuing Guarantee dated April 26, 2023 granted by BTC USA Holdings Management Inc. in favour of ATB Financial.
3. Continuing Guarantee dated April 26, 2023 granted by Local First Properties USA Inc. in favour of ATB Financial.
4. Limited Recourse Guarantee dated April 26, 2023 granted by Broadcast 2 Podcast, Inc. in favour of ATB Financial.

[NTD: Guarantee from Frontier Media, LLC to be added]

SCHEDULE "C"
GUARANTOR SECURITY

1. Pledge Agreement dated April 26, 2023, granted by Broadcast 2 Podcast, Inc. in favour of ATB Financial.
2. Security Agreement dated April 26, 2023, granted by Alaska Broadcast Communications, Inc. in favour of ATB Financial.
3. Security Agreement dated April 26, 2023, granted by BTC USA Holdings Management Inc. in favour of ATB Financial.
4. Security Agreement dated April 26, 2023, granted by Local First Properties USA Inc. in favour of ATB Financial.
5. Deed of Trust dated April 26, 2023, granted by Local First Properties USA Inc. in favour of ATB Financial with respect to the property legally described as follows:

PARCEL 1:

Part of U.S. Survey No. 1075, Juneau Recording District, First Judicial District, State of Alaska, described as:

BEGIN at the Southwest Comer of Tract 2, land accreted to U.S. Survey No. 1075, established by Survey in 1971, said point bearing N 40° 57' 17" W, a distance of 846.37 feet from a point known as Meander Comer Number 1 on U.S. Survey No. 1075; thence N 5° 52' 30" W 138.73 feet; thence N 50° 55' 15" E 112.30 feet to the South Right-of-Way Line of the "Glacier Expressway Highway"; thence along the South Right-of-Way Line Easterly along a curve to the left (radius = 5,829.58 feet) having a long chord bearing S 36° 07' 43" E 79.00 feet; thence N 35° 44' 17" E 28.00 feet; thence Easterly along a curve to the left (radius = 5,801.58 feet) having a long chord bearing S 34° 29' 05" E 253.13 feet; thence S 33° 14' 17" W 41.80 feet; thence S 88° 53' 00" W 339.26 feet to the POINT OF BEGINNING

AND

Part of U.S. Survey No. 1075 and adjoining said U.S. Survey No. 1075, Juneau Recording District, First Judicial District, State of Alaska, described as:

BEGIN on the Westerly Line of Glacier Highway N 0° 52' W 159.27 feet from Bureau of Public Roads Highway Monument with a Brass Cap stamped P.O.S.T. 136+58. 19 feet, run thence S 88° 53' W 263.39 feet; thence N 44° 45' W 172.47 feet; thence N 88° 53' E 386.71 feet to the Westerly Line of said highway; thence Southerly on said highway line, 125.00 feet, more or less, to the POINT OF BEGINNING

EXCEPT THEREFROM that part taken by the State of Alaska in case No. 72-163 of the Superior Court in Juneau.

PARCEL 2:

Lot 7, Block 27, U.S. Survey 437, Ketchikan Recording District, First Judicial District, State of Alaska,

EXCEPTING THEREFROM: The portion thereof conveyed to the State of Alaska by Warranty Deed recorded May 11, 1972 in Volume 41 of Deeds at Page 235

AND

That portion of Lot 6, Block 27, U.S. Survey 437, Ketchikan Recording District, First Judicial District, State of Alaska, described as follows:

Beginning at a point 80 feet westerly along East Street from the southeast corner of Block 27, U.S. Survey 437, thence S.33°57'W 208.14 feet, thence N. 40°50' W. 66.10 feet, thence N.

19°15' W. 88.21 feet, thence N. 61 °20' E. 68.25 feet, thence N. 46°52' E. 24.40 feet, thence N. 33°57' E. 64.74 feet, thence S. 49°07' E. 99.50 feet to point of beginning.

EXCEPTING THEREFROM: That portion thereof conveyed to John Danielson et ux by Quitclaim Deed recorded July20, 1966 in Volume 26 of Deeds at Page 170

PARCEL 3:

Lot 1, SITKA BROADCASTERS SUBDIVISION, according to the Plat thereof filed September 8, 1980 as Plat No. 80-6, Sitka Recording District, First Judicial District, State of Alaska

6. Deed of Trust dated April 26, 2023, granted by Local First Properties USA Inc. in favour of ATB Financial with respect to the property legally described as follows:

TRACT ONE:

The South 10.8 feet of Lot Numbered Two (2), all of Lots Numbered Three (3) and Four (4) in Block Numbered Forty-eight (48) of TRIGGS ADDITION to the City of Texarkana, Bowie County, Texas; said Addition also being known as the Original City of Texarkana, Bowie County, Texas.

TRACT TWO:

All that certain tract or parcel of land being a part of the NANCY DYCUS HEADRIGHT SURVEY, A-145, Bowie County, Texas and being all of a 8.491 acre tract (Tract No. 3) as described in Warranty Deed from KATQ Radio, Inc. to Sandra A. May dated June 29, 2000, recorded in Volume 3291, Page 83 of the Real Property Records of Bowie County, Texas; and being part of a 305.7 acre tract as described in Correction Deed from Dan S. Dillon and Gretchen M. Dillon to E.B. Levee, Jr., recorded in Volume 323, Page 372 of the Deed Records of Bowie County, Texas and being more particularly described as follows:

BEGINNING at a found 1" iron pipe for corner at an existing fence corner at the Northwest corner of the above described 8.491 acre tract of land;

THENCE: N 88 deg. 59 min. 17 sec. E, along an existing fence line, same being the North boundary line of the above described 8.491 acre tract, 658.23 feet to a found 1" iron pipe for corner at an existing fence corner on the West boundary line of Village North Fifth

Addition to the City of Wake Village, Bowie County, Texas, according to the map or plat recorded in Volume 730, Page 758 of the Real Property Records of Bowie County, Texas;

THENCE: S 00 deg. 11 min. 06 sec. E, along an existing fence line, same being the East boundary line of the above described 8.491acre tract, same being the West boundary line of said Village North Fifth Addition, 560.86 feet to a found 1" iron pipe for corner at an existing fence corner;

THENCE: S 89 deg. 59 min. 45 sec. W, along an existing fence line, same being the most Northerly South boundary line of the above described 8.49 acre tract, same being the most Westerly North boundary line of said Village North Fifth Addition, 610.64 feet to a found 1" iron pipe for corner;

THENCE: S 00 deg. 51 min. 38 sec. E, with the most Southerly East boundary line of the above described 8.491 acre tract, same being the most Southerly West boundary line of said Village North Fifth Addition, passing at 140.45 feet a found 1/2" rebar on the North right-of-way line of Brown Drive and continuing a total distance of 165.19 feet to a set 60D nail for corner;

THENCE: N 90 deg. 00 min. 00 sec. W, with the centerline of Brown Drive, same being the most Southerly South boundary line of the above described 8.491acre tract, 41.57 feet to a set 60D nail for corner;

THENCE: N 00 deg. 49 min. 07 sec. W, with the West boundary line of the above described 8.491acre tract, passing at 44.26 feet a found 1/2" rebar and continuing a total distance of 714.53 feet to the POINT OF BEGINNING and containing 8.5058 acres of land, more or less.

SAVE AND EXCEPT from the above described Tract 2, the following tract or parcel of land:

All that certain parcel or tract of land located in the extreme Southeast corner of the 8.5058 acre tract of land in the Nancy Dycus Headright Survey, A-145, Bowie County, Texas, owned by ArkLaTex, LLC, recorded as Tract 3 in Volume 3620, Page 93 of the Real Property Records of Bowie County, Texas, and more particularly described as follows:

BEGINNING at the Southeast corner of said 8.5058 acre tract at a found iron pipe, also being on the North boundary line of Lot 12, Block 9 of the Village North Fifth Addition, City of Wake Village, Bowie County, Texas, according to the map or plat recorded in Volume 730, Page 758 of the Real Property Records of Bowie County, Texas;

THENCE: West with the South boundary line of 8.5058 acre tract and the North boundary lien of said Lot 12, 40 feet to the Northwest corner of Lot 12 and the Northeast corner of Lot 13, said Block and Addition, iron pipe found, continuing West with North boundary line of Lot 13 of said Block and Addition, in all 135 feet to the Northwest corner of Lot 13, said Block and Addition, iron pipe found;

THENCE: North 45 feet to an iron pipe for corner;

THENCE: East 135 feet to East boundary line of 8.5058 acre tract and West boundary line of said Village North Fifth Addition to an iron pipe;

THENCE: South 45 feet to the POINT OF BEGINNING, being the same tract of land conveyed by ArkLaTex, LLC to Herchel E. Lynch and Tommie S. Lynch by Warranty Deed dated May 8, 2003, recorded in Volume 3982, Page 258, Real Property Records of Bowie County, Texas.

TRACT THREE:

All that certain tract or parcel of land being a part of the JACOB CARSNER HEADRIGHT SURVEY, A-116, Bowie County, Texas and being all of a called 10 acre tract (Tract No. 2) as described in Warranty Deed from KATQ Radio, Inc. to Sandra A. May dated June 29, 2000, recorded in Volume 3291, Page 83 of the Real Property Records of Bowie County, Texas; same being the West ten (10) acres of the North One-half (N1/2) of Block Lettered "Z" of the subdivision of the Jacob Carsner Headright Survey, Bowie County, Texas, and being more particularly described as follows:

BEGINNING at a set 5/8" rebar for corner at the Northwest corner of the above described 10 acre tract of land same being the Northwest corner of Block Lettered "Z" of the subdivision of the Jacob Carsner Headright Survey, Bowie County, Texas, 635.00 feet to a set 5/8" rebar for corner on the West right-of-way line of South Oak Street;

THENCE: S 00 deg. 00 min. 00 sec. E, with the West right-of-way line of South Oak Street, 655.78 feet to a set 5/8" rebar for corner;

THENCE: S 89 deg. 34 min. 00 sec. W, with the South boundary line of the N-1/2 of Block Lettered "Z" of the subdivision of the Jacob Carsner Headright Survey, Bowie County, Texas, 635.00 feet to a set 5/8" rebar for corner on the West boundary line of the above described Block Lettered "Z";

THENCE: N 00 deg. 00 min. 00 sec. E, with the West boundary line of Block Lettered "Z" of the subdivision of the Jacob Carsner Headright Survey, Bowie County, Texas, 655.78 feet to the POINT OF BEGINNING, containing 9.5594 acres of land, more or less.

7. Deed of Trust dated April 26, 2023, granted by Alaska Broadcast Communications, Inc. in favour of ATB Financial with respect to the property legally described as follows:

PARCEL 4:

Tract II, Subdivision of Fraction of U.S. Survey No. 1361, according to Plat No. 269, Juneau Recording District, First Judicial District, State of Alaska.

[NTD: Security from Frontier Media, LLC to be added]

SCHEDULE "D"
CURRENT LOAN INDEBTEDNESS

Facility	Principal	Interest	Amount Outstanding
Facility #2 – Non- Revolving Reducing Term Facility	U.S.\$6,413,076.86	U.S.\$357,094.63	U.S.\$6,770,171.49
(each a "Facility" and collectively, the "Facilities")			

Total: U.S.\$6,770,171.49

(as of October 25, 2023, excluding (i)
the Lender's legal costs and expenses
accrued prior to such date, and (ii) any
interest payable at the Default Rate
prior to such date,)

SCHEDULE "E"
SITKA PROPERTY

PARCEL 3:

Lot 1, SITKA BROADCASTERS SUBDIVISION, according to the Plat thereof filed September 8, 1980 as Plat No. 80-6, Sitka Recording District, First Judicial District, State of Alaska.

SCHEDULE "F"
SKYCONNECT NON-BINDING LETTER OF INTEREST

See Attached

SCHEDULE "G"
CONSENT RECEIVERSHIP ORDER

See Attached

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

Calgary

APPLICANT

ATB FINANCIAL

RESPONDENT(S)

LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., FRONTIER MEDIA LLC and BROADCAST 2 PODCAST, INC.

DOCUMENT

RECEIVERSHIP ORDER

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

Burnet, Duckworth & Palmer LLP
2400, 525 – 8 Avenue SW
Calgary, Alberta T2P 1G1
Lawyer: David LeGeyt
Phone Number: (403) 260-0120
Fax Number: (403) 260-0332
Email Address: dlegeyt@bdplaw.com
File No. 38795-2829

DATE ON WHICH ORDER WAS PRONOUNCED: [Click to Enter a Date](#)

LOCATION OF HEARING: **Calgary Courts Centre, Calgary, Alberta**

NAME OF JUSTICE WHO GRANTED THIS ORDER:

UPON the application of ATB FINANCIAL in respect of LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC, FRONTIER MEDIA LLC and BROADCAST 2 PODCAST, INC. (collectively, the "**Debtors**"); AND UPON having read the Application, the Affidavit of _____, sworn _____, 202__; filed; AND UPON reading the consent of FTI Canada Consulting Inc. to act as receiver (the "**Receiver**") of the Debtors, filed; AND UPON noting the consent endorsed hereon of counsel to the Respondents; AND UPON hearing counsel for ATB FINANCIAL, counsel for the proposed Receiver, and any other counsel or other interested parties present; IT IS HEREBY ORDERED AND DECLARED THAT:

Service

1. The time for service of the notice of application for this order (the "**Order**") is hereby abridged and deemed good and sufficient and this application is properly returnable today.

Appointment

2. Pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (the "**BIA**"), and sections 13(2) of the *Judicature Act*, RSA 2000, c.J-2, 99(a) of the *Business Corporations Act*, RSA 2000, c.B-9, and 65(7) of the *Personal Property Security Act*, RSA 2000, c.P-7, FTI Canada Consulting Inc. is hereby appointed Receiver, without security, of all of the Debtors' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "**Property**").

Receiver's Powers

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property, which shall include the Receiver's ability to abandon, dispose of, or otherwise release any interest in any of the Debtors' real or personal property, or any right in any immovable;
 - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
 - (c) to manage, operate and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
 - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
 - (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;

- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - i. without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
 - ii. with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, RSA 2000, c. P-7 or any other similar legislation in any other province or territory shall not be required.

- (m) to apply for any vesting order or other orders (including, without limitation, confidentiality or sealing orders) necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Receiver for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, or any other similar government authority, notwithstanding Section 191 of the *Land Titles Act*, RSA 2000, c. L-4, or the provisions of any other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles shall accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtors and not in its personal capacity;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and

- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtors, and without interference from any other Person (as defined below).

Duty to Provide Access and Co-operations to the Receiver

4. (i) The Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
5. All Persons shall forthwith 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 business or affairs of the Debtors, and any computer programs, computer tapes, computer disks or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph or in paragraph [6] of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such

other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names, and account numbers that may be required to gain access to the information.

No Proceedings Against the Receiver

7. No proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

No Proceedings Against the Debtors or the Property

8. No Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph; and (ii) affect a Regulatory Body's investigation in respect of the Debtors or an action, suit or proceeding that is taken in respect of the Debtors by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "**Regulatory Body**" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a Province.

No Exercise of Rights of Remedies

9. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Debtors or the Receiver or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, that nothing in this Order shall:
 - (a) empower the Debtors to carry on any business that the Debtors is not lawfully entitled to carry on;

- (b) prevent the filing of any registration to preserve or perfect a security interest;
 - (c) prevent the registration of a claim for lien; or
 - (d) exempt the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment.
10. Nothing in this Order shall prevent any party from taking an action against the Debtors where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Receiver at the first available opportunity.

No Interference with the Receiver

11. No Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, except with the written consent of the Debtors and the Receiver, or leave of this Court.

Continuation of Services

12. All persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or
 - (b) oral or written agreements or arrangements with the Debtors, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Debtors,

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Debtors or exercising any other remedy provided under such agreements or arrangements. The Debtors shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Debtors in accordance with the payment practices of the Debtors, or such other practices as may be agreed upon by the

supplier or service provider and each of the Debtors and the Receiver, or as may be ordered by this Court.

Receiver to Hold Funds

13. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

Employees

14. Subject to employees' rights to terminate their employment, all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, SC 2005, c.47 ("**WEPPA**").
15. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c. 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

Limitations on Environmental Liabilities

16. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
 - i. before the Receiver's appointment; or
 - ii. after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
 - i. if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause ii below, the Receiver:
 - A. complies with the order, or
 - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
 - ii. during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by:
 - A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or

- B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
- iii. if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

Limitation on the Receiver's Liability

- 17. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the BIA.

Receiver's Accounts

- 18. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to the benefits of and are hereby granted a charge (the "**Receiver's Charge**") on the Property, which charge shall not exceed an aggregate amount of \$250,000 , as security for their professional fees and disbursements incurred at the normal rates and charges of the Receiver and such counsel, both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the BIA.
- 19. The Receiver and its legal counsel shall pass their accounts from time to time.
- 20. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

Funding of the Receivership

- 21. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed U.S.\$500,000 (or such greater amount as this

Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.

22. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
23. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
24. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.
25. The Receiver shall be authorized to repay any amounts borrowed by way of Receiver's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

Allocation

26. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the various assets comprising the Property

General

27. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Receiver's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
29. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.
30. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction to give effect to this Order and to assist the Receiver and its 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 Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.
31. The Receiver 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 Receiver 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.
32. The Plaintiff shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis, including legal costs on a solicitor-client full indemnity basis, to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.
33. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

Filing

34. The Receiver shall establish and maintain a website in respect of these proceedings (the "**Receiver's Website**") and shall post there as soon as practicable:

- (a) all materials prescribed by statute or regulation to be made publicly available; and
- (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

35. Service of this Order shall be deemed good and sufficient by:

- (a) serving the same on:
 - i. the persons listed on the service list created in these proceedings or otherwise served with notice of these proceedings;
 - ii. any other person served with notice of the application for this Order;
 - iii. any other parties attending or represented at the application for this Order; and
- (b) posting a copy of this Order on the Receiver's Website

and service on any other person is hereby dispensed with.

36. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of King's Bench of Alberta

CONSENTED TO BY MILLER THOMSON LLP

Per:

Print Name: Wayne Logan
 Counsel to the Respondents, Local First Media Group Inc., Local First Properties Inc., BTC USA Holdings Management Inc., Local First Properties USA Inc., Alaska Broadcast Communications, Inc., Frontier Media LLC and Broadcast 2 Podcast, Inc.

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that FTI Canada Consulting Inc., the interim receiver and receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of Local First Media Group Inc. and Local First Properties Inc. appointed by Order of the Court of King's Bench of Alberta and Court of King's Bench of Alberta in Bankruptcy and Insolvency (collectively, the "**Court**") dated the _____ day of _____, 2023 (the "**Order**") made in action numbers **Enter Action Numbers**, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of **Enter Amount**, being part of the total principal sum of **Enter Amount** that the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded **Select an Option** after the date hereof at a notional rate per annum equal to the rate of **Enter Rate** per cent above the prime commercial lending rate of **Name of Institution** from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at **Enter Address**.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 2023

**FTI Canada Consulting Inc., solely in its capacity
as Receiver of the Property (as defined in the
Order), and not in its personal capacity**

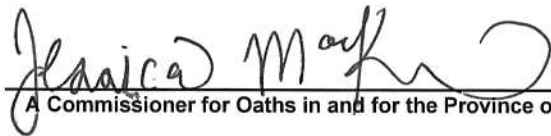
Per: _____

Name:

Title:

**THIS IS EXHIBIT "32" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**

A handwritten signature in black ink, appearing to read "Jessica MacKinnon", is written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

AMENDED AND RESTATED FORBEARANCE AGREEMENT

THIS AMENDED AND RESTATED FORBEARANCE AGREEMENT (this "Agreement") is made this 19 day of July, 2024.

AMONG:

ATB FINANCIAL

(the "**Lender**")

- and -

LOCAL FIRST MEDIA GROUP INC.

- and -

LOCAL FIRST PROPERTIES INC.

(each, a "**Borrower**" and collectively, the "**Borrowers**")

- and -

BTC USA HOLDINGS MANAGEMENT INC.

- and -

LOCAL FIRST PROPERTIES USA INC.

- and -

ALASKA BROADCAST COMMUNICATIONS, INC.

- and -

BROADCAST 2 PODCAST, INC.

-and-

FRONTIER MEDIA LLC

(each a "**Guarantor**" and collectively, the "**Guarantors**")

WHEREAS:

- A. The Lender extended credit facilities and related services (collectively, the "**Loans**") to the Borrowers pursuant to a commitment letter dated April 10, 2023 (as amended to the date hereof, the "**Loan Agreement**").
- B. As security for the Loans and for all other present and future indebtedness, fees, expenses and other liabilities direct or indirect, absolute or contingent, due by the Borrowers to the Lender (the

"Borrowers Obligations"), each Borrower granted certain security in favour of the Lender, as more particularly described in **Schedule "A"** (the **"Borrower Security"**).

- C. In connection with the Loan Agreement, the Guarantors have granted guarantees in favour of the Lender as more particularly described in **Schedule "B"** (the **"Guarantees"**).
- D. As security for the obligations owed by each Guarantor to the Lender under, *inter alia*, the Loan Agreement and the Guarantees (collectively, the **"Guarantor Obligations"** and together with the Borrowers Obligations, the **"Obligations"**, each Guarantor has granted security in favour of the Lender as more particularly set out in **Schedule "C"** (the **"Guarantor Security"**, and together with the Borrower Security, the **"Security"**).
- E. The Borrowers, the Guarantors and the Lender entered into a forbearance agreement dated effective November 24, 2023 (the **"Existing Forbearance Agreement"**).
- F. The Borrowers are in default of the Existing Forbearance Agreement and the Loan Agreement (including repayment of the Loans in accordance with the terms thereof) as described herein and in the default notice and reservation of rights letter dated February 22, 2024 and attached as **Schedule "D"** (the **"Default Notice"**).
- G. The Lender is prepared to continue to forbear from exercising its rights and remedies under the Loan Agreement and to continue to forbear from enforcing the Security, in each case, subject to the terms of this Agreement.
- H. The Borrowers, the Guarantors and the Lender wish to amend and restate the provisions of the Existing Forbearance Agreement subject to the provisions of this Agreement.
- I. The Borrowers and the Guarantors have agreed to observe all of the provisions of this Agreement.

NOW THEREFORE, in consideration of the foregoing and the mutual covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Lender from the Borrowers and the Guarantors and by the Borrowers and the Guarantors from the Lender, the Lender, the Borrowers and the Guarantors agree as follows:

ARTICLE 1

AMENDMENT AND RESTATEMENT / AMENDMENT TO OTHER DOCUMENTS

- 1.1 The provisions of the Existing Forbearance Agreement are, effective as of the date hereof, hereby amended, modified and supplemented so as to read as set forth in this Agreement and the provisions of the Existing Forbearance Agreement are so amended, modified and supplemented hereby and are restated in this Agreement in their entirety.
- 1.2 Save as expressly provided in this Agreement, nothing in this Agreement is intended to alter, amend, modify or limit the existence or the effectiveness of any agreement between the Lender, the Borrowers and the Guarantors, including, without limitation, the Loan Agreement, the Security, the Guarantees, or any other agreement evidencing the Loans or detailing their terms (collectively,

the "**Loan Documents**"). In the event of any conflict between provisions of this Agreement and any provisions of the Security, the provisions of this Agreement shall prevail.

1.3 Effective as of the date hereof, the Loan Agreement is hereby amended as follows:

- (a) Sections 6(c)(v) and 6(c)(vi) of the Loan Agreement are each hereby deleted in their entirety and, in each case, replaced with "[*Reserved*]";
- (b) Section 8(w) of the Loan Agreement is hereby amended by deleting each reference therein to "EDC EGP Debt" and replacing each such reference with "Indebtedness arising under the EDC EGP Documents"; and
- (c) Section 17 of the Loan Agreement is hereby amended by:
 - (i) deleting the defined term "EDC EGP Documents" in its entirety and replacing it with the following:

"**EDC EGP Documents**" means, collectively, the EDC Guarantee and each other document or agreement related thereto or executed by any Loan Party in connection therewith.";
 - (ii) deleting paragraph (f) of the defined term "Permitted Indebtedness" in its entirety and replacing it with the following:

"(f) Indebtedness arising under the EDC EGP Documents; and"; and
 - (iii) deleting the defined terms of "EDC EGP Confirmation", "EDC EGP Debt", "EDC EGP Request for Cover" and "EDC Indemnity Agreement" in their entirety.

By their execution hereof, each of the Borrowers, the Guarantors and the Lender hereby consents to each of the foregoing amendments to the Loan Agreement.

1.4 All provisions of the Loan Documents shall continue in full force and effect, save and except as amended by this Agreement and to the extent that any provisions thereof are inconsistent with this Agreement, this Agreement shall prevail.

ARTICLE 2 ACKNOWLEDGMENTS

2.1 The Borrowers and the Guarantors each acknowledge and agree in favour of the Lender that:

- (a) the facts as set out in the recitals and schedules to this Agreement are true and accurate in all respects;
- (b) the Loan Agreement has been duly and properly executed and is valid, binding, and enforceable in accordance with its terms;
- (c) the Guarantees have been duly and properly executed and are valid, binding and enforceable in accordance with their terms;
- (d) the Security has been duly and properly executed, is valid, binding and enforceable in accordance with its terms, and secures repayment and performance of all obligations of the

Borrowers and the Guarantors to the Lender, including without limitation the Obligations and the Current Loan Indebtedness (as defined below);

- (e) without limitation, as at the opening of business on May 30, 2024 the aggregate amount of Borrowings under the Loans, together with all accrued interest and pre-payment penalties (if any), was U.S.\$7,326,226.32 for certainty excluding: (i) the Lender's legal costs and expenses accrued prior to such date, and (ii) all interest and legal costs and expenses accrued or incurred by the Lender on or after such date (the "**Current Loan Indebtedness**"), as more particularly described in **Schedule "E"**;
 - (f) without limitation, except as provided in this Agreement, the Lender is in a position to enforce the Security and pursue all remedies with respect to the Obligations as it may deem appropriate; and
 - (g) without limitation, except as provided in this Agreement, the Lender (either by itself or through its employees or agents) has made no promises, nor has it taken any action or omitted to take any action, that would constitute a waiver of its rights to enforce the Security and pursue its remedies in respect of the Obligations or that would stop it from so doing.
- 2.2 Each of the Borrowers and the Guarantors acknowledge that the Security has not been discharged, varied, waived or altered (except to the extent set out herein) and that the Security is binding upon each of them and is enforceable in accordance with the terms thereof.
- 2.3 Neither the Borrowers nor the Guarantors dispute in any way their respective liability to repay the Obligations, including the Loans, on any basis, and acknowledge and agree that they have no claims for set-off, counterclaim or damages on any basis whatsoever against the Lender or any of its directors, officers, employees, representatives and agents.

ARTICLE 3 DEFAULTS

- 3.1 The Borrowers have committed certain defaults under the Loan Agreement and the Existing Forbearance Agreement, including but not limited to:
- (a) the failure to maintain the required financial covenants set forth in Section 10 of the Loan Agreement;
 - (b) the failure to comply with the reporting requirements set forth in Section 9 of the Loan Agreement;
 - (c) the failure to make scheduled payments of principal or interest to the Lender, or payment of the Lender's legal fees and expenses, in each case, in accordance with the Loan Agreement and the Existing Forbearance Agreement, as applicable; and
 - (d) defaults under the Existing Forbearance Agreement, including, without limitation, the following defaults set out in the Default Notice:
 - (i) the failure to provide to the Lender as soon as possible, and in any event by November 30, 2023, an updated cash flow forecast, in form and substance satisfactory to the Lender and the Monitor;

- (ii) the failure to complete the Sitka Transaction (as defined in the Existing Forbearance Agreement) giving rise to net proceeds in an amount of not less than U.S.\$550,000 no later than December 31, 2023;
- (iii) the failure to provide to the Lender evidence, in form and substance satisfactory to the Lender, that SkyConnect (as defined in the Existing Forbearance Agreement) has sufficient financing to complete the SkyConnect Transaction (as defined in the Existing Forbearance Agreement) no later than December 15, 2023;
- (iv) the failure to provide to the Lender an executed, binding share purchase agreement between Local First Media Group Inc. and SkyConnect, in form and substance satisfactory to the Lender, documenting the SkyConnect Transaction no later than January 31, 2024; and
- (v) the failure to comply with the reporting requirements set forth in Section 4.1(b) of the Existing Forbearance Agreement.

ARTICLE 4 COVENANTS AND AGREEMENTS

- 4.1 Each of the Borrowers and the Guarantors covenants and agrees with the Lender (to the extent applicable to it), as follows:
- (a) none of the Borrowers or the Guarantors will make any payments of principal, interest, fees or costs on account of any Convertible Debt;
 - (b) without limiting the reporting covenants in the Loan Agreement, the Borrowers will provide to the Lender, as soon as possible and in any event by August 9, 2024:
 - (i) with respect to each calendar month commencing with May, 2023 and ending with May 2024 (inclusive):
 - (A) consolidated unaudited financial statements of the Parent, on an internally prepared basis; and
 - (B) a list of all aged accounts payable and all Accounts Receivable, including all Priority Payables, as at the end of each such month, certified by a senior officer of each Borrower;
 - (ii) with respect to the Fiscal Quarters ending June 30, 2023, September 30, 2023, and March 31, 2024:
 - (A) consolidated unaudited financial statements of the Parent, on an internally prepared basis;
 - (B) an internally-prepared management and discussion analysis, including detailed variance to budget and historical performance; and
 - (C) a Compliance Certificate;

- (iii) with respect to the Fiscal Year ending December 31, 2023:
 - (A) financial statements of the Parent on a consolidated and review engagement basis, prepared by a national firm of qualified accountants;
 - (B) an internally-prepared management and discussion analysis;
 - (C) evidence, in form and substance satisfactory to Lender, that all FCC Licenses are in good standing, including the renewal thereof, as deemed necessary by Lender; and
 - (D) a Compliance Certificate;
- (iv) an updated cash flow forecast, in form and substance satisfactory to the Lender and the Monitor; and
- (v) bank statements for the operating account of the Parent which is held at Wells Fargo with respect to each calendar month commencing September 2023 and ending with June 2024 (inclusive);
- (c) the Borrowers and the Guarantors shall not, at any time, maintain cash in any U.S. domiciled bank accounts in an amount, in the aggregate, greater than U.S.\$50,000;
- (d) the Parent shall provide regular updates to the Lender with respect to the anticipated disposition by Local Properties USA of the Assets (the "**Tower Transaction**") as defined and more particularly described in the letter of intent attached hereto as **Schedule "F"** (the "**Tower Letter of Intent**") to Vertical Bridge Acquisitions III, LLC ("**VB**"). Without limiting the foregoing, the Parent shall: (i) ensure that, at all times, the Lender has full and unfettered ability to contact the applicable sales agent(s), brokers and any similar personal used by Local Properties USA in connection with the Tower Transaction and shall, and shall cause each Loan Party, to take all necessary steps and actions in connection therewith; (ii) provide to the Lender an executed binding purchase and sale agreement between Local Properties USA and VB, in form and substance satisfactory to the Lender setting out the terms and conditions of the Tower Transaction by no later than August 9, 2024; and (iii) complete the Tower Transaction giving rise to gross proceeds in an amount not less than U.S.\$3,018,370 by no later than September 15, 2024;
- (e) the Parent shall provide regular updates to the Lender with respect to the anticipated disposition by Local Properties USA of the property more particularly described in **Schedule "G"** (the "**Juneau Property**") (the "**Juneau Transaction**"). Without limiting the foregoing, the Parent shall: (i) ensure that, at all times, the Lender has full and unfettered ability to contact the applicable sales agent(s), brokers and any similar personal used by Local Properties USA in connection with the Juneau Transaction and shall, and shall cause each Loan Party, to take all necessary steps and actions in connection therewith; (ii) provide to the Lender an executed binding purchase and sale agreement from a prospective purchaser, in form and substance satisfactory to the Lender setting out the terms and conditions of the Juneau Transaction by no later than August 31, 2024; and (ii) complete the Juneau Transaction giving rise to net proceeds in an amount agreed to by the Lender by no later than September 30, 2024; and

- (f) without limiting the covenants set forth in Sections 4.1(d) and 4.1(e) above, the Parent shall apply 100% of the net cash proceeds of each of the Tower Transaction and the Juneau Transaction, promptly upon receipt thereof, to repay and satisfy the following amounts comprising the Obligations in the following order: (i) all outstanding accrued interest then remaining unpaid under Facility #1 and Facility #2 on a pro-rata basis; (ii) all principal amounts outstanding under Facility #1 and Facility #2 on a pro-rata basis; (iii) all outstanding accrued interest then remaining unpaid under the cost account; (iv) all principal amounts outstanding under the cost account; and (v) all fees and expenses then due and owing to Lender under the Loan Documents including, without limitation, all documented fees, charges and expenses of Lender's legal counsel, which for certainty shall include all such fees, charges and expenses incurred in connection with this Agreement and the Loan Documents (collectively, the "**Make Whole Amount**"). The Parent further covenants and agrees with the Lender to deposit the aggregate net proceeds of the Tower Transaction and the Juneau Transaction in excess of the Make Whole Amount (if any), into a segregated blocked account held with the Lender to be applied in accordance with the Loan Agreement;

4.2 Each of the Borrowers and the Guarantors acknowledges and agrees that:

- (a) the Consent Receivership Order executed in connection with the Existing Forbearance Agreement and attached hereto as **Schedule "H"** (the "**Receivership Order**") remains in full force and effect notwithstanding the amendment and restatement of the Existing Forbearance Agreement contemplated hereby;
- (b) the Receivership Order shall be held by BD&P in trust on behalf of the Lender, releasable upon the earlier of: (x) an Event of Default, (y) expiry of the Forbearance Period, or (z) termination of this Agreement, at which time:
- (i) the Lender or the Lender's agent is hereby authorized by the Borrowers and the Guarantors to fill in all blanks appearing in the Receivership Order as the Lender deems fit, in its sole discretion, and to make such non-material revisions as the Lender may, acting reasonably, seek and as may be approved by the Court, including to add or remove such parties from the style of cause as may be necessary to properly bring an action before the Court; and
- (ii) the Lender, or the Lender's agent, in its sole discretion, shall, without notice to the Borrowers and the Guarantors in writing, be at liberty to bring an application before the Court in accordance with Section 9.2 hereof (an "**Application**"), and may enter the Receivership Order as soon as convenient thereafter, and the Borrowers and the Guarantors expressly waive the right to: (A) receive any further notice of any Application; or (B) contest any Application or withdraw their consent thereto; and
- (c) the Lender's unfettered and irrevocable right to exercise the relief as set forth in this Section 4.2 is a fundamental and essential term of this Agreement and, but for this Agreement, the Lender would have brought proceedings to enforce the remedies contemplated in this Section 4.2 immediately.

