Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

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

APPLICANTS

APPLICATION RECORD

April 13, 2014

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TO: SERVICE LIST

SERVICE LIST

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Exhibit S - Trimor Annuity Focus LP #5 Reduction Request, dated January 23, 2014

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

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

Applicants

NOTICE OF APPLICATION

TO THE RESPONDENT:

A LEGAL PROCEEDING has been commenced by the Applicants. The claim made by the Applicants appears on the following pages.

THIS APPLICATION will come on for a hearing before a Judge on November 10, 2008, or as soon after that time as the application can be heard at the Court House, 330 University Avenue, Toronto, Ontario.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the rules of court, serve it on the applicants' lawyer or, where the applicants do not have a lawyer, serve it on the applicants, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicants' lawyer or, where the applicants do not have a lawyer, serve it on the applicants, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but not later than 2 p.m. on the day before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU.

If you wish to oppose this application but are unable to pay legal fees, legal aid may be available to you by contacting a local Legal Aid office.

Date:

Issued by: _____

Local registrar

Address of court office:
330 University Ave.
Toronto, ON M5G 1E6

TO: The Service List

APPLICATION

1. The Applicants, including the parent company The Cash Store Financial Services Inc. ("Cash Store Financial"), make application for an order substantially in the form attached as Schedule "A" hereto:

(a) Abridging the time for service of this notice of application and dispensing with service on any person other than those served;

(b) Declaring that the Applicants are parties to which the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") applies;

(c) Appointing FTI Consulting Canada Inc. ("FTI") as officer of this Honourable Court to monitor the assets, businesses and affairs of the Applicants;

(d) Staying all proceedings taken or that might be taken in respect of the Applicants or FTI; and

(e) Such further and other relief as this Honourable Court may deem just.

2. The grounds for the application are:

(a) The Applicants are insolvent;

(b) The Applicants are companies to which the CCAA applies;

(c) The claims against the Applicants exceed $5,000,000;

(d) Cash Store Financial is incorporated under the laws of the Province of Ontario and is a leading provider of alternative financial products and services, serving people for whom traditional banking may be inconvenient or unavailable;

(e) All of the other applicants are direct or indirect subsidiaries of Cash Store Financial;

(f) Cash Store owns and operates Canada's largest network of retail branches in the alternative financial products and services industry, with 509 branches across Canada under the banners "Cash Store Financial", "Instaloans" and "The Title Store." Cash Store also owns and operates 27 branches in the United Kingdom under the banner "Cash Store Financial";

(g) As of September 30, 2013, Cash Store employed approximately 1,840 hourly and salaried employees in Canada and the United Kingdom who rely on the continued existence of Cash Store for their livelihoods;

(h) Cash Store is facing immediate and multiple challenges to its continued operations, including regulatory issues that affect its core business strategy, multiple class actions requiring defence across Canada and in the U.S., and the resulting deterioration of its liquidity position;

(i) Cash Store's Senior Management and the Special Committee have expressed concerns regarding Cash Store's ability to sustain adequate liquidity to fulfill current business objectives and maintain going concern operations without commencing a CCAA process;

(j) Cash Store is unable to meet its liabilities as they become due;

(k) The Applicants entered into a Debtor-in-Possession loan facility (the "DIP Facility") with certain lenders to provide cash flow during the CCAA proceedings;

(l) The lenders providing the DIP Facility will only extend credit to Cash Store Financial if it is a borrower under the DIP Facility and obtains an Initial Order of this Honourable Court under the CCAA providing for a super-priority charge on all of the assets and property of Cash Store Financial (subject only to certain court-ordered charges) as security for the DIP Facility;

(m) Without the DIP Facility, Cash Store Financial is insolvent as it is not able to satisfy all of its ongoing obligations to its creditors, employees, landlords, and other stakeholders;

(n) The Applicants require a stay of proceedings and the other relief sought to permit Cash Store Financial to continue operating as it pursues restructuring options including reorganization and a potential sale of the business in order to maximize enterprise value;

(o) It is necessary and in the best interests of the Applicants and their stakeholders that the Applicants be afforded the "breathing space" provided by the CCAA as they attempt to restructure their affairs;

(p) The provisions of the CCAA and the inherent and equitable jurisdiction of this Honourable Court;

(q) Rules 2.03, 3.02, 14.05(2) and 16 of the Ontario *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended and section 106 of the Ontario *Courts of Justice Act*, R.S.O. 1990, c. C.43 as amended; and

(r) Such further and other grounds as counsel may advise and this Honourable Court may permit.

3. The following documentary evidence will be used at the hearing of the application:

(a) The Affidavit of Steven Carlstrom and the exhibits attached thereto;

(b) The Consent of FTI to act as Monitor; and

(c) Such further and other evidence as counsel may advise and this Honourable Court may permit.

April 14, 2014

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Lawyers for the Special Committee of the Board of Directors of The Cash Store Financial Services Inc.

TO: The Service List

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	MONDAY, THE 14TH
	)	
JUSTICE MORAWETZ	)	DAY OF APRIL, 2014

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF THE CASH STORE FINANCIAL SERVICES INC., THE CASH STORE INC., TCS CASH STORE INC., INSTALOANS INC., 7252331 CANADA INC., 5515433 MANITOBA INC., 1693926 ALBERTA LTD. DOING BUSINESS AS "THE TITLE STORE". (each one and all of the above, collectively, the "**Applicants**")

INITIAL ORDER

THIS APPLICATION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Steven Carlstrom sworn April 14, 2014 and the Exhibits thereto (the "**Carlstrom Affidavit**"), and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Special Committee, the DIP Lenders (as defined in the Carlstrom Affidavit), the *ad hoc* committee of holders of the Applicants' 11 ½% senior secured notes (the "**Ad Hoc Committee**"), and such other counsel present, no other person appearing although duly served as appears from the affidavit of service of Karin Sachar sworn April 14, 2014 and on reading the consent of FTI Consulting Canada Inc. to act as the Monitor,

SERVICE

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

APPLICATION

2. THIS COURT ORDERS AND DECLARES that the Applicants are companies to which the CCAA applies.

PLAN OF ARRANGEMENT

3. THIS COURT ORDERS that the Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**Plan**").

POSSESSION OF PROPERTY AND OPERATIONS

4. THIS COURT ORDERS that the Applicants shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof, and including for greater certainty all cash held in the Applicants' accounts (the "**Property**"). The Applicants shall continue to carry on business and use the Property, the Filing Date Cash (as defined below), and the TPL Funds (as defined in the Carlstrom Affidavit) in a manner consistent with the preservation of its business, including the making of brokered loans pursuant to the Applicants' past practices as modified by the TPL Protections set out below (the "**Business**"), and Property. The Applicants are authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. THIS COURT ORDERS that the Applicants shall be entitled to continue to utilize the central cash management system currently in place as described in the Carlstrom Affidavit or, with the consent of the Monitor and the DIP Lenders, replace it with another substantially similar

central cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicants of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicants, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. THIS COURT ORDERS that the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

(a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay (excluding any change of control or similar termination payments without the consent of the DIP Lenders) and reasonable employee expenses (the reasonableness of which will be determined by the CRO) payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and

(b) subject to the terms and conditions of the DIP Facility (as defined in the Carlstrom Affidavit) and the Term Sheet (as defined below), including the applicable terms therein that refer to the cash flow projections approved by the DIP Lenders pursuant to the terms and conditions of the DIP Facility (the "**Cash Flow Projections**"), the reasonable fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges.

7. THIS COURT ORDERS that, subject to the terms and conditions of and availability under the DIP Facility and the Term Sheet, including the applicable terms therein that refer to the Cash Flow Projections, and except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in

carrying on the Business in the ordinary course after the date of this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services;

(b) payment for goods or services actually supplied to the Applicants following the date of this Order; and

(c) payments to critical vendors with the consent of the Monitor.

8. THIS COURT ORDERS that the Applicants shall remit, in accordance with legal requirements, or pay:

(a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;

(b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

(c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.