4.3 Each of the Borrowers and the Guarantors covenants and agrees:

- (a) to comply with the terms of the Loan Documents;

- (b) to provide the Lender with immediate notice of any defaults of which the Borrowers or the Guarantors are aware under the Loan Documents;
 - (c) that no mediation, bankruptcy, insolvency, reorganization, readjustment of debt, dissolution, liquidation or other similar proceedings (including, without limitation, proceedings under the *Bankruptcy and Insolvency Act* (Canada), the *Winding-up and Restructuring Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada), the *Bankruptcy Code* or other similar federal, provincial or foreign legislation) including, without limitation, the filing of a proposal or plan of arrangement or a notice of intention to file same, or proceedings for the appointment of a trustee, trustee in bankruptcy, interim receiver, receiver, receiver and manager, custodian, guardian, liquidator, provisional liquidator, administrator, sequestrator or other like official with respect to the Borrowers or the Guarantors, or any of them, or all or any substantial part of the assets of any of them, or any similar relief shall be commenced by the Borrowers or the Guarantors without the consent of the Lender; and
 - (d) that, without the consent of the Lender, no application seeking or extending any stay of proceedings shall occur, which would, in the assessment of the Lender, to be determined in its absolute discretion acting reasonably, impact the Lender's rights and remedies against the Borrowers or the Guarantors.
- 4.4 Frontier Media LLC covenants and agrees to provide to the Lender on or before August 30, 2024, (a) a general security agreement, and (b) an unlimited continuing guarantee and postponement, each in form and substance satisfactory to the Lender.
- 4.5 The Parent covenants and agrees to provide to the Lender on or before August 30, 2024, a U.S. share pledge agreement providing a security interest in favour of Lender over all Equity Interests held by the Parent in Frontier Media LLC.

ARTICLE 5

APPOINTMENT OF MONITOR

- 5.1 Each of the Borrowers and the Guarantors acknowledges and agrees that the Lender shall be entitled, in its sole discretion, to retain and appoint a monitor (the "**Monitor**") of the Lender's sole and absolute choosing for the purpose of monitoring the business and affairs of the Borrowers including, without limitation, the business, property, contracts, projects, business plans, disposition plans, restructuring plans, refinancing plans and viability of the Borrowers and the Guarantors in accordance with the following:
- (a) the monitoring engagement shall be of such nature as the Monitor shall deem advisable and may include any and all reviews, investigations, analyses, valuations and inspections as considered appropriate by the Monitor for the purpose of enabling the Monitor to conduct a business review and evaluation of the business, property, contracts, projects, business plans, disposition plans, restructuring plans, refinancing plans and viability of the Borrowers, including, without limitation, an assessment of the prospects for the business of the Borrowers, evaluation of the Security (including, without limitation a review and analysis of any encumbrances or charges in relation to any of the property secured by the Security), the valuation of any or all of the property owned or leased by the Borrowers or the Guarantors, an assessment of any reporting documents provided by the Borrowers and the Guarantors as provided by Article 7 hereof, and an assessment of the Borrowers' plans and efforts for restructuring or for the sale or refinancing of all or any of the property of

the Borrowers and Guarantors or any portion of the business of the Borrowers and Guarantors;

- (b) the Monitor shall report to the Lender and make recommendations to the Lender in relation to any matter reviewed, investigated, analyzed, valued and inspected. The Monitor shall make all reasonable efforts to ensure that the information and advice contained in any report to the Lender shall address any requirements of the Lender as to form, substance and timeliness, provided that the Lender shall not be entitled to direct the Monitor with respect to any opinion which may be inserted in any report by the Monitor;
- (c) the findings, analyses, recommendations and valuations provided by the Monitor (or such other third party as may be appointed pursuant to this Article 5 shall not be binding upon the Lender and the Lender shall be at liberty to disagree with all or any of such findings, analyses, recommendations and valuations or to seek additional or other input, analysis, review, investigation and valuation with respect to any matter referenced in any report of the Monitor to the Lender;
- (d) any report or document prepared by the Monitor specifically for the Lender shall become the property of the Lender, although copies may at the option of the Lender be released to the Borrowers. The Monitor may in its discretion provide any draft factual portions of a report (as opposed to conclusions or recommendations) to the Borrowers for their review prior to submission to the Lender. The Monitor may ask the Borrowers to confirm that the facts as stated are accurate in all material respects and that the Borrowers are not aware of any material matters that have been excluded. The Borrowers shall respond to the draft documentation within 48 hours of such documentation being provided to the Borrowers. The Monitor is, however, under no obligation to change any report as a result of any comment or response of the Borrowers (or as a result of the failure of the Borrowers to provide a comment or response). Any reports prepared by the Monitor shall not be delivered by the Borrowers, in whole or in part, or disclosed by the Borrowers, in whole or in part, to any third party without the Monitor's prior written consent;
- (e) the Monitor is authorized with the prior approval of the Lender to employ such agents, consultants, firms, employees, advisors and monitors including legal and professional advisors as it may in its discretion consider appropriate to carry out its mandate hereunder;
- (f) the Borrowers shall promptly pay the Monitor for the services rendered by it and the disbursements incurred by it on a full indemnity basis. If the Borrowers do not pay any account of the Monitor pursuant to this Agreement, the Lender is entitled to pay such account and any such payment shall constitute an addition to the Current Loan Indebtedness, the specific allocation of which shall be in the absolute discretion of the Lender and shall be secured by the Security and guaranteed by the Guarantees;
- (g) the Monitor is not the agent of the Lender by this Agreement;
- (h) the Borrowers shall not be entitled to dictate to the Lender or the Monitor the means by which the Monitor carries on its duties hereunder;
- (i) the Monitor shall discharge its duties in a professional manner and it is acknowledged and agreed that the Monitor shall act only as a monitor in accordance with this Agreement and has no decision making responsibility or managerial authority over the affairs of the Borrowers;

- (j) the Monitor shall not take possession or be deemed to be in possession of any of the property of the Borrowers; and
- (k) each of the Borrowers acknowledges that it remains solely responsible for the management, direction and conduct of its business and affairs and agrees that it will not hold out to any person that the Lender or the Monitor is responsible for the management, direction or conduct of its business and affairs.

5.2 The Borrowers and the Guarantors irrevocably agree to promptly:

- (a) provide the Monitor full and unrestricted access to all lands and buildings whether owned by the Borrowers, leased by or to the Borrowers or on which the Borrowers otherwise carry on business or businesses;
- (b) provide to the Monitor all computer records, electronic transmissions, books, records, account documents, including financial statements, supporting notes, analyses, working papers and related documents requested by the Monitor;
- (c) provide to the Monitor any information which it requests and to instruct its financial advisors, joint venturers, employees, agents, accountants, auditors, consultants, customers, insurers and insurance adjusters to supply any such information;
- (d) provide to the Monitor any information, communications and documentation which has been communicated to or released by the Borrowers to any other creditor or creditors, which communications and information are to be provided to the Monitor in a prompt and comprehensive manner;
- (e) report to the Monitor in a prompt and comprehensive manner any and all communications and information received from any other creditor or creditors to the Borrowers from time to time and to provide, concurrent therewith any and all relevant documentation received by the Borrowers in connection with such communications or information;
- (f) make available to the Monitor for inspection all purchase and sale agreements, contracts, documents, records, inventory and equipment;
- (g) provide to the Monitor any information necessary to assist the Monitor in locating inventory or equipment of the Borrowers and the Guarantors, whether owned or leased, and to instruct any person in the possession of such inventory or equipment to grant to the Monitor access to such inventory or equipment and to the premises upon which such inventory or equipment is located so as to facilitate the discharge of the Monitor's duties hereunder;
- (h) cooperate with the Monitor in every way to facilitate the discharge of the Monitor's duties hereunder and not to withhold any information which may be relevant to the Monitor's review;
- (i) provide to the Monitor all information, including supporting documentation with respect to contracts, insurance claims, revenues, expenses, accounts receivable and the collection thereof and payables;

- (j) report to the Monitor on a bi-weekly or more frequent basis, in the discretion of the Monitor, with respect to all efforts (and the results of all efforts) in relation to attempts by or on behalf of the Borrowers to solicit interest from persons to:
 - (i) acquire all or any of the shares of the Borrowers;
 - (ii) acquire all or any portion of the business or assets of the Borrowers;
 - (iii) provide financing to repay the Obligations in full; or
 - (iv) inject capital by way of equity, loan or otherwise in favour of the Borrowers;
- (k) provide to the Monitor in a prompt and timely manner, copies of all documentation in the possession or control of the Borrowers with respect to the efforts set out herein at paragraph 5.2(j), including, without limitation, confidential information memoranda, teasers, control sheets, offers, letters of intent or other related documentation;
- (l) execute a revised or supplemental standard form engagement letter of the Monitor (or any consent thereto) if requested to do so by the Monitor;
- (m) authorize any restructuring officer and any monitor or Trustee (appointed in any *CCAA* (defined below) or proposal proceedings) to provide full, prompt and complete disclosure to the Monitor of any and all information and documentation in their respective possession or control which information and documentation is requested by the Monitor in respect of the Borrowers or any of their respective business, affairs, property and restructuring, refinancing or liquidation efforts; and
- (n) report to the Monitor on a daily basis all receipts, deposits, and all cash balances in all accounts of the Borrowers with financial institutions.

5.3 The Monitor shall be entitled to, without consultation or authorization from the Borrowers:

- (a) disclose and communicate to the Lender, its agents or employees and professional advisors any confidential or other information or knowledge that the Monitor may acquire in its review;
- (b) disclose and communicate any confidential or other information or knowledge concerning the affairs or operations of the Borrowers to the Monitor's employees, agents, consultants and professional advisors;
- (c) copy any document which may come into the Monitor's possession and the Monitor shall not be required to return or otherwise account to the Borrowers for any copies made and the Monitor shall be at liberty to provide copies to the Lender; and
- (d) use such methods and techniques as the Monitor considers reasonably necessary to carry out its duties hereunder including, without limitation:
 - (i) contacting the Borrowers, customers, partners, joint venturers, suppliers, purchasers, contractors, subcontractors, bonding companies, insurers, and others to confirm the status of contracts, negotiations, receivables, and other similar matters; and

(ii) contacting creditors or other persons with claims to confirm the status of accounts.

5.4 The Borrowers and the Guarantors release and indemnify the Monitor and its officers, directors, agents, consultants, servants and employees from any and all claims (save for claims arising as a result of gross negligence or willful misconduct) that the Borrowers and the Guarantors may have or acquire against the Monitor as the result of any steps taken and any methods and techniques employed in accordance with this Agreement, notwithstanding that such steps, methods or techniques may have an adverse impact on the reputation of the Borrowers in the business community.

5.5 The Borrowers and the Guarantors agree that:

- (a) the Monitor may be appointed monitor, receiver, receiver/manager or trustee of the Borrowers all in the Lender's discretion notwithstanding its appointment as Monitor;
- (b) the assignment of the Monitor in accordance with this Agreement shall not be performed to audit standards;
- (c) the terms of this Agreement so far as they concern the Monitor may (in the discretion of the Lender) be read in supplement to any prior engagement letter between the Lender and the Monitor; and
- (d) the Monitor will make all reasonable efforts to conduct and fulfill its duties in coordination with the Borrowers' financial advisors.

ARTICLE 6 DISCRETION OF LENDER

6.1 The Lender is not acting in a fiduciary capacity with respect to the Borrowers or the Guarantors. Any exercise of any discretion by or on behalf of the Lender shall be final and binding upon the Borrowers and the Guarantors and may be exercised by the Lender in its best interests, without regard to the interests of the Borrowers or the Guarantors.

ARTICLE 7 REPAYMENT OF OBLIGATIONS & CONTINUED AVAILABILITY OF LOANS

7.1 Subject to the terms of this Agreement, the Lender will continue to make the Loans available to the Borrowers until 5:00pm Calgary time on September 30, 2024 (the "**Forbearance Period**"), which Forbearance Period may be extended on the written agreement of the Lender (acting in its sole discretion), the Borrowers and the Guarantors; provided that the Borrowers and the Guarantors shall comply with each and every covenant set out in:

- (a) this Agreement;
- (b) the Loan Agreement;
- (c) the Guarantees; and
- (d) the Security.

7.2 The Borrowers shall pay to the Lender the Forbearance Fee as outlined in paragraph 10.2 of this

Agreement.

- 7.3 Each of the Guarantors hereby undertakes and guarantees that any payments required to bring the outstanding amount under the Loans in compliance with paragraph 7.1 herein shall be made.

ARTICLE 8 REPORTING, ACCESS TO INFORMATION, RETENTION OF CONSULTANTS

- 8.1 The Borrowers and the Guarantors covenant and agree to provide to the Lender any and all information concerning their business, trade, operations, finances and any matters relating thereto or in any way connected therewith (other than what may be subject to rules of privilege), as the Lender may request.
- 8.2 The Borrowers and the Guarantors agree to allow the Lender and its agents access to any of its premises or real property for the purpose of observing, verifying, cataloguing or otherwise recording the nature, extent, location, ownership and any other relevant aspect of their property and operations, and the collateral subject to the Security, forthwith upon request by the Lender for such access by the Lender or its agents.
- 8.3 The Borrowers and the Guarantors agree and acknowledge that the Lender is at liberty to engage such professional advisors, or other individuals or entities as the Lender's agents as the Lender may determine necessary or desirable, in its sole discretion.
- 8.4 The Borrowers and the Guarantors acknowledge and agree that they will be liable for the payment of the reasonable fees, disbursements and costs of any agents engaged by the Lender incurred at their standard rates and charges.
- 8.5 Notwithstanding the foregoing, the Borrowers and the Guarantors agree that the Lender may pay the reasonable fees, disbursements, and costs of the Lender's agents incurred at their standard rates and charges, and thereafter debit the Borrowers' accounts with the Lender, thereby increasing the Obligations by the amount of such fees, disbursements and costs, and all such amounts will be added to the aggregate Obligations of the Borrowers, and will be subject to the Security and the Loan Agreement.

ARTICLE 9 EVENTS OF DEFAULT

- 9.1 Each of the following shall constitute an event of default (an "**Event of Default**") under the terms of this Agreement:
- (a) if the Borrowers or the Guarantors, or any of them, further default under the Loan Agreement or under the Security, unless such default is cured within five (5) Business Days following its occurrence; or
 - (b) if the Borrowers or the Guarantors, or any of them, fail to perform or comply with any of their covenants or obligations contained in this Agreement or in any other agreement or undertaking made between the Borrowers or the Guarantors and the Lender.
- 9.2 If an Event of Default occurs, and notwithstanding any other provision hereof, each of the Borrowers and the Guarantors acknowledges and agrees that the Lender may immediately proceed to enforce any or all of its rights and remedies, including without limitation the Security, and each

of the Borrowers and the Guarantors acknowledges and agrees that the Lender may take whatever steps it deems necessary or advisable to enforce the Security including, without limitation, the filing of the Receivership Order granted pursuant to the terms of this Agreement as permitted by law.