9. THIS COURT ORDERS that until a real property lease is disclaimed in accordance with the CCAA, the Applicants shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicants and the landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

10. THIS COURT ORDERS that, except as specifically permitted herein, the Applicants are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of their creditors as of this date, other than interest payments under the Credit Agreement (as defined in the Carlstrom Affidavit) and the retention payments to TPLs (as described below), both as set out in the Cash Flow Projections; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

11. THIS COURT ORDERS that the Applicants shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the term sheet governing the DIP Facility (the "**Term Sheet**") and the Definitive Documents (as hereinafter defined), have the right to:

(a) permanently or temporarily cease, downsize or shut down any of their business or operations and to dispose of redundant or non-material assets not exceeding $25,000 in any one transaction or $75,000 in the aggregate;

(b) terminate the employment of such of their employees or temporarily lay off such of their employees as they deem appropriate on such terms as may be agreed upon between the applicable employer and such employee or, failing such agreement, to deal with the consequences thereof in accordance with applicable law;

(c) pursue all avenues of refinancing of their Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing; and

(d) in consultation with the Monitor, solicit non-binding letters of intent for the sale of the Business by May 15, 2014 (or such later date as the Applicants, with the consent of the Monitor, shall determine) through Rothschild Inc. ("**Rothschild**"), in furtherance of the mergers and acquisitions process described in the Carlstrom Affidavit,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the "**Restructuring**").

12. THIS COURT ORDERS that the Applicants shall provide each of the relevant landlords with notice of the Applicants' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicants' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicants on at least two (2) days notice to such landlord and any such secured creditors. If the Applicants disclaim the lease governing such leased premises in accordance with Section 32 of the CCAA, they shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Applicants' claim to the fixtures in dispute.

13. THIS COURT ORDERS that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicants and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicants in respect of such lease or leased premises, provided that nothing

herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

FINANCIAL ADVISORS

14. THIS COURT ORDERS that the engagement of (i) Rothschild as financial advisor pursuant to the engagement letter dated February 20, 2014 and (ii) Conway MacKenzie ("**Conway**") as financial advisor pursuant to the engagement letter dated January 29, 2014 are hereby approved.

15. THIS COURT ORDERS that Rothschild is authorized to continue the mergers and acquisitions process as described in the Carlstrom Affidavit, in consultation with the Monitor.

NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY

16. THIS COURT ORDERS that until and including May 14, 2014, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Applicants, the CRO, or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

17. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Applicants, the CRO, or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicants to carry on any business which the Applicants are not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

18. THIS COURT ORDERS that during the Stay Period, no Person shall 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 Applicants, except with the written consent of the Applicants and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

19. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with the Applicants or statutory or regulatory mandates for the supply of goods and/or services, 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 Business or the Applicants, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicants, and that the Applicants shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicants in accordance with normal payment practices of the Applicants or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

20. THIS COURT ORDERS that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST CRO, DIRECTORS AND OFFICERS

21. THIS COURT ORDERS that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

22. THIS COURT ORDERS that no member of the Special Committee nor the CRO shall have any liability with respect to any losses, claims, damages or liabilities, of any nature or kind, to any Person from and after the date of this Order except to the extent such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct on the part of such member of the Special Committee or the CRO, as the case may be.

23. THIS COURT ORDERS that a Chief Restructuring Officer ("**CRO**") shall be appointed by the Special Committee acceptable to the DIP Lenders and the Monitor in consultation with counsel to the Ad Hoc Committee. The CRO shall have the authority to direct the operations and management of the Applicants and the Restructuring, and the officers (including the executive management team of the Applicants) of the Applicants shall report to the CRO. For greater certainty, the CRO shall be entitled to exercise any powers of the Applicants set out herein, to the exclusion of any other Person (including any board member of the Applicants). The CRO shall provide timely updates to the Monitor in respect of its activities.

24. THIS COURT ORDERS that the CRO shall not be or be deemed to be a director, officer or employee of any of the Applicants.