ARTICLE 10 FORBEARANCE

- 10.1 The forbearance of the Lender's rights pursuant to this Agreement shall remain in full force and effect until the occurrence of the earlier of any of the following events:
- (a) an Event of Default, including the non-performance of any obligation of the Borrowers or the Guarantors under any agreement with the Lender including, but not limited to, the Loan Agreement, the Security or this Agreement; or
 - (b) the expiry of the Forbearance Period.
- 10.2 In consideration of the Lender entering into this Agreement, the Borrowers covenant and agree to pay to the Lender a forbearance fee of \$75,000 (the "**Forbearance Fee**"), which shall be earned and payable in two principal tranches, as follows:
- (a) the first \$25,000, shall be earned, due and payable within 30 days from the execution of this Agreement;
 - (b) the second \$50,000 (the "**Deferred Fee Tranche**"), shall be earned, due and payable on September 29, 2024;
 - (c) each tranche of the Forbearance Fee shall be added to the Indebtedness upon becoming due, and shall be subject to and secured by the Security; and
 - (d) in the event that the Borrowers have completed the Tower Transaction and the Juneau Transaction on or before September 29, 2024, the Deferred Fee Tranche shall be irrevocably waived by the Lender and credited back to the Borrowers.

ARTICLE 11 RELEASE

- 11.1 Each of the Borrowers and the Guarantors hereby:
- (a) releases and forever discharges the Lender and its affiliates, and their directors, officers, servants, agents, consultants, shareholders, assigns, insurers, predecessors and successors (collectively, the "**Releasees**"), of and from any and all manner of actions, causes of actions, suits, contracts, claims, demands, damages, costs and expenses of any nature or kind whatsoever, whether known or unknown, suspected or unsuspected whether at law or in equity, which any one or more of the Borrowers or the Guarantors ever had or now has or hereafter can, shall or may have or by reason of any cause, matter or thing whatsoever existing up to the present time and relating, whether directly or indirectly, to the Obligations or the Security or any errors or omissions of any of the Releasees with regard thereto;
 - (b) waives against each of the Releasees, any defence which they may have existing up to the present time to any present or future legal action or other enforcement brought by the

Lender to collect the Obligations or enforce or realize upon the Security, whether said defence arises (and expressed through counterclaim, defence, or otherwise), by reason of any cause, matter, error, omission, neglect or thing caused or done, whether direct or indirect, by any of the Releasees existing as at the date of this Agreement and relating to or arising, whether directly or indirectly, from the Obligations or the Security; and

- (c) acknowledges that the Lender has not waived any of its rights in respect of the Events of Defaults, as defined in the Loan Agreement, and expressly reserve its rights to rely on the Events of Defaults upon the occurrence of an Event of Default.

ARTICLE 12 NOTICE

- 12.1 Without prejudice to any other method of giving notice, any notice required or permitted to be given to a party pursuant to this Agreement or in connection with the exercise of any of the Lender's rights under this Agreement, the Loan Agreement or the Security, including, but not limited to, the service of any court documents, including commencement documents pursuant to Part 11 of the *Alberta Rules of Court*, shall be conclusively deemed to be sufficient service of such documents and to have been received by such party on the next business day following the sending of the notice by prepaid private courier or on the same business day if sent by electronic mail or facsimile to such party at its email address or facsimile number as set out in this section. Any party may change its address for service by notice in the foregoing manner. The address, email and facsimile numbers for the parties are as follows:

- (a) for the Borrowers and the Guarantors:

Local First Media Group Inc. and Local First Properties Inc.
c/o 3000, 700 – 9th Avenue S.W.
Calgary, Alberta T2P 3V4

Attention: Bryan Woodruff, President
Email: bwoodruff@localfirstmediagroup.com

- (b) each with a copy to:

Miller Thompson LLP
3000, 700 – 9th Avenue S.W.
Calgary, Alberta T2P 3V4

Attention: Wayne Logan
Email: wlogan@millerthomson.com

- (c) for the Lender:

ATB Financial
Suite 600, 585 – 8th Avenue S.W.
Calgary, Alberta T2P 1G1

Attention: Greg Steidl, Director Corporate RAM
Email: gsteidl@atb.com

(d) with a copy to:

Burnet, Duckworth & Palmer LLP
2400, 525 – 8th Avenue SW
Calgary, AB T2P 1G1

Attention: David LeGeyt / Simina Ionescu-Mocanu
Email: dlegeyt@bdplaw.com / sionescu@bdplaw.com

- 12.2 The parties are entitled to rely upon the accuracy of the names, addresses, email addresses and fax numbers set out herein unless and until notice of change is received by each party.

ARTICLE 13 MISCELLANEOUS

- 13.1 **Waiver of Confidentiality.** Each of the Borrowers and the Guarantors waives its rights to Lender confidentiality in respect of all communications the Lender has in favour of, and hereby authorize the Lender, and its agents to, communicate with any shareholders, guarantors, advisors, agents, creditors, suppliers, parties interested in providing financing to or purchasing the assets of the Borrowers or the Guarantors, parties interested in purchasing the Security and/or Obligations and any professionals retained by any of the foregoing parties (collectively, the "**Borrowers' Stakeholders**"), and each of the Borrowers or the Guarantors shall provide such waivers and consents as may be required to ensure that any such Borrowers' Stakeholders can fully and frankly discuss with the Lender all matters touching on its relationship with the Borrowers or the Guarantors.
- 13.2 **Independence.** Each of the Borrowers and the Guarantors hereby acknowledges and agrees that the implementation and performance of this Agreement is to facilitate the Lender's management of the Lender's financial risk and to facilitate the Borrowers' and the Guarantors' efforts to retire the Obligations and does not constitute any form of management or control over either or any of their assets or operations.
- 13.3 **Further Acts.** Each of the Borrowers and the Guarantors agrees to promptly do, make, execute and deliver all such further acts, documents and instruments as the Lender may reasonably require to allow the Lender to enforce any of its rights under this Agreement and to give effect to the intention of this Agreement.
- 13.4 **Binding Effect.** Each of the Borrowers and the Guarantors represents and warrants that the execution and delivery of this Agreement and any document contemplated by this Agreement has been duly authorized and all corporate and other approvals and resolutions have been obtained prior to the execution and delivery of this Agreement and any document contemplated by this Agreement for the purpose of ensuring that this Agreement and any such document is valid, effective and binding upon each of the Borrowers and the Guarantors.
- 13.5 **Entire Agreement.** This Agreement constitutes the entire agreement of the parties relating to the subject matter hereof and may not be amended or modified except by written consent executed by all parties. There are no representations, warranties or undertakings between the parties hereto with

respect to the subject matter hereof other than as set out in this Agreement (and the Security and other Loan Documents).

- 13.6 **Costs of Preparation.** The Borrowers covenant and agree that this Agreement shall be subject to documentation by the Lender's legal counsel, all costs of which shall be for the account of the Borrowers.
- 13.7 **Legal Costs.** Each of the Borrowers and the Guarantors agrees that all legal costs on a solicitor and his own client full indemnity basis incurred by the Lender with respect to its dealings with the Borrowers and the Guarantors shall comprise part of the Obligations and are secured by the Security and guaranteed by the Guarantees.
- 13.8 **Independent Legal Advice.** Each of the Borrowers and the Guarantors agrees that they have either reviewed this Agreement with legal counsel and/or has had the opportunity to review this Agreement with legal counsel and has chosen not to do so.
- 13.9 **Time of the Essence.** The Borrowers acknowledge that time is of the essence in this Agreement. The term "business day" in this Agreement means a day which is not a Saturday, Sunday or other statutory holiday in the Province of Alberta. In the event that any action, step or proceeding contemplated by this Agreement is scheduled to occur on a day which is not a business day, then the action or step or proceeding shall instead be required to occur on the next following business day.
- 13.10 **Governing Law.** This Agreement shall be governed by the laws of the Province of Alberta and the laws of Canada applicable therein. The parties attorn to the non-exclusive jurisdiction of the courts of the Province of Alberta, Judicial Centre of Calgary, with respect to the enforcement and interpretation of this Agreement, the Loan Agreement and the Security.
- 13.11 **Judicial Centre.** Each of the Borrowers and the Guarantors acknowledges and agrees that any action commenced by the Lender in respect of the Borrowers or the Guarantors, or any of them, may be started and carried on in the judicial center of Calgary, Alberta. The Borrowers and the Guarantors hereby waive any right to apply to transfer any judicial proceedings to another jurisdiction.
- 13.12 **Currency.** All references in this Agreement to currency are to Canadian currency unless expressly stated otherwise.
- 13.13 **Severability.** If any provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect:
- (a) the legality, validity or enforceability of the remaining provisions of this Agreement; or
 - (b) the legality, validity or enforceability of that provision in any other jurisdiction.
- 13.14 **Interpretation.** Words importing singular number only shall include the plural and vice versa. Words importing the neuter gender "it" shall include the feminine and masculine genders and words importing persons shall include corporations, partnerships, syndicates, trusts and any number or

aggregate of persons. Capitalized terms not otherwise defined in this Agreement have the meaning set forth in the Schedules hereto, the Loan Agreement or the Security.

- 13.15 **Headings.** The headings contained in this Agreement are for convenience only and shall not affect the interpretation of this Agreement.
- 13.16 **Assignment.** This Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors and assigns.
- 13.17 **Effective Date.** This Agreement shall be deemed effective as of the date first written above.
- 13.18 **Further Costs.** If the Borrowers or the Guarantors fail to perform any of their covenants or agreements hereunder, the Lender may itself, but shall not be obliged to, perform or cause to be performed the same and all reasonable expenses incurred or payments made by the Lender in so doing shall be paid by the Borrowers or the Guarantors to the Lender forthwith upon demand. Any such expenses or payments remaining unpaid after demand shall bear interest at the rates agreed to pursuant to the Loan Agreement from the date such expense or payment was incurred or made by the Lender until paid and shall be added to the Obligations and secured by the Security.
- 13.19 **Execution.** This Agreement may be executed in counterparts and such counterparts together shall be deemed to be an original and shall constitute a single instrument. Notwithstanding the date of execution, such counterparts shall be deemed to bear a date as of the date of this Agreement. Delivery of an executed counterpart of this Agreement by electronic means, including, without limitation, by facsimile transmission or by electronic delivery in portable document format (.pdf) or tagged image file format (.tif), shall be equally effective as delivery of a manually executed counterpart hereof. Any party delivering an executed counterpart of this Agreement by electronic means shall also deliver a manually executed counterpart hereof by mail or courier upon demand.

[Remainder of page intentionally left blank, signature page follows]

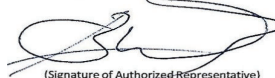
IN WITNESS WHEREOF, this Agreement has been executed and delivered by the parties hereto.

LOCAL FIRST MEDIA GROUP INC.

Per: 
(Signature of Authorized Representative)

Name: Bryan Woodruff
Title: President

LOCAL FIRST PROPERTIES INC.

Per: 
(Signature of Authorized Representative)

Name:
Title:

ATB FINANCIAL

Per: 
DocuSigned by:
5F80F9EF22074CE...


Name: Greg Steidl
Title: Director, Corporate RAM


Per: 
DocuSigned by:
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Name: Vern Malcolm
Title: Director, Corporate RAM

Each Guarantor hereby acknowledges receiving all information and advice that they require, including legal advice, related to this Agreement and, in this regard: (i) acknowledge receiving valuable consideration (the adequacy and sufficiency of which is specifically acknowledged) for their obligations hereunder; (ii) acknowledge and consent to this Agreement; (iii) agree to be bound by the provisions of this Agreement; and (iv) agree that if the Lender fails to insist upon strict performance or observance of the requirements of its rights set forth in this Agreement, or waives or amends any such requirements, such action shall not prejudice the Lender's rights under any or all of the guarantee and security arrangements granted by each of the undersigned in favour of the Lender.


LOCAL FIRST PROPERTIES USA INC.**BTC USA HOLDINGS MANAGEMENT INC.**

Per: 
Name: Cliff Dumas
Title: President


Per: 
(Signature of Authorized Representative)

Name: Bryan Woodruff
Title: President

ALASKA BROADCAST COMMUNICATIONS, INC.

Per: 
Name: Cliff Dumas
Title: President

BROADCAST 2 PODCAST, INC.

Per: 
Name: Cliff Dumas
Title: President

FRONTIER MEDIA LLC

Per:

A handwritten signature in dark ink, appearing to read "Cliff Dumas", is written over a horizontal line.

Name: Cliff Dumas

Title: President

SCHEDULE "A"
BORROWER SECURITY

1. General Security Agreement dated April 26, 2023 granted by Local First Media Group Inc. in favour of ATB Financial.
2. General Security Agreement dated April 26, 2023 granted by Local First Properties Inc. in favour of ATB Financial.
3. Pledge Agreement dated April 26, 2023, granted by Local First Media Group Inc. in favour of ATB Financial.

SCHEDULE "B"
GUARANTEES

1. Continuing Guarantee dated April 26, 2023 granted by Alaska Broadcast Communications, Inc. in favour of ATB Financial.
2. Continuing Guarantee dated April 26, 2023 granted by BTC USA Holdings Management Inc. in favour of ATB Financial.
3. Continuing Guarantee dated April 26, 2023 granted by Local First Properties USA Inc. in favour of ATB Financial.
4. Limited Recourse Guarantee dated April 26, 2023 granted by Broadcast 2 Podcast, Inc. in favour of ATB Financial.

SCHEDULE "C"
GUARANTOR SECURITY

1. Pledge Agreement dated April 26, 2023, granted by Broadcast 2 Podcast, Inc. in favour of ATB Financial.
2. Security Agreement dated April 26, 2023, granted by Alaska Broadcast Communications, Inc. in favour of ATB Financial.
3. Security Agreement dated April 26, 2023, granted by BTC USA Holdings Management Inc. in favour of ATB Financial.
4. Security Agreement dated April 26, 2023, granted by Local First Properties USA Inc. in favour of ATB Financial.
5. Deed of Trust dated April 26, 2023, granted by Local First Properties USA Inc. in favour of ATB Financial with respect to the property legally described as follows:

PARCEL 1:

Part of U.S. Survey No. 1075, Juneau Recording District, First Judicial District, State of Alaska, described as:

BEGIN at the Southwest Comer of Tract 2, land accreted to U.S. Survey No. 1075, established by Survey in 1971, said point bearing N 40° 57' 17" W, a distance of 846.37 feet from a point known as Meander Comer Number 1 on U.S. Survey No. 1075; thence N 5° 52' 30" W 138.73 feet; thence N 50° 55' 15" E 112.30 feet to the South Right-of-Way Line of the "Glacier Expressway Highway"; thence along the South Right-of-Way Line Easterly along a curve to the left (radius = 5,829.58 feet) having a long chord bearing S 36° 07' 43" E 79.00 feet; thence N 35° 44' 17" E 28.00 feet; thence Easterly along a curve to the left (radius = 5,801.58 feet) having a long chord bearing S 34° 29' 05" E 253.13 feet; thence S 33° 14' 17" W 41.80 feet; thence S 88° 53' 00" W 339.26 feet to the POINT OF BEGINNING

AND

Part of U.S. Survey No. 1075 and adjoining said U.S. Survey No. 1075, Juneau Recording District, First Judicial District, State of Alaska, described as:

BEGIN on the Westerly Line of Glacier Highway N 0° 52' W 159.27 feet from Bureau of Public Roads Highway Monument with a Brass Cap stamped P.O.S.T. 136+58.19 feet, run thence S 88° 53' W 263.39 feet; thence N 44° 45' W 172.47 feet; thence N 88° 53' E 386.71 feet to the Westerly Line of said highway; thence Southerly on said highway line, 125.00 feet, more or less, to the POINT OF BEGINNING

EXCEPT THEREFROM that part taken by the State of Alaska in case No. 72-163 of the Superior Court in Juneau.

PARCEL 2:

Lot 7, Block 27, U.S. Survey 437, Ketchikan Recording District, First Judicial District, State of Alaska,

EXCEPTING THEREFROM: The portion thereof conveyed to the State of Alaska by Warranty Deed recorded May 11, 1972 in Volume 41 of Deeds at Page 235

AND

That portion of Lot 6, Block 27, U.S. Survey 437, Ketchikan Recording District, First Judicial District, State of Alaska, described as follows:

Beginning at a point 80 feet westerly along East Street from the southeast corner of Block 27, U.S. Survey 437, thence S.33°57'W 208.14 feet, thence N. 40°50' W. 66.10 feet, thence N.

19°15' W. 88.21 feet, thence N. 61 °20' E. 68.25 feet, thence N. 46°52' E. 24.40 feet, thence N. 33°57' E. 64.74 feet, thence S. 49°07' E. 99.50 feet to point of beginning.

EXCEPTING THEREFROM: That portion thereof conveyed to John Danielson et ux by Quitclaim Deed recorded July20, 1966 in Volume 26 of Deeds at Page 170

PARCEL 3:

Lot 1, SITKA BROADCASTERS SUBDIVISION, according to the Plat thereof filed September 8, 1980 as Plat No. 80-6, Sitka Recording District, First Judicial District, State of Alaska

6. Deed of Trust dated April 26, 2023, granted by Local First Properties USA Inc. in favour of ATB Financial with respect to the property legally described as follows:

TRACT ONE:

The South 10.8 feet of Lot Numbered Two (2), all of Lots Numbered Three (3) and Four (4) in Block Numbered Forty-eight (48) of TRIGGS ADDITION to the City of Texarkana, Bowie County, Texas; said Addition also being known as the Original City of Texarkana, Bowie County, Texas.

TRACT TWO:

All that certain tract or parcel of land being a part of the NANCY DYCUS HEADRIGHT SURVEY, A-145, Bowie County, Texas and being all of a 8.491 acre tract (Tract No. 3) as described in Warranty Deed from KATQ Radio, Inc. to Sandra A. May dated June 29, 2000, recorded in Volume 3291, Page 83 of the Real Property Records of Bowie County, Texas; and being part of a 305.7 acre tract as described in Correction Deed from Dan S. Dillon and Gretchen M. Dillon to E.B. Levee, Jr., recorded in Volume 323, Page 372 of the Deed Records of Bowie County, Texas and being more particularly described as follows:

BEGINNING at a found 1" iron pipe for corner at an existing fence corner at the Northwest corner of the above described 8.491 acre tract of land;

THENCE: N 88 deg. 59 min. 17 sec. E, along an existing fence line, same being the North boundary line of the above described 8.491 acre tract, 658.23 feet to a found 1" iron pipe for corner at an existing fence corner on the West boundary line of Village North Fifth

Addition to the City of Wake Village, Bowie County, Texas, according to the map or plat recorded in Volume 730, Page 758 of the Real Property Records of Bowie County, Texas;

THENCE: S 00 deg. 11 min. 06 sec. E, along an existing fence line, same being the East boundary line of the above described 8.491acre tract, same being the West boundary line of said Village North Fifth Addition, 560.86 feet to a found 1" iron pipe for corner at an existing fence corner;

THENCE: S 89 deg. 59 min. 45 sec. W, along an existing fence line, same being the most Northerly South boundary line of the above described 8.49 acre tract, same being the most Westerly North boundary line of said Village North Fifth Addition, 610.64 feet to a found 1" iron pipe for corner;

THENCE: S 00 deg. 51 min. 38 sec. E, with the most Southerly East boundary line of the above described 8.491 acre tract, same being the most Southerly West boundary line of said Village North Fifth Addition, passing at 140.45 feet a found 1/2" rebar on the North right-of-way line of Brown Drive and continuing a total distance of 165.19 feet to a set 60D nail for corner;

THENCE: N 90 deg. 00 min. 00 sec. W, with the centerline of Brown Drive, same being the most Southerly South boundary line of the above described 8.491acre tract, 41.57 feet to a set 60D nail for corner;

THENCE: N 00 deg. 49 min. 07 sec. W, with the West boundary line of the above described 8.491acre tract, passing at 44.26 feet a found 1/2" rebar and continuing a total distance of 714.53 feet to the POINT OF BEGINNING and containing 8.5058 acres of land, more or less.

SAVE AND EXCEPT from the above described Tract 2, the following tract or parcel of land:

All that certain parcel or tract of land located in the extreme Southeast corner of the 8.5058 acre tract of land in the Nancy Dycus Headright Survey, A-145, Bowie County, Texas, owned by ArkLaTex, LLC, recorded as Tract 3 in Volume 3620, Page 93 of the Real Property Records of Bowie County, Texas, and more particularly described as follows:

BEGINNING at the Southeast corner of said 8.5058 acre tract at a found iron pipe, also being on the North boundary line of Lot 12, Block 9 of the Village North Fifth Addition, City of Wake Village, Bowie County, Texas, according to the map or plat recorded in Volume 730, Page 758 of the Real Property Records of Bowie County, Texas;

THENCE: West with the South boundary line of 8.5058 acre tract and the North boundary lien of said Lot 12, 40 feet to the Northwest corner of Lot 12 and the Northeast corner of Lot 13, said Block and Addition, iron pipe found, continuing West with North boundary line of Lot 13 of said Block and Addition, in all 135 feet to the Northwest corner of Lot 13, said Block and Addition, iron pipe found;

THENCE: North 45 feet to an iron pipe for corner;

THENCE: East 135 feet to East boundary line of 8.5058 acre tract and West boundary line of said Village North Fifth Addition to an iron pipe;

THENCE: South 45 feet to the POINT OF BEGINNING, being the same tract of land conveyed by ArkLaTex, LLC to Herchel E. Lynch and Tommie S. Lynch by Warranty Deed dated May 8, 2003, recorded in Volume 3982, Page 258, Real Property Records of Bowie County, Texas.

TRACT THREE:

All that certain tract or parcel of land being a part of the JACOB CARSNER HEADRIGHT SURVEY, A-116, Bowie County, Texas and being all of a called 10 acre tract (Tract No. 2) as described in Warranty Deed from KATQ Radio, Inc. to Sandra A. May dated June 29, 2000, recorded in Volume 3291, Page 83 of the Real Property Records of Bowie County, Texas; same being the West ten (10) acres of the North One-half (N1/2) of Block Lettered "Z" of the subdivision of the Jacob Carsner Headright Survey, Bowie County, Texas, and being more particularly described as follows:

BEGINNING at a set 5/8" rebar for corner at the Northwest corner of the above described 10 acre tract of land same being the Northwest corner of Block Lettered "Z" of the subdivision of the Jacob Carsner Headright Survey, Bowie County, Texas, 635.00 feet to a set 5/8" rebar for corner on the West right-of-way line of South Oak Street;

THENCE: S 00 deg. 00 min. 00 sec. E, with the West right-of-way line of South Oak Street, 655.78 feet to a set 5/8" rebar for corner;

THENCE: S 89 deg. 34 min. 00 sec. W, with the South boundary line of the N-1/2 of Block Lettered "Z" of the subdivision of the Jacob Carsner Headright Survey, Bowie County, Texas, 635.00 feet to a set 5/8" rebar for corner on the West boundary line of the above described Block Lettered "Z";

THENCE: N 00 deg. 00 min. 00 sec. E, with the West boundary line of Block Lettered "Z" of the subdivision of the Jacob Carsner Headright Survey, Bowie County, Texas, 655.78 feet to the POINT OF BEGINNING, containing 9.5594 acres of land, more or less.

7. Deed of Trust dated April 26, 2023, granted by Alaska Broadcast Communications, Inc. in favour of ATB Financial with respect to the property legally described as follows:

PARCEL 4:

Tract II, Subdivision of Fraction of U.S. Survey No. 1361, according to Plat No. 269, Juneau Recording District, First Judicial District, State of Alaska.

SCHEDULE "D"
DEFAULT NOTICE

See attached.

SCHEDULE "E"
CURRENT LOAN INDEBTEDNESS

Facility	Principal	Interest	Standby Fee	Amount Outstanding
Facility #1 – Operating Loan Facility	U.S.\$245,378.67	U.S.\$7,440.47	U.S.\$2.85	U.S.\$252,821.99
Facility #2 – Non- Revolving Reducing Term Facility	U.S.\$6,413,076.86	U.S.\$635,499.30	-	U.S.\$7,048,576.16
Cost Account	U.S.\$24,490	U.S.\$338.17	-	U.S.\$24,828.17
(each a "Facility" and collectively, the "Facilities")				
Total:				U.S. \$7,326,226.32
(as of May 30, 2024, excluding the Lender's legal costs and expenses accrued prior to such date				

SCHEDULE "F"
TOWER LETTER OF INTENT

See attached.

SCHEDULE "G"
JUNEAU PROPERTY

PARCEL 1:

Part of U.S. Survey No. 1075, Juneau Recording District, First Judicial District, State of Alaska, described as:

BEGIN at the Southwest Corner of Tract 2, land accreted to U.S. Survey No. 1075, established by Survey in 1971, said point bearing N 40° 57' 17" W, a distance of 846.37 feet from a point known as Meander Corner Number 1 on U.S. Survey No. 1075; thence N 5° 52' 30" W 138.73 feet; thence N 50° 55' 15" E 112.30 feet to the South Right-of-Way Line of the "Glacier Expressway Highway"; thence along the South Right-of-Way Line Easterly along a curve to the left (radius = 5,829.58 feet) having a long chord bearing S 36° 07' 43" E 79.00 feet; thence N 35° 44' 17" E 28.00 feet; thence Easterly along a curve to the left (radius = 5,801.58 feet) having a long chord bearing S 34° 29' 05" E 253.13 feet; thence S 33° 14' 17" W 41.80 feet; thence S 88° 53' 00" W 339.26 feet to the POINT OF BEGINNING.

AND

Part of U.S. Survey No. 1075 and adjoining said U.S. Survey No. 1075, Juneau Recording District, First Judicial District, State of Alaska, described as:

BEGIN on the Westerly Line of Glacier Highway N 0° 52' W 159.27 feet from Bureau of Public Roads Highway Monument with a Brass Cap stamped P.O.S.T. 136+58.19 feet, run thence S 88° 53' W 263.39 feet; thence N 44° 45' W 172.47 feet; thence N 88° 53' E 386.71 feet to the Westerly Line of said highway; thence Southerly on said highway line, 125.00 feet, more or less, to the POINT OF BEGINNING.

EXCEPT THEREFROM that part taken by the State of Alaska in case No. 72-163 of the Superior Court in Juneau.

SCHEDULE "H"
CONSENT RECEIVERSHIP ORDER

See attached

COURT FILE NUMBER

Clerk's Stamp

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

Calgary

APPLICANT

ATB FINANCIAL

RESPONDENT(S)

LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., FRONTIER MEDIA LLC and BROADCAST 2 PODCAST, INC.

DOCUMENT

RECEIVERSHIP ORDER

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

Burnet, Duckworth & Palmer LLP
2400, 525 – 8 Avenue SW
Calgary, Alberta T2P 1G1
Lawyer: David LeGeyt
Phone Number: (403) 260-0120
Fax Number: (403) 260-0332
Email Address: dlegeyt@bdplaw.com
File No. 38795-2829

DATE ON WHICH ORDER WAS PRONOUNCED: [Click to Enter a Date](#)

LOCATION OF HEARING: **Calgary Courts Centre, Calgary, Alberta**

NAME OF JUSTICE WHO GRANTED THIS ORDER:

UPON the application of ATB FINANCIAL in respect of LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC, FRONTIER MEDIA LLC and BROADCAST 2 PODCAST, INC. (collectively, the "**Debtors**"); AND UPON having read the Application, the Affidavit of _____, sworn _____, 202__; filed; AND UPON reading the consent of FTI Canada Consulting Inc. to act as receiver (the "**Receiver**") of the Debtors, filed; AND UPON noting the consent endorsed hereon of counsel to the Respondents; AND UPON hearing counsel for ATB FINANCIAL, counsel for the proposed Receiver, and any other counsel or other interested parties present; IT IS HEREBY ORDERED AND DECLARED THAT:

Service

1. The time for service of the notice of application for this order (the "**Order**") is hereby abridged and deemed good and sufficient and this application is properly returnable today.

Appointment

2. Pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 (the "**BIA**"), and sections 13(2) of the *Judicature Act*, RSA 2000, c.J-2, 99(a) of the *Business Corporations Act*, RSA 2000, c.B-9, and 65(7) of the *Personal Property Security Act*, RSA 2000, c.P-7, FTI Canada Consulting Inc. is hereby appointed Receiver, without security, of all of the Debtors' current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "**Property**").

Receiver's Powers

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property, which shall include the Receiver's ability to abandon, dispose of, or otherwise release any interest in any of the Debtors' real or personal property, or any right in any immoveable;
 - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
 - (c) to manage, operate and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
 - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
 - (e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;

- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to or by the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - i. without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
 - ii. with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, RSA 2000, c. P-7 or any other similar legislation in any other province or territory shall not be required.

- (m) to apply for any vesting order or other orders (including, without limitation, confidentiality or sealing orders) necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Receiver for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, or any other similar government authority, notwithstanding Section 191 of the *Land Titles Act*, RSA 2000, c. L-4, or the provisions of any other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles shall accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtors and not in its personal capacity;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and

- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtors, and without interference from any other Person (as defined below).

Duty to Provide Access and Co-operations to the Receiver

4. (i) The Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
5. All Persons shall forthwith 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 business or affairs of the Debtors, and any computer programs, computer tapes, computer disks or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph or in paragraph [6] of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such

other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names, and account numbers that may be required to gain access to the information.

No Proceedings Against the Receiver

7. No proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

No Proceedings Against the Debtors or the Property

8. No Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph; and (ii) affect a Regulatory Body's investigation in respect of the Debtors or an action, suit or proceeding that is taken in respect of the Debtors by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "**Regulatory Body**" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a Province.

No Exercise of Rights of Remedies

9. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Debtors or the Receiver or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, that nothing in this Order shall:
 - (a) empower the Debtors to carry on any business that the Debtors is not lawfully entitled to carry on;

- (b) prevent the filing of any registration to preserve or perfect a security interest;
 - (c) prevent the registration of a claim for lien; or
 - (d) exempt the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment.
10. Nothing in this Order shall prevent any party from taking an action against the Debtors where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Receiver at the first available opportunity.

No Interference with the Receiver

11. No Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors, except with the written consent of the Debtors and the Receiver, or leave of this Court.

Continuation of Services

12. All persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services; or
 - (b) oral or written agreements or arrangements with the Debtors, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Debtors,

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Debtors or exercising any other remedy provided under such agreements or arrangements. The Debtors shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the usual prices or charges for all such goods or services received after the date of this Order are paid by the Debtors in accordance with the payment practices of the Debtors, or such other practices as may be agreed upon by the

supplier or service provider and each of the Debtors and the Receiver, or as may be ordered by this Court.

Receiver to Hold Funds

13. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

Employees

14. Subject to employees' rights to terminate their employment, all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, SC 2005, c.47 ("**WEPPA**").
15. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c. 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

Limitations on Environmental Liabilities

16. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
 - i. before the Receiver's appointment; or
 - ii. after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
 - i. if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause ii below, the Receiver:
 - A. complies with the order, or
 - B. on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
 - ii. during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by:
 - A. the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or

- B. the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
- iii. if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

Limitation on the Receiver's Liability

- 17. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the BIA.

Receiver's Accounts

- 18. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to the benefits of and are hereby granted a charge (the "**Receiver's Charge**") on the Property, which charge shall not exceed an aggregate amount of \$250,000 , as security for their professional fees and disbursements incurred at the normal rates and charges of the Receiver and such counsel, both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the BIA.
- 19. The Receiver and its legal counsel shall pass their accounts from time to time.
- 20. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

Funding of the Receivership

- 21. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed U.S.\$500,000 (or such greater amount as this

Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) of the BIA.

22. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
23. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
24. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.
25. The Receiver shall be authorized to repay any amounts borrowed by way of Receiver's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

Allocation

26. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the various assets comprising the Property

General

27. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Receiver's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
29. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.
30. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction to give effect to this Order and to assist the Receiver and its 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 Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.
31. The Receiver 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 Receiver 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.
32. The Plaintiff shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis, including legal costs on a solicitor-client full indemnity basis, to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.
33. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

Filing

34. The Receiver shall establish and maintain a website in respect of these proceedings (the "**Receiver's Website**") and shall post there as soon as practicable:

- (a) all materials prescribed by statute or regulation to be made publicly available; and
- (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

35. Service of this Order shall be deemed good and sufficient by:

- (a) serving the same on:
 - i. the persons listed on the service list created in these proceedings or otherwise served with notice of these proceedings;
 - ii. any other person served with notice of the application for this Order;
 - iii. any other parties attending or represented at the application for this Order; and
- (b) posting a copy of this Order on the Receiver's Website

and service on any other person is hereby dispensed with.

36. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of King's Bench of Alberta

CONSENTED TO BY MILLER THOMSON LLP

Per:

Print Name: Wayne Logan
 Counsel to the Respondents, Local First Media Group Inc., Local First Properties Inc., BTC USA Holdings Management Inc., Local First Properties USA Inc., Alaska Broadcast Communications, Inc., Frontier Media LLC and Broadcast 2 Podcast, Inc.