25. THIS COURT ORDERS that (i) any indemnification obligations of the Applicants in favour of the CRO and (ii) the payment obligations of the Applicants to the CRO shall be entitled to the benefit of and shall form part of the Administration Charge set out herein.

26. THIS COURT ORDERS that any claims of the CRO shall be treated as unaffected in any plan of compromise and arrangement filed by the Applicants under the CCAA, any proposal

filed by the Applicants under the *Bankruptcy and Insolvency Act* of Canada (the "BIA") or any other restructuring.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

27. THIS COURT ORDERS that the Applicants shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicants after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

28. THIS COURT ORDERS that the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of $2,500,000 as security for the indemnity provided in paragraph 27 of this Order. The Directors' Charge shall have the priority set out in paragraphs 52 and 54 herein.

29. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 28 of this Order.

THE THIRD PARTY LENDERS

30. THE COURT ORDERS that the TPLs (as defined in the Carlstrom Affidavit) shall be entitled to the benefit of and are hereby granted a charge (the "**TPL Charge**") on the Property, which charge shall equal the amount of the Applicants' cash-on-hand as of the effective time of this Order (the "**Filing Date Cash**"). The TPLs shall only be entitled to the benefit of the TPL Charge in the event that this Court determines that the TPLs were entitled to the Filing Date Cash in priority to any other Person. Notwithstanding the granting of the TPL Charge, nothing in this order shall grant the TPLs any new, additional, or greater rights to the Filing Date Cash than the TPLs would have had at the effective time of the Order.

31. THIS COURT ORDERS and directs that the Applicants shall keep records of all receipts and disbursements in connection with the TPL brokered loans and any amounts received by the Applicants in respect of same, separate and apart from the Applicants' direct loans, and shall report to the TPLs from time to time as directed by the Monitor. The Applicants shall provide reasonable information and access to their records to the TPLs or their agents, the reasonableness of which shall be determined by the CRO and the Monitor.

32. THIS COURT ORDERS that the Applicants shall be entitled, but not required, to receive amounts in connection with the repayment of TPL brokered loans and to continue to use such receipts for the limited purpose of brokering new loans. The Applicants shall be entitled to continue their practice of depositing repayments of TPL brokered loans into the Applicants' general bank accounts. The Applicants shall maintain a minimum cash balance in an amount equal to the amounts repaid by broker customers on TPL brokered loans received after the Initial Order less the amount subsequently redeployed, from time to time, as new brokered loans.

33. THIS COURT ORDERS that the TPLs shall only be entitled to the benefit of the minimum cash balance and the receivables on the TPL brokered loans after the date of the Initial Order as described in the immediately preceding paragraph in the event that this Court determines that the TPLs were entitled such minimum cash balance and the receivables on the TPL brokered loans in priority to any other Person. Nothing in this Order shall grant the TPLs any new, additional, or greater rights to such minimum cash balance and the receivables on the TPL brokered loans than the TPLs would have had at the effective time of the Order.

34. THIS COURT ORDERS the Applicants shall continue to ensure that TPLs receive a return of approximately 17.5% per year (or such lesser amount as may be agreed to) with respect to TPL brokered loans that are repaid and available for redeployment from and after the Initial Order date and any capital protection (as described in the Carlstrom Affidavit).

APPOINTMENT OF MONITOR

35. THIS COURT ORDERS that FTI Consulting Canada Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, officers, directors, and Assistants shall advise the

Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

36. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

(a) monitor the Applicants' receipts and disbursements;

(b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;

(c) assist the Applicants, to the extent required by the Applicants, in their dissemination, to the DIP Lenders and its counsel at the times required under the DIP Facility of financial and other information as agreed to between the Applicants and the DIP Lenders which may be used in these proceedings including reporting on a basis as agreed with the DIP Lenders under the DIP Facility;

(d) advise the Applicants in their preparation of the Applicants' cash flow statements and reporting required by the DIP Lenders, which information shall be reviewed with the Monitor and delivered to the DIP Lenders and its counsel on a periodic basis, as provided under the DIP Facility;

(e) advise the Applicants in their development of the Plan and any amendments to the Plan;

(f) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;

(g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicants, to the extent that is necessary to adequately assess the Applicants' business and financial affairs or to perform its duties arising under this Order;

(h) assist the Applicants, to the extent required by the Applicants, with any and all restructuring activities and/or any sale of the Property and the Business or any part thereof;

(i) assist Rothschild with respect the mergers and acquisitions process of the Applicants' Business;

(j) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and

(k) perform such other duties as are required by this Order or by this Court from time to time.