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that FTI Canada Consulting Inc., the interim receiver and receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of Local First Media Group Inc. and Local First Properties Inc. appointed by Order of the Court of King's Bench of Alberta and Court of King's Bench of Alberta in Bankruptcy and Insolvency (collectively, the "**Court**") dated the _____ day of _____, 2023 (the "**Order**") made in action numbers **Enter Action Numbers**, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of **Enter Amount**, being part of the total principal sum of **Enter Amount** that the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded **Select an Option** after the date hereof at a notional rate per annum equal to the rate of **Enter Rate** per cent above the prime commercial lending rate of **Name of Institution** from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at **Enter Address**.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 2023

**FTI Canada Consulting Inc., solely in its capacity
as Receiver of the Property (as defined in the
Order), and not in its personal capacity**

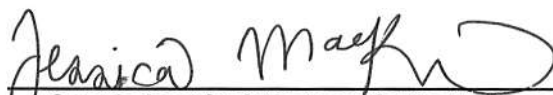
Per: _____

Name:

Title:

**THIS IS EXHIBIT "33" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Suite 600, 585 – 8th Avenue, S.W.
Calgary, Alberta T2P 1G1
Telephone: (403) 669-8272
Fax: (403) 767-4048

August 20, 2024

Private and Confidential

Local First Media Group Inc. and Local First Properties Inc.
c/o 3000, 700 – 9th Avenue SW
Calgary, Alberta T2P 3V4

Attn: *Bryan Woodruff, President, Secretary and Treasurer*

Dear Sir:

Re: ATB Financial Amended and Restated Forbearance Agreement – Local First Media Group Inc. and Local First Properties Inc.

We refer to the amended and restated forbearance agreement dated as of July 19, 2024 (the "**Forbearance Agreement**") among ATB Financial (the "**Lender**"), Local First Media Group Inc. and Local First Properties Inc. (collectively, the "**Borrowers**"), BTC USA Holdings Management Inc., Local First Properties USA Inc., Alaska Broadcast Communications, Inc., Broadcast 2 Podcast, Inc. and Frontier Media LLC (collectively, the "**Guarantors**"), which was entered into in connection with the commitment letter dated April 10, 2023 among the Lender, as lender, the Borrowers, as borrowers, and certain of the Guarantors, as guarantors (the "**Commitment Letter**").

Capitalized terms used and not otherwise defined in this letter have the respective meanings ascribed thereto in the Forbearance Agreement or the Commitment Letter, as the context requires.

Pursuant to Article 4 of the Forbearance Agreement, the Borrowers and the Guarantors (collectively, the "**Loan Parties**") covenanted and agreed with the Lender, *inter alia*, to:

- (a) provide to the Lender as soon as possible, and in any event by August 9, 2024:
 - (i) with respect to each calendar month commencing with May, 2023 and ending with May 2024 (inclusive), (A) consolidated unaudited financial statements of the Parent, on an internally prepared basis; and (B) a list of all aged accounts payable and all Accounts Receivable, including all Priority Payables as at the end of each such month, certified by a senior officer of each Borrower;
 - (ii) with respect to the Fiscal Quarters ending June 30, 2023, September 30, 2023, and March 31, 2024, (A) consolidated unaudited financial statements of the Parent, on an internally prepared basis, (B) an internally-prepared management and discussion analysis, including detailed variance to budget and historical performance; and (C) a Compliance Certificate;
 - (iii) with respect to the Fiscal Year ending December 31, 2023, (A) financial statements of the Parent on a consolidated and review engagement basis, prepared by a national firm of

qualified accountants; (B) an internally-prepared management and discussion analysis; (C) evidence, in form and substance satisfactory to Lender, that all FCC Licenses are in good standing, including the renewal thereof, as deemed necessary by Lender; and (D) a Compliance Certificate;

- (iv) an updated cash flow forecast, in form and substance satisfactory to the Lender and the Monitor; and
 - (v) bank statements for the operating account of the Parent which is held at Wells Fargo with respect to each calendar month commencing September 2023 and ending with June 2024 (inclusive); and
- (b) provide to the Lender an executed binding purchase and sale agreement between Local Properties USA and Vertical Bridge Acquisitions III, LLC, in form and substance satisfactory to the Lender setting out the terms and conditions of the Tower Transaction by no later than August 9, 2024,

(collectively, the "**Covenants**").

The Loan Parties have defaulted under the Forbearance Agreement by failing to comply with each of the Covenants and such defaults are continuing as of the date hereof (collectively, the "**Covenant Defaults**").

Additionally, pursuant to Section 3(c) of the Commitment Letter, the Borrowers covenanted and agreed with the Lender to make certain quarterly repayments of principal under Facility #2, as more particularly set forth therein, and pursuant to Section 4.3(a) of the Forbearance Agreement the Borrowers covenanted and agreed to comply with the terms of the Loan Documents. The Borrowers have defaulted under the Commitment Letter and the Forbearance Agreement by failing to make such required principal repayments for the Fiscal Quarter ending December 31, 2023 (the "**Principal Repayment Default**" and, together with the Covenant Defaults, collectively, the "**Defaults**").

Accordingly, Events of Default have occurred and are continuing under the Forbearance Agreement, including, without limitation, pursuant to Sections 9.1(a) and 9.1(b) of the Forbearance Agreement.

Notwithstanding anything set forth herein, the Lender hereby reserves all of its rights arising out of the Defaults, including the right to seek immediate repayment of the Facilities from the Borrowers and the Guarantors, together with interest, fees and any costs (including legal fees on a solicitor and client full indemnity basis), which may be incurred by the Lender in connection with the collection thereof.

This letter shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein and may be executed and delivered electronically and in any number of counterparts and by different parties in separate counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which taken together constitute one and the same instrument.



Please confirm your receipt of this letter by signing it in the space provided below and returning a copy to the undersigned. We thank you for your attention to this matter.

Yours truly,

ATB FINANCIAL

DocuSigned by:

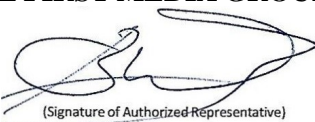
Per: 
5F6DF8EF220746E...
Greg Steidl
Director, Corporate RAM

DocuSigned by:

Per: 
2623AB1781ED444...
Brian Spilchen
Director, Corporate RAM

We acknowledge and confirm our receipt of the foregoing as of _____ 26th _____, 2024.

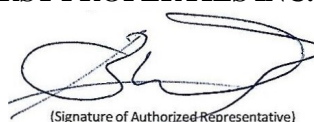
BORROWERS:

LOCAL FIRST MEDIA GROUP INC.

Per: 
(Signature of Authorized Representative)

Name: Bryan Woodruff
Title:

LOCAL FIRST PROPERTIES INC.

Per: 
(Signature of Authorized Representative)

Name: Bryan Woodruff
Title:


GUARANTORS:

BTC USA HOLDINGS MANAGEMENT INC.

Per: 

Name: Cliff Dumas
Title:

LOCAL FIRST PROPERTIES USA INC.

Per: 
(Signature of Authorized Representative)

Name: Bryan Woodruff
Title:

ALASKA BROADCAST COMMUNICATIONS, INC.

Per: 

Name: Cliff Dumas
Title:

BROADCAST 2 PODCAST, INC.

Per: 

Name:
Title:


FRONTIER MEDIA LLC

Per: 

Name: Cliff Dumas
Title:

**THIS IS EXHIBIT "34" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Suite 600, 585 – 8th Avenue, S.W.
Calgary, Alberta T2P 1G1
Telephone: (403) 669-8272
Fax: (403) 767-4048

December 20, 2024

Private and Confidential

Local First Media Group Inc. and Local First Properties Inc.
c/o 3000, 700 – 9th Avenue SW
Calgary, Alberta T2P 3V4

Attn: *Bryan Woodruff, President, Secretary and Treasurer*

Dear Sir:

Re: ATB Financial Amended and Restated Forbearance Agreement – Local First Media Group Inc. and Local First Properties Inc.

We refer to the amended and restated forbearance agreement dated as of July 19, 2024 (the "**Forbearance Agreement**") among ATB Financial (the "**Lender**"), Local First Media Group Inc. and Local First Properties Inc. (collectively, the "**Borrowers**"), BTC USA Holdings Management Inc., Local First Properties USA Inc., Alaska Broadcast Communications, Inc., Broadcast 2 Podcast, Inc. and Frontier Media LLC (collectively, the "**Guarantors**"), which was entered into in connection with the commitment letter dated April 10, 2023 among the Lender, as lender, the Borrowers, as borrowers, and certain of the Guarantors, as guarantors (the "**Commitment Letter**").

Capitalized terms used and not otherwise defined in this letter have the respective meanings ascribed thereto in the Forbearance Agreement or the Commitment Letter, as the context requires.

Pursuant to Article 4 of the Forbearance Agreement, the Borrowers and the Guarantors (collectively, the "**Loan Parties**") covenanted and agreed with the Lender, *inter alia*, to:

- (a) complete the Juneau Transaction giving rise to net proceeds in an amount agreed to by the Lender by no later than September 30, 2024;
- (b) complete the Tower Transaction giving rise to gross proceeds in an amount not less than U.S.\$3,018,370 by no later than September 15, 2024;
- (c) provide a general security agreement, and an unlimited continuing guarantee and postponement, each in form and substance satisfactory to the Lender, from Frontier Media LLC on or before August 31, 2024;
- (d) provide a U.S. share pledge agreement from the Parent, providing a security interest in favour of Lender over all Equity Interests held by the Parent in Frontier Media LLC on or before August 31, 2024; and

- (e) comply with the terms of the Loan Documents (including making certain required principal repayments for the Fiscal Quarter ending September 30, 2024 pursuant to the terms of the Commitment Letter),

(collectively, the "**Covenants**").

The Loan Parties have defaulted under the Forbearance Agreement by failing to comply with each of the Covenants and such defaults are continuing as of the date hereof (collectively, the "**Defaults**"). Accordingly, Events of Default have occurred and are continuing under the Forbearance Agreement, including, without limitation, pursuant to Sections 9.1(a) and 9.1(b) of the Forbearance Agreement.

Notwithstanding anything set forth herein, the Lender hereby reserves all of its rights arising out of the Defaults, including the right to seek immediate repayment of the Facilities from the Borrowers and the Guarantors, together with interest, fees and any costs (including legal fees on a solicitor and client full indemnity basis), which may be incurred by the Lender in connection with the collection thereof.

This letter shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein and may be executed and delivered electronically and in any number of counterparts and by different parties in separate counterparts, each of which, when so executed and delivered, shall be deemed to be an original and all of which taken together constitute one and the same instrument.

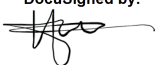
Please confirm your receipt of this letter by signing it in the space provided below and returning a copy to the undersigned. We thank you for your attention to this matter.

Yours truly,

ATB FINANCIAL

DocuSigned by:

Per: _____
5F0DF8EF22074CE...
Greg Steidl
Director, Corporate RAM

DocuSigned by:

Per: _____
B1382CC8D1D14E9...
Jacky Cheung
Associate Director, Corporate RAM

ATB

0418
atb.com 

We acknowledge and confirm our receipt of the foregoing as of _____, 2024.

BORROWERS:

LOCAL FIRST MEDIA GROUP INC.

LOCAL FIRST PROPERTIES INC.

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____

GUARANTORS:

BTC USA HOLDINGS MANAGEMENT INC.

LOCAL FIRST PROPERTIES USA INC.

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____

**ALASKA BROADCAST
COMMUNICATIONS, INC.**

BROADCAST 2 PODCAST, INC.

Per: _____
Name: _____
Title: _____

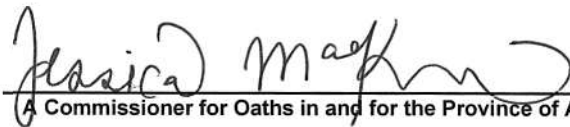
Per: _____
Name: _____
Title: _____

FRONTIER MEDIA LLC

Per: _____
Name: _____
Title: _____

**THIS IS EXHIBIT "35" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Reply to: David LeGeyt
Direct Phone: (403) 260-0210
Direct Fax: (403) 260-0332
dlegeyt@bdplaw.com

Assistant: Angel Donor
Direct Phone: (403) 260-9462
Our File: 38795-2829

January 16, 2025

SENT BY EMAIL

[\(bwoodruff@localfirstmediagroup.com\)](mailto:bwoodruff@localfirstmediagroup.com)
[\(bwoodruff@localfirstpropertiesusa.com\)](mailto:bwoodruff@localfirstpropertiesusa.com)

ORIGINAL SENT BY REGISTERED MAIL

SENT BY EMAIL

[\(calgarycorporateservices@millerthomson.com\)](mailto:calgarycorporateservices@millerthomson.com)
[\(wlogan@millerthomson.com\)](mailto:wlogan@millerthomson.com)

ORIGINAL SENT BY REGISTERED MAIL

LOCAL FIRST MEDIA GROUP INC.

304 Edgemont Place NW
Calgary, AB T3A 2K2

Attention: Bryan Woodruff, President

Registered Office

Miller Thomson LLP
3000, 700 – 9th Avenue SW
Calgary, AB T2P 3V4

Attention: Wayne Logan

Dear Sirs:

**Re: ATB Financial re: Local First Media Group Inc. ("Local First Media") and
Local First Properties Inc. ("Local First Properties", and together with
Local First Media, collectively, the "Borrowers")**

We are counsel to ATB Financial ("**ATB**") in connection with a commitment letter dated April 10, 2023 ("**Loan Agreement**"), between ATB, the Borrowers, BTC USA Holdings Management Inc. ("**BTC**"), Local First Properties USA Inc. ("**Local First Properties USA**"), Alaska Broadcast Communications, Inc. ("**Alaska Broadcast**") and Broadcast 2 Podcast, Inc. ("**Broadcast 2 Podcast**", together with BTC, Local First Properties USA and Alaska Broadcast, collectively, the "**Guarantors**"). Reference is made to:

- (a) a general security agreement dated April 26, 2023, granted by Local First Media in favour of ATB;
 - (b) a general security agreement dated April 26, 2023, granted by Local First Properties in favour of ATB; and
 - (c) a pledge agreement dated April 26, 2023, granted by Local First Media in favour of ATB;
- (collectively, the "**Security**").

14176122.2

Reference is also made to the forbearance agreement made November 24, 2023 (the "**2023 Forbearance Agreement**"), an amended and restated forbearance agreement made July 19, 2024 (the "**2024 Forbearance Agreement**", and together with the 2023 Forbearance Agreement, collectively, the "**Forbearance Agreements**"), a notice of default dated August 20, 2024 (The "**August Notice of Default**") and a notice of default dated December 20, 2024 (the "**December Notice of Default**" and together with the August 2024 Notice of Default, collectively, the "**Notices of Default**").

As set out in the Notices of Default and the Forbearance Agreements, the Borrowers are in default of the Loan Agreement and the Security, and as a result, all amounts owing to ATB under the Loan Agreement and Security are immediately due and payable. The defaults of the Borrowers include but are not limited to (i) failure to make payments as required by the Loan Agreement (ii) failure to make maintain the required financial covenants set forth in the Loan Agreement, (iii) failure to comply with the reporting requirements set out in the Loan Agreement, and (iv) additional defaults under the 2024 Forbearance Agreement as further described in the Notices of Default. In addition, the Forbearance Period as defined in the 2024 Forbearance Agreement has expired.

As a result of the foregoing, on behalf of ATB, we hereby demand repayment of all amounts due and owing by the Borrowers to ATB under the Loan Agreement and Security, namely the amount of USD\$8,155,974.17 as of January 14, 2025, plus all accrued and accruing interest and legal costs on a solicitor and own client fully indemnity basis (the "**Indebtedness**").

Please note that the Indebtedness will continue to accrue interest at the rates agreed to, and costs and expenses will continue to be incurred by ATB for which the Borrowers will be responsible, until payment of all amounts owing is received by either certified cheque or bank draft at the following address:

ATB Financial
c/o Burnet, Duckworth & Palmer LLP
2400, 525 – 8th Avenue SW
Calgary, Alberta T2P 1G1
Attention: David LeGeyt

If full payment, as set forth above, is not received by close of business on January 27, 2025, ATB will take whatever steps it deems appropriate to seek repayment of the said amount. To this end we enclose for service upon you a Notice of Intention to Enforce Security ("**NOI**") in accordance with section 244 of the *Bankruptcy and Insolvency Act* (Canada). If you are prepared to waive the ten-day notice period, please endorse the Consent and Waiver located on page 2 of the NOI and return to the undersigned.

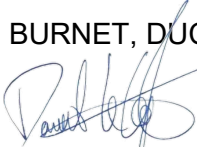
For your information, demands will be issued on the Guarantors in respect of the Indebtedness.

Please note that ATB reserves the right to proceed against the Borrowers: (i) prior to the time stipulated above in the event that it determines that its position has been further jeopardized; and (ii) anytime, or from time to time after any dates stipulated above have passed, and in either case without the necessity of serving a new demand for payment.

If you have any questions, please contact the undersigned.