37. THIS COURT ORDERS that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

38. THIS COURT ORDERS that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

39. THIS COURT ORDERS that the Monitor shall provide any creditor of the Applicants and the DIP Lenders with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

40. THIS COURT ORDERS that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

41. THIS COURT ORDERS that, subject to the terms and conditions of and availability under the DIP Facility and the Term Sheet, including the applicable terms therein that refer to the Cash Flow Projections, the CRO, the Monitor, counsel to the Monitor, counsel to the Applicants, counsel to the Special Committee and the CRO, Rothschild, Conway, Michele McCarthy (the "**CCRO**") and counsel to the DIP Lenders and Coliseum Capital Management, LLC (in its capacity as Agent under the DIP Facility (the "Agent")) shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicants as part of the costs of these proceedings. The Applicants are hereby authorized and directed to pay the accounts of the CRO, the Monitor, counsel to the Monitor, counsel to the Applicants, counsel to the Special Committee and the CRO, Rothschild, Conway, and counsel to the DIP Lenders and Agent on a weekly basis, or on such basis as otherwise agreed by the Applicants and the applicable payee. The Applicants shall also be entitled to pay the reasonable fees and disbursements of Goodmans LLP and Houlihan Capital LLC.

42. THIS COURT ORDERS that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

43. THIS COURT ORDERS that the CRO, the Monitor, counsel to the Monitor, the Applicants' counsel, the Special Committee's and CRO's counsel, Rothschild, Conway, the

CCRO, and counsel to the DIP Lenders and Agent shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of $1,500,000, as security for their professional fees and disbursements incurred at their standard rates and charges, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 51 and 53 hereof.

DIP FINANCING

44. THIS COURT ORDERS that the Applicants are hereby authorized and empowered to obtain and borrow under the DIP Facility from the DIP Lenders in order to finance the Applicants' working capital requirements, other general corporate purposes and capital expenditures and allow them to make such other payments as permitted under this Order and the Term Sheet, provided that borrowings under the DIP Facility shall not exceed the amounts prescribed in the Term Sheet.

45. THIS COURT ORDERS that the DIP Facility shall be on the terms and subject to the conditions set forth in the Term Sheet.

46. THIS COURT ORDERS that the DIP Facility and the Term Sheet be and are hereby approved and the Applicants are hereby authorized and directed to execute and deliver the Term Sheet.

47. THIS COURT ORDERS that the Applicants are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the Term Sheet or as may be reasonably required by the DIP Lenders pursuant to the terms thereof, and the Applicants are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the DIP Lenders under and pursuant to the Term Sheet and Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

48. THIS COURT ORDERS that the DIP Lenders shall be entitled to the benefit of and are hereby granted a charge (the "**DIP Priority Charge**") on the Property as security for any and all obligations of the Applicants under the DIP Facility, the Term Sheet and the Definitive

Documents (including on account of principal, interest, fees, expenses and other liabilities) (the aggregate of all such obligations being the "**DIP Obligations**"), which DIP Priority Charge shall be in the aggregate amount of the DIP Obligations outstanding at any given time. The DIP Priority Charge shall not secure an obligation that exists before this Order is made. The DIP Priority Charge shall have the priority set out in paragraphs 51 and 53 hereof.