Yours truly,

BURNET, DUCKWORTH & PALMER LLP



David LeGeyt
Partner

DLG:amd
Enclosure

cc: Greg Steidl, ATB Financial (*via email*)
Jessica MacKinnon, Burnet, Duckworth & Palmer LLP (*via email*)

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY

(Subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada))

To: Local First Media Group Inc., an insolvent person (the "**Debtor**")

TAKE NOTICE THAT:

1. ATB Financial ("**ATB**"), a secured creditor of the Debtor, intends to enforce its security on the property of the Debtor as set out below:
 - (a) all present and after acquired real and personal property of the Debtor; and
 - (b) all proceeds of the foregoing collateral,
2. The security that is to be enforced is in the form of:
 - (a) a general security agreement dated April 26, 2023, granted by the Debtor in favour of ATB; and
 - (b) a pledge agreement dated April 26, 2023, granted by the Debtor in favour of ATB,(collectively, the "**Security**").
3. The total amount of indebtedness secured by the Security is, as of January 14, 2025, the sum of USD \$8,155,974.17, plus all accrued and accruing interest and legal costs.

ATB will not have the right to enforce its Security until after the expiry of the 10-day period following the sending of this notice, unless the Debtor consents to an earlier enforcement.

DATED at the City of Calgary, in the Province of Alberta, this 16th day of January, 2025.

BURNET, DUCKWORTH & PALMER LLP,
solicitors and agents for ATB Financial

Per: 

David LeGeyt

CONSENT AND WAIVER**THE UNDERSIGNED** hereby:

Acknowledges receipt of the Notice of Intention to Enforce Security;

Waives the ten days of notice required under section 244 of the *Bankruptcy and Insolvency Act* (Canada); and

Consents to the immediate enforcement by ATB Financial of the Security referred to herein.

DATED this _____ day of _____, 2025.**LOCAL FIRST MEDIA GROUP INC.**

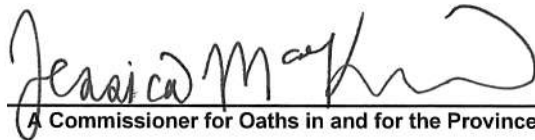
Per: _____

Name:

Title:

**THIS IS EXHIBIT "36" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**

A handwritten signature in black ink, appearing to read "Jessica MacKinnon", is written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Reply to: David LeGeyt
Direct Phone: (403) 260-0210
Direct Fax: (403) 260-0332
dlegeyt@bdplaw.com

Assistant: Angel Donor
Direct Phone: (403) 260-9462
Our File: 38795-2829

January 16, 2025

SENT BY EMAIL

bwoodruff@localfirstmediagroup.com
bwoodruff@localfirstpropertiesusa.com

ORIGINAL SENT BY REGISTERED MAIL

LOCAL FIRST PROPERTIES INC.

304 Edgemont Place NW
Calgary, AB T3A 2K2

Attention: Bryan Woodruff, President

SENT BY EMAIL

calgarycorporateservices@millerthomson.com
wlogan@millerthomson.com

ORIGINAL SENT BY REGISTERED MAIL

Registered Office

Miller Thomson LLP
3000, 700 – 9th Avenue SW
Calgary, AB T2P 3V4

Attention: Wayne Logan

Dear Sirs

**Re: ATB Financial re: Local First Media Group Inc. ("Local First Media") and
Local First Properties Inc. ("Local First Properties", and together with
Local First Media, collectively, the "Borrowers")**

We are counsel to ATB Financial ("**ATB**") in connection with a commitment letter dated April 10, 2023 ("**Loan Agreement**"), between ATB, the Borrowers, BTC USA Holdings Management Inc. ("**BTC**"), Local First Properties USA Inc. ("**Local First Properties USA**"), Alaska Broadcast Communications, Inc. ("**Alaska Broadcast**") and Broadcast 2 Podcast, Inc. ("**Broadcast 2 Podcast**", together with BTC, Local First Properties USA and Alaska Broadcast, collectively, the "**Guarantors**"). Reference is made to:

- (a) a general security agreement dated April 26, 2023, granted by Local First Media in favour of ATB;
 - (b) a general security agreement dated April 26, 2023, granted by Local First Properties in favour of ATB; and
 - (c) a pledge agreement dated April 26, 2023, granted by Local First Media in favour of ATB;
- (collectively, the "**Security**").

14176068.2

Reference is also made to the forbearance agreement made November 24, 2023 (the "**2023 Forbearance Agreement**"), an amended and restated forbearance agreement made July 19, 2024 (the "**2024 Forbearance Agreement**", and together with the 2023 Forbearance Agreement, collectively, the "**Forbearance Agreements**"), a notice of default dated August 20, 2024 (The "**August Notice of Default**") and a notice of default dated December 20, 2024 (the "**December Notice of Default**" and together with the August 2024 Notice of Default, collectively, the "**Notices of Default**").

As set out in the Notices of Default and the Forbearance Agreements, the Borrowers are in default of the Loan Agreement and the Security, and as a result, all amounts owing to ATB under the Loan Agreement and Security are immediately due and payable. The defaults of the Borrowers include but are not limited to (i) failure to make payments as required by the Loan Agreement (ii) failure to make maintain the required financial covenants set forth in the Loan Agreement, (iii) failure to comply with the reporting requirements set out in the Loan Agreement, and (iv) additional defaults under the 2024 Forbearance Agreement as further described in the Notices of Default. In addition, the Forbearance Period as defined in the 2024 Forbearance Agreement has expired.

As a result of the foregoing, on behalf of ATB, we hereby demand repayment of all amounts due and owing by the Borrowers to ATB under the Loan Agreement and Security, namely the amount of USD\$8,155,974.17 as of January 14, 2025, plus all accrued and accruing interest and legal costs on a solicitor and own client fully indemnity basis (the "**Indebtedness**").

Please note that the Indebtedness will continue to accrue interest at the rates agreed to, and costs and expenses will continue to be incurred by ATB for which the Borrowers will be responsible, until payment of all amounts owing is received by either certified cheque or bank draft at the following address:

ATB Financial
c/o Burnet, Duckworth & Palmer LLP
2400, 525 – 8th Avenue SW
Calgary, Alberta T2P 1G1
Attention: David LeGeyt

If full payment, as set forth above, is not received by close of business on January 27, 2025, ATB will take whatever steps it deems appropriate to seek repayment of the said amount. To this end we enclose for service upon you a Notice of Intention to Enforce Security ("**NOI**") in accordance with section 244 of the *Bankruptcy and Insolvency Act* (Canada). If you are prepared to waive the ten-day notice period, please endorse the Consent and Waiver located on page 2 of the NOI and return to the undersigned.

For your information, demands will be issued on the Guarantors in respect of the Indebtedness.

Please note that ATB reserves the right to proceed against the Borrowers: (i) prior to the time stipulated above in the event that it determines that its position has been further jeopardized; and (ii) anytime, or from time to time after any dates stipulated above have passed, and in either case without the necessity of serving a new demand for payment.

If you have any questions, please contact the undersigned.

Yours truly,

BURNET, DUCKWORTH & PALMER LLP

A handwritten signature in blue ink, appearing to read "David LeGeyt", is written over the printed name.

David LeGeyt
Partner

DLG:amd
Enclosure

cc: Greg Steidl, ATB Financial (*via email*)
Jessica MacKinnon, Burnet, Duckworth & Palmer LLP (*via email*)

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY

(Subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada))

To: Local First Properties Inc., an insolvent person (the "**Debtor**")

TAKE NOTICE THAT:

1. ATB Financial ("**ATB**"), a secured creditor of the Debtor, intends to enforce its security on the property of the Debtor as set out below:
 - (a) all present and after acquired real and personal property of the Debtor; and
 - (b) all proceeds of the foregoing collateral,
2. The security that is to be enforced is in the form of a general security agreement dated April 26, 2023, granted by the Debtor in favour of ATB (collectively, the "**Security**").
3. The total amount of indebtedness secured by the Security is, as of January 14, 2025, the sum of USD \$8,155,974.17, plus all accrued and accruing interest and legal costs.

ATB will not have the right to enforce its Security until after the expiry of the 10-day period following the sending of this notice, unless the Debtor consents to an earlier enforcement.

DATED at the City of Calgary, in the Province of Alberta, this 16th day of January, 2025.

BURNET, DUCKWORTH & PALMER LLP,
solicitors and agents for ATB Financial

Per: 

David LeGeyt

CONSENT AND WAIVER**THE UNDERSIGNED** hereby:

Acknowledges receipt of the Notice of Intention to Enforce Security;

Waives the ten days of notice required under section 244 of the *Bankruptcy and Insolvency Act* (Canada); and

Consents to the immediate enforcement by ATB Financial of the Security referred to herein.

DATED this _____ day of _____, 2025.**LOCAL FIRST PROPERTIES INC.**

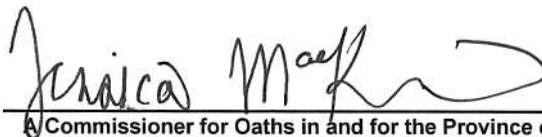
Per: _____

Name:

Title:

THIS IS EXHIBIT "37" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.

SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.

A handwritten signature in black ink, appearing to read "Jessica Mackinnon", is written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

Jessica Mackinnon
Barrister & Solicitor

Reply to: David LeGeyt
Direct Phone: (403) 260-0210
Direct Fax: (403) 260-0332
dlegeyt@bdplaw.com

Assistant: Angel Donor
Direct Phone: (403) 260-9462
Our File: 38795-2829

January 16, 2025

SENT BY EMAIL (calgarycorporateservices@millerthomson.com)
(wlogan@millerthomson.com)

ORIGINAL SENT BY REGISTERED MAIL

ALASKA BROADCAST COMMUNICATIONS, INC.
c/o Miller Thomson LLP
3000, 700 – 9th Avenue SW
Calgary, AB T2P 3V4

Attention: Wayne Logan

Dear Mr. Logan:

**Re: ATB Financial re: Local First Media Group Inc. and
Local First Properties Inc. (collectively, the "Borrowers") and the
Obligations of Alaska Broadcast Communications, Inc. ("ABC Inc.")**

We are counsel to ATB Financial ("**ATB**") in connection with the credit facilities provided by our client to or on account of the Borrowers and the obligations outstanding between the Borrowers, ABC Inc. and ATB, including pursuant to a commitment letter dated April 10, 2023 ("**Loan Agreement**"), between ATB, the Borrowers, ABC Inc. and certain other guarantors, and the Continuing Guarantee granted by ABC Inc. dated April 26, 2023.

The Borrowers are in default of its obligations to ATB and ATB has today demanded repayment from the Borrowers in the amount of USD \$8,155,974.17 as of January 14, 2025 plus all accrued and accruing interest and legal costs (the "**Indebtedness**"). ABC Inc. has guaranteed repayment of the Indebtedness. Accordingly, ATB hereby demands repayment of these amounts from ABC Inc. in the amount of USD\$8,155,974.17 as of January 14, 2025.

The Indebtedness continues to accrue interest at the rates agreed to and costs until payment of all amounts owing is received. Payment may be made by way of certified cheque or bank draft to the following address:

ATB Financial
c/o Burnet, Duckworth & Palmer LLP
2400, 525 – 8th Avenue SW
Calgary, Alberta T2P 1G1
Attention: David LeGeyt

14176079.2

If full payment, as set forth above, is not received by close of business on January 27, 2025, ATB will take whatever steps it deems appropriate to seek repayment of the said amount. To this end we enclose for service upon you a Notice of Intention to Enforce Security ("**NOI**") in accordance with section 244 of the *Bankruptcy and Insolvency Act* (Canada). If you are prepared to waive the ten-day notice period, please endorse the Consent and Waiver located on page 2 of the NOI and return to the undersigned.

Please note that ATB reserves the right to proceed against you: (i) prior to the time stipulated above in the event that it determines that its position has been further jeopardized; and (ii) anytime, or from time to time after any dates stipulated above have passed, and in either case without the necessity of serving a new demand for payment.

If you have any questions, please contact the undersigned.

Yours truly,

BURNET, DUCKWORTH & PALMER LLP

A handwritten signature in blue ink, appearing to read 'David LeGeyt', is written over the printed name.

David LeGeyt
Partner

DLG:amd
Enclosure

cc: Greg Steidl, ATB Financial (*via email*)
Jessica MacKinnon, Burnet, Duckworth & Palmer LLP (*via email*)

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY

(Subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada))

To: Alaska Broadcast Communications, Inc., an insolvent person (the "**Debtor**")

TAKE NOTICE THAT:

1. ATB Financial ("**ATB**"), a secured creditor of the Debtor, intends to enforce its security on the property of the Debtor as set out below:
 - (a) all present and after acquired real and personal property of the Debtor; and
 - (b) all proceeds of the foregoing collateral.
2. The security that is to be enforced is in the form of a security agreement dated April 26, 2023, granted by the Debtor in favour of ATB (the "**Security**").
3. The total amount of indebtedness secured by the Security is, as of January 14, 2025, the principal sum of USD\$8,155,974.17 plus all accrued and accruing interest and legal costs.

ATB will not have the right to enforce its Security until after the expiry of the 10-day period following the sending of this notice, unless the Debtor consents to an earlier enforcement.

DATED at the City of Calgary, in the Province of Alberta, this 16th of January, 2025.

BURNET, DUCKWORTH & PALMER LLP,
solicitors and agents for ATB Financial

Per: 

David LeGeyt

CONSENT AND WAIVER

THE UNDERSIGNED hereby:

Acknowledges receipt of the Notice of Intention to Enforce Security;

Waives the ten days of notice required under section 244 of the *Bankruptcy and Insolvency Act* (Canada); and

Consents to the immediate enforcement by ATB Financial of the Security referred to herein.

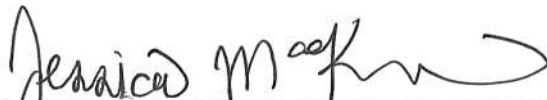
DATED this _____ day of _____, 2025.

ALASKA BROADCAST COMMUNICATIONS, INC.

Per: _____
Name:
Title:

**THIS IS EXHIBIT "38" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Reply to: David LeGeyt
Direct Phone: (403) 260-0210
Direct Fax: (403) 260-0332
dlegeyt@bdplaw.com

Assistant: Angel Donor
Direct Phone: (403) 260-9462
Our File: 38795-2829

January 16, 2025

SENT BY EMAIL (calgarycorporateservices@millerthomson.com)
(wlogan@millerthomson.com)

ORIGINAL SENT BY REGISTERED MAIL

BROADCAST 2 PODCAST, INC.
c/o Miller Thomson LLP
3000, 700 – 9th Avenue SW
Calgary, AB T2P 3V4

Attention: Wayne Logan

Dear Mr. Logan:

**Re: ATB Financial re: Local First Media Group Inc. and
Local First Properties Inc. (collectively, the "Borrowers") and the
Obligations of Broadcast 2 Podcast, Inc. ("B2P")**

We are counsel to ATB Financial ("**ATB**") in connection with the credit facilities provided by our client to or on account of the Borrowers and the obligations outstanding between the Borrowers, B2P and ATB, including pursuant to a commitment letter dated April 10, 2023 ("**Loan Agreement**"), between ATB, the Borrowers, B2P and certain other guarantors, and the Continuing Guarantee granted by B2P dated April 26, 2023.

The Borrowers are in default of its obligations to ATB and ATB has today demanded repayment from the Borrowers in the amount of USD \$8,155,974.17 as of January 14, 2025 plus all accrued and accruing interest and legal costs (the "**Indebtedness**"). B2P has guaranteed repayment of the Indebtedness. Accordingly, ATB hereby demands repayment of these amounts from B2P in the amount of USD\$8,155,974.17 as of January 14, 2025.

The Indebtedness continues to accrue interest at the rates agreed to and costs until payment of all amounts owing is received. Payment may be made by way of certified cheque or bank draft to the following address:

ATB Financial
c/o Burnet, Duckworth & Palmer LLP
2400, 525 – 8th Avenue SW
Calgary, Alberta T2P 1G1
Attention: David LeGeyt

14176093.3

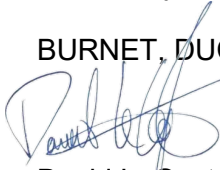
If full payment, as set forth above, is not received by close of business on January 27, 2025, ATB will take whatever steps it deems appropriate to seek repayment of the said amount. To this end we enclose for service upon you a Notice of Intention to Enforce Security ("**NOI**") in accordance with section 244 of the *Bankruptcy and Insolvency Act* (Canada). If you are prepared to waive the ten-day notice period, please endorse the Consent and Waiver located on page 2 of the NOI and return to the undersigned.

Please note that ATB reserves the right to proceed against you: (i) prior to the time stipulated above in the event that it determines that its position has been further jeopardized; and (ii) anytime, or from time to time after any dates stipulated above have passed, and in either case without the necessity of serving a new demand for payment.

If you have any questions, please contact the undersigned.

Yours truly,

BURNET, DUCKWORTH & PALMER LLP

A handwritten signature in blue ink, appearing to read 'David LeGeyt', is written over the printed name and title.

David LeGeyt
Partner

DLG:amd
Enclosure

cc: Greg Steidl, ATB Financial (*via email*)
Jessica MacKinnon, Burnet, Duckworth & Palmer LLP (*via email*)

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY

(Subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada))

To: Broadcast 2 Podcast, Inc., an insolvent person (the "**Debtor**")

TAKE NOTICE THAT:

1. ATB Financial ("**ATB**"), a secured creditor of the Debtor, intends to enforce its security on the property of the Debtor as set out below:
 - (a) all present and after acquired real and personal property of the Debtor; and
 - (b) all proceeds of the foregoing collateral.
2. The security that is to be enforced is in the form of a pledge agreement dated April 26, 2023, granted by the Debtor in favour of ATB (the "**Security**").
3. The total amount of indebtedness secured by the Security is, as of January 14, 2025, the principal sum of USD\$8,155,974.17 plus all accrued and accruing interest and legal costs.

ATB will not have the right to enforce its Security until after the expiry of the 10-day period following the sending of this notice, unless the Debtor consents to an earlier enforcement.

DATED at the City of Calgary, in the Province of Alberta, this 16th of January, 2025.

BURNET, DUCKWORTH & PALMER LLP,
solicitors and agents for ATB Financial

Per: 

David LeGeyt

CONSENT AND WAIVER**THE UNDERSIGNED** hereby:

Acknowledges receipt of the Notice of Intention to Enforce Security;

Waives the ten days of notice required under section 244 of the *Bankruptcy and Insolvency Act* (Canada); and

Consents to the immediate enforcement by ATB Financial of the Security referred to herein.

DATED this _____ day of _____, 2025.**BROADCAST 2 PODCAST, INC.**

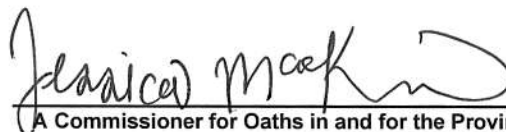
Per: _____

Name:

Title:

**THIS IS EXHIBIT "39" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**

A handwritten signature in black ink, appearing to read "Jessica MacKinnon", written over a horizontal line.

A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Reply to: David LeGeyt
Direct Phone: (403) 260-0210
Direct Fax: (403) 260-0332
dlegeyt@bdplaw.com

Assistant: Angel Donor
Direct Phone: (403) 260-9462
Our File: 38795-2829

January 16, 2025

SENT BY EMAIL (calgarycorporateservices@millerthomson.com)
(wlogan@millerthomson.com)

ORIGINAL SENT BY REGISTERED MAIL

BTC USA HOLDINGS MANAGEMENT INC.

c/o Miller Thomson LLP

3000, 700 – 9th Avenue SW

Calgary, AB T2P 3V4

Attention: Wayne Logan

Dear Mr. Logan:

**Re: ATB Financial re: Local First Media Group Inc. and
Local First Properties Inc. (collectively, the "Borrowers") and the Obligations of
BTC USA Holdings Management Inc. ("BTC")**

We are counsel to ATB Financial ("**ATB**") in connection with the credit facilities provided by our client to or on account of the Borrowers and the obligations outstanding between the Borrowers, BTC and ATB, including pursuant to a commitment letter dated April 10, 2023 ("**Loan Agreement**"), between ATB, the Borrowers, BTC and certain other guarantors, and the Continuing Guarantee granted by BTC dated April 26, 2023.

The Borrowers are in default of its obligations to ATB and ATB has today demanded repayment from the Borrowers in the amount of USD \$8,155,974.17 as of January 14, 2025 plus all accrued and accruing interest and legal costs (the "**Indebtedness**"). BTC has guaranteed repayment of the Indebtedness. Accordingly, ATB hereby demands repayment of these amounts from BTC in the amount of USD\$8,155,974.17 as of January 14, 2025.

The Indebtedness continues to accrue interest at the rates agreed to and costs until payment of all amounts owing is received. Payment may be made by way of certified cheque or bank draft to the following address:

ATB Financial
c/o Burnet, Duckworth & Palmer LLP
2400, 525 – 8th Avenue SW
Calgary, Alberta T2P 1G1

Attention: David LeGeyt

14176072.2

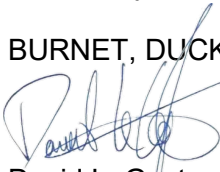
If full payment, as set forth above, is not received by close of business on January 27, 2025, ATB will take whatever steps it deems appropriate to seek repayment of the said amount. To this end we enclose for service upon you a Notice of Intention to Enforce Security ("**NOI**") in accordance with section 244 of the *Bankruptcy and Insolvency Act* (Canada). If you are prepared to waive the ten-day notice period, please endorse the Consent and Waiver located on page 2 of the NOI and return to the undersigned.

Please note that ATB reserves the right to proceed against you: (i) prior to the time stipulated above in the event that it determines that its position has been further jeopardized; and (ii) anytime, or from time to time after any dates stipulated above have passed, and in either case without the necessity of serving a new demand for payment.

If you have any questions, please contact the undersigned.

Yours truly,

BURNET, DUCKWORTH & PALMER LLP

A handwritten signature in blue ink, appearing to read 'David LeGeyt', is written over the printed name and title.

David LeGeyt
Partner

DLG:amd
Enclosure

cc: Greg Steidl, ATB Financial (*via email*)
Jessica MacKinnon, Burnet, Duckworth & Palmer LLP (*via email*)

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY

(Subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada))

To: BTC USA Holdings Management Inc., an insolvent person (the "**Debtor**")

TAKE NOTICE THAT:

1. ATB Financial ("**ATB**"), a secured creditor of the Debtor, intends to enforce its security on the property of the Debtor as set out below:
 - (a) all present and after acquired real and personal property of the Debtor; and
 - (b) all proceeds of the foregoing collateral.
2. The security that is to be enforced is in the form of a security agreement dated April 26, 2023, granted by the Debtor in favour of ATB (the "**Security**").
3. The total amount of indebtedness secured by the Security is, as of January 14, 2025, the principal sum of USD\$8,155,974.17 plus all accrued and accruing interest and legal costs.

ATB will not have the right to enforce its Security until after the expiry of the 10-day period following the sending of this notice, unless the Debtor consents to an earlier enforcement.

DATED at the City of Calgary, in the Province of Alberta, this 16th of January, 2025.

BURNET, DUCKWORTH & PALMER LLP,
solicitors and agents for ATB Financial

Per: 

David LeGeyt

CONSENT AND WAIVER**THE UNDERSIGNED** hereby:

Acknowledges receipt of the Notice of Intention to Enforce Security;

Waives the ten days of notice required under section 244 of the *Bankruptcy and Insolvency Act* (Canada); and

Consents to the immediate enforcement by ATB Financial of the Security referred to herein.

DATED this _____ day of _____, 2025.**BTC USA HOLDINGS MANAGEMENT INC.**

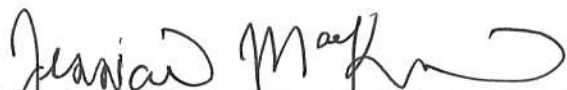
Per: _____

Name:

Title:

**THIS IS EXHIBIT "40" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Reply to: David LeGeyt
Direct Phone: (403) 260-0210
Direct Fax: (403) 260-0332
dlegeyt@bdplaw.com

Assistant: Angel Donor
Direct Phone: (403) 260-9462
Our File: 38795-2829

January 16, 2025

SENT BY EMAIL (calgarycorporateservices@millerthomson.com)
(wlogan@millerthomson.com)

ORIGINAL SENT BY REGISTERED MAIL

LOCAL FIRST PROPERTIES USA INC.

c/o Miller Thomson LLP

3000, 700 – 9th Avenue SW

Calgary, AB T2P 3V4

Attention: Wayne Logan

Dear Mr. Logan:

**Re: ATB Financial re: Local First Media Group Inc. and
Local First Properties Inc. (collectively, the "Borrowers") and the
Obligations of Local First Properties USA Inc. ("LFPU")**

We are counsel to ATB Financial ("**ATB**") in connection with the credit facilities provided by our client to or on account of the Borrowers and the obligations outstanding between the Borrowers, LFPU and ATB, including pursuant to a commitment letter dated April 10, 2023 ("**Loan Agreement**"), between ATB, the Borrowers, LFPU and certain other guarantors, and the Continuing Guarantee granted by LFPU dated April 26, 2023.

The Borrowers are in default of its obligations to ATB and ATB has today demanded repayment from the Borrowers in the amount of USD \$8,155,974.17 as of January 14, 2025 plus all accrued and accruing interest and legal costs (the "**Indebtedness**"). LFPU has guaranteed repayment of the Indebtedness. Accordingly, ATB hereby demands repayment of these amounts from LFPU in the amount of USD\$8,155,974.17 as of January 14, 2025.

The Indebtedness continues to accrue interest at the rates agreed to and costs until payment of all amounts owing is received. Payment may be made by way of certified cheque or bank draft to the following address:

ATB Financial
c/o Burnet, Duckworth & Palmer LLP
2400, 525 – 8th Avenue SW
Calgary, Alberta T2P 1G1
Attention: David LeGeyt

14176074.2

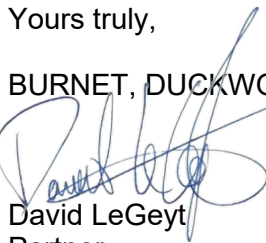
If full payment, as set forth above, is not received by close of business on January 27, 2025, ATB will take whatever steps it deems appropriate to seek repayment of the said amount. To this end we enclose for service upon you a Notice of Intention to Enforce Security ("**NOI**") in accordance with section 244 of the *Bankruptcy and Insolvency Act* (Canada). If you are prepared to waive the ten-day notice period, please endorse the Consent and Waiver located on page 2 of the NOI and return to the undersigned.

Please note that ATB reserves the right to proceed against you: (i) prior to the time stipulated above in the event that it determines that its position has been further jeopardized; and (ii) anytime, or from time to time after any dates stipulated above have passed, and in either case without the necessity of serving a new demand for payment.

If you have any questions, please contact the undersigned.

Yours truly,

BURNET, DUCKWORTH & PALMER LLP

A handwritten signature in blue ink, appearing to read 'David LeGeyt', is written over the printed name and title.

David LeGeyt
Partner

DLG:amd
Enclosure

cc: Greg Steidl, ATB Financial (*via email*)
Jessica MacKinnon, Burnet, Duckworth & Palmer LLP (*via email*)

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY

(Subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada))

To: Local First Properties USA Inc., an insolvent person (the "**Debtor**")

TAKE NOTICE THAT:

1. ATB Financial ("**ATB**"), a secured creditor of the Debtor, intends to enforce its security on the property of the Debtor as set out below:
 - (a) all present and after acquired real and personal property of the Debtor; and
 - (b) all proceeds of the foregoing collateral.
2. The security that is to be enforced is in the form of a security agreement dated April 26, 2023, granted by the Debtor in favour of ATB (the "**Security**").
3. The total amount of indebtedness secured by the Security is, as of January 14, 2025, the principal sum of USD\$8,155,974.17 plus all accrued and accruing interest and legal costs.

ATB will not have the right to enforce its Security until after the expiry of the 10-day period following the sending of this notice, unless the Debtor consents to an earlier enforcement.

DATED at the City of Calgary, in the Province of Alberta, this 16th of January, 2025.

BURNET, DUCKWORTH & PALMER LLP,
solicitors and agents for ATB Financial

Per: 

David LeGeyt

CONSENT AND WAIVER**THE UNDERSIGNED** hereby:

Acknowledges receipt of the Notice of Intention to Enforce Security;

Waives the ten days of notice required under section 244 of the *Bankruptcy and Insolvency Act* (Canada); and

Consents to the immediate enforcement by ATB Financial of the Security referred to herein.

DATED this _____ day of _____, 2025.**LOCAL FIRST PROPERTIES USA INC.**

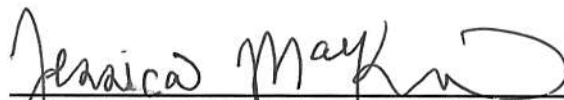
Per: _____

Name:

Title:

**THIS IS EXHIBIT "41" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

Reply to: David LeGeyt
Direct Phone: (403) 260-0210
Direct Fax: (403) 260-0332
dlegeyt@bdplaw.com

Assistant: Angel Donor
Direct Phone: (403) 260-9462
Our File: 38795-2829

January 16, 2025

SENT BY EMAIL (calgarycorporateservices@millerthomson.com)
(wlogan@millerthomson.com)

ORIGINAL SENT BY REGISTERED MAIL

FRONTIER MEDIA LLC
c/o Miller Thomson LLP
3000, 700 – 9th Avenue SW
Calgary, AB T2P 3V4

Attention: Wayne Logan

Dear Mr. Logan:

**Re: ATB Financial re: Local First Media Group Inc. and
Local First Properties Inc. (collectively, the "Borrowers") and the
Obligations of Frontier Media LLC ("Frontier")**

We are counsel to ATB Financial ("**ATB**") in connection with the credit facilities provided by our client to or on account of the Borrowers and the obligations outstanding between the Borrowers, Frontier and ATB, including pursuant to a commitment letter dated April 10, 2023 ("**Loan Agreement**"), between ATB, the Borrowers, Frontier and certain other guarantors.

The Borrowers are in default of its obligations to ATB and ATB has today demanded repayment from the Borrowers in the amount of USD \$8,155,974.17 as of January 14, 2025 plus all accrued and accruing interest and legal costs (the "**Indebtedness**"). Frontier has guaranteed repayment of the Indebtedness. Accordingly, ATB hereby demands repayment of these amounts from Frontier in the amount of USD\$8,155,974.17 as of January 14, 2025.

The Indebtedness continues to accrue interest at the rates agreed to and costs until payment of all amounts owing is received. Payment may be made by way of certified cheque or bank draft to the following address:

ATB Financial
c/o Burnet, Duckworth & Palmer LLP
2400, 525 – 8th Avenue SW
Calgary, Alberta T2P 1G1
Attention: David LeGeyt

If full payment, as set forth above, is not received by close of business on January 27, 2025, ATB will take whatever steps it deems appropriate to seek repayment of the said amount.

Please note that ATB reserves the right to proceed against you: (i) prior to the time stipulated above in the event that it determines that its position has been further jeopardized; and (ii) anytime, or from time to time after any dates stipulated above have passed, and in either case without the necessity of serving a new demand for payment.

If you have any questions, please contact the undersigned.

Yours truly,

BURNET, DUCKWORTH & PALMER LLP

A handwritten signature in blue ink, appearing to read 'David LeGeyt', is written over the printed name.

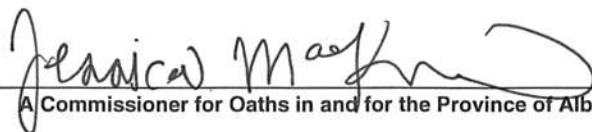
David LeGeyt
Partner

DLG:amd
Enclosure

cc: Greg Steidl, ATB Financial (*via email*)
Jessica MacKinnon, Burnet, Duckworth & Palmer LLP (*via email*)

**THIS IS EXHIBIT "42" REFERRED TO IN THE
AFFIDAVIT OF GREG STEIDL.**

**SWORN BEFORE ME THIS
10TH day of FEBRUARY, 2025.**


A Commissioner for Oaths in and for the Province of Alberta

Jessica MacKinnon
Barrister & Solicitor

COURT FILE NUMBER 2501-01744

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLANTIFF ATB FINANCIAL

DEFENDANTS LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC. BROADCAST 2 PODCAST, INC, and FRONTIER MEDIA LLC.

Clerk's Stamp:

DOCUMENT **CONSENT TO ACT**

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

Burnet, Duckworth & Palmer LLP

2400, 525 – 8 Avenue SW

Calgary, AB T2P 1G1

Lawyers: David LeGeyt / Jessica MacKinnon

Phone Number: (403) 260-0120 / (403) 260-0112

Fax Number: (403) 260-0332

Email Address: dlegeyt@bdplaw.com / jmackinnon@bdplaw.com

File No. 38795-2829

CONSENT TO ACT

FTI Consulting Canada Inc. hereby consents to act as receiver and manager over the property, assets, and lands of **LOCAL FIRST MEDIA GROUP INC., LOCAL FIRST PROPERTIES INC., BTC USA HOLDINGS MANAGEMENT INC., LOCAL FIRST PROPERTIES USA INC., ALASKA BROADCAST COMMUNICATIONS, INC., BROADCAST 2 PODCAST, INC. and FRONTIER MEDIA LLC**, if so appointed by this Honourable Court.

DATED at Calgary, Alberta this 6th day of February, 2025.

FTI CONSULTING CANADA INC.

Per: _____

Deryck Helkaa