49. THIS COURT ORDERS that, notwithstanding any other provision of this Order:

(a) the DIP Lenders may take such steps from time to time as they may deem necessary or appropriate to file, register, record or perfect the DIP Priority Charge or any of the Definitive Documents;

(b) upon the occurrence of an event of default under the Term Sheet, the other Definitive Documents or the DIP Priority Charge, (A) the DIP Lenders may cease making advances to the Applicants, (B) the DIP Lenders may (i) set off and/or consolidate any amounts owing by the DIP Lenders to the Applicants against the obligations of the Applicants to the DIP Lenders under the Term Sheet, the Definitive Documents or the DIP Priority Charge, and make demand, accelerate payment, and (ii) following an Order of the Court, granted on two (2) days' notice to the Applicants and the Monitor, exercise any and all of their respective rights and remedies against the Applicants or the Property under or pursuant to the Term Sheet, the other Definitive Documents, the DIP Priority Charge, or the *Personal Property Security Act* of Manitoba, *Personal Property Security Act* of Alberta, *Personal Property Security Act* of Ontario or any other legislation of similar effect applicable, including without limitation, to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants; and

(c) the foregoing rights and remedies of the DIP Lenders shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.

50. THIS COURT ORDERS AND DECLARES that the DIP Lenders shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA,

or any proposal filed by the Applicants under the BIA ("**Proposal**"), with respect to any advances made under the DIP Facility, the Term Sheet and the Definitive Documents.

51. THIS COURT ORDERS that the obligations under the DIP Facility, Term Sheet and the Definitive Documents shall be treated as unaffected by any Plan or Proposal and the Applicants shall not file a Plan in these Proceedings or any Proposal that does not provide for the indefeasible payment in full in cash of the obligations outstanding in respect of the DIP Facility, the Term Sheet and the Definitive Documents as a pre-condition to the implementation of any such Plan or Proposal.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

52. THIS COURT ORDERS that the priorities of the Directors' Charge, the Administration Charge, the DIP Priority Charge, and the TPL Charge as among them, shall be as follows:

First – Administration Charge;

Second – Directors' Charge (up to a maximum of $1,250,000);

Third – DIP Priority Charge and the TPL Charge on a *pari passu* basis;

Fourth – the liens securing obligations under the Credit Agreement;

Fifth – Directors' Charge (for the remaining amount of $1,250,000) (the "**Directors' Subordinated Charge**").

53. THIS COURT ORDERS that the filing, registration or perfection of the Directors' Charge, the Administration Charge**,** the DIP Priority Charge or the TPL Charge (collectively, the "**Charges**") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

54. THIS COURT ORDERS that each of the Directors' Charge, the Administration Charge, the DIP Priority Charge, and the TPL Charge (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security

interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person, except that the Directors' Subordinated Charge shall rank behind the liens securing obligations under the Credit Agreement.

55. THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Directors' Charge, the Administration Charge, the TPL Charge or the DIP Priority Charge, unless the Applicants also obtains the prior written consent of the Monitor, the DIP Lenders and the beneficiaries of the Directors' Charge and the Administration Charge, or further Order of this Court.

56. THIS COURT ORDERS that the Directors' Charge, the Administration Charge, the TPL Charge, the DIP Loan Agreement, the Definitive Documents and the DIP Priority Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the DIP Lenders thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

(a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Applicants of any Agreement to which they are a party;

(b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicants' entering

into the Term Sheet, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and

(c) the payments made by the Applicants pursuant to this Order, the Term Sheet or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

57. THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Applicants' interest in such real property leases.

SERVICE AND NOTICE

58. THIS COURT ORDERS that the Monitor shall (i) without delay, publish in the Edmonton *Journal*, the Calgary *Sun* and the *Globe and Mail* a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicants of more than $1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

59. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: http://www.cfcanada.fticonsulting.com/cashstorefinancial.

60. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicants and the Monitor are at liberty to serve or

distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Applicants' creditors or other interested parties at their respective addresses as last shown on the records of the Applicants and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

61. THIS COURT ORDERS that the Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

62. THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicants, the Business or the Property.

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

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

65. THIS COURT ORDERS that any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order; provided however, that the DIP Lenders shall be entitled to rely on this Order as issued for all advances made under the Term Sheet, the DIP Priority Charge and the Definitive Documents up to and including the date this Order may be varied or amended.

66. THIS COURT ORDERS that, notwithstanding the immediately preceding paragraph, no order shall be made varying, rescinding or otherwise affected the provisions of this Order with respect to the Term Sheet, the DIP Priority Charge and the Definitive Documents, including without limitation, Paragraphs 43 to 56, inclusive, unless notice of a motion is served on the Monitor, the Applicants and the DIP Lenders, returnable no later than April 21, 2014.

67. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

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~~Revised: January 21, 2014~~

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE ~~——~~MR.	)	~~WEEKDAY~~MONDAY, THE #14TH
	)	
JUSTICE ~~——~~MORAWETZ	)	DAY OF ~~MONTH~~APRIL, ~~20YR~~2014

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF ~~[APPLICANT'S NAME] (the "Applicant")~~THE CASH STORE FINANCIAL SERVICES INC., THE CASH STORE INC., TCS CASH STORE INC., INSTALOANS INC., 7252331 CANADA INC., 5515433 MANITOBA INC., 1693926 ALBERTA LTD. DOING BUSINESS AS "THE TITLE STORE". (each one and all of the above, collectively, the "**Applicants**")

INITIAL ORDER

THIS APPLICATION, made by the Applicants, pursuant to the *Companies~~'~~' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the ~~"~~"**CCAA**~~"~~") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of ~~[NAME]~~Steven Carlstrom sworn ~~[DATE]~~April 14, 2014 and the Exhibits thereto (the "**Carlstrom Affidavit**"), and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for ~~[NAMES], no one appearing for [NAME]~~[1] the Special

[1] ~~Include names of secured creditors or other persons who must be served before certain relief in this model Order may be granted. See, for example, CCAA Sections 11.2(1), 11.3(1), 11.4(1), 11.51(1), 11.52(1), 32(1), 32(3), 33(2) and 36(2).~~

Committee, the DIP Lenders (as defined in the Carlstrom Affidavit), the *ad hoc* committee of holders of the Applicants' 11 ½% senior secured notes (the "**Ad Hoc Committee**"), and such other counsel present, no other person appearing although duly served as appears from the affidavit of service of [NAME]Karin Sachar sworn [DATE]April 14, 2014 and on reading the consent of [MONITOR'S NAME]FTI Consulting Canada Inc. to act as the Monitor,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged and validated[2] so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. THIS COURT ORDERS AND DECLARES that the Applicant is a companyApplicants are companies to which the CCAA applies.

PLAN OF ARRANGEMENT

3. THIS COURT ORDERS that the Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the ""**Plan**"").

POSSESSION OF PROPERTY AND OPERATIONS

4. THIS COURT ORDERS that the Applicants shall remain in possession and control of itstheir current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property"). Subject to further Order of this Court, the Applicant, and including for greater certainty all cash held in the Applicants' accounts (the "**Property**"). The Applicants shall continue to carry on business and use the Property, the Filing Date Cash (as defined below), and the TPL Funds (as defined in the Carlstrom Affidavit) in a manner consistent with the preservation of its business (the "Business", including

[2] If service is effected in a manner other than as authorized by the Ontario *Rules of Civil Procedure*, an order validating irregular service is required pursuant to Rule 16.08 of the *Rules of Civil Procedure* and may be granted in appropriate circumstances.

the making of brokered loans pursuant to the Applicants' past practices as modified by the TPL Protections set out below (the "**Business**"), and Property. The Applicants ~~is~~ are authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively ~~"~~"**Assistants**~~"~~") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. ~~[~~THIS COURT ORDERS that the Applicants shall be entitled to continue to utilize the central cash management system[3] currently in place as described in the Carlstrom Affidavit ~~of [NAME] sworn [DATE] or~~or, with the consent of the Monitor and the DIP Lenders, replace it with another substantially similar central cash management system (the ~~"~~"**Cash Management System**~~"~~") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Applicants of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Applicants, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.~~]~~

6. THIS COURT ORDERS that the Applicants shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

(a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay ~~and expenses~~(excluding any change of control or similar termination payments without the consent of the DIP Lenders) and reasonable employee expenses (the reasonableness of which will be determined by the CRO) payable on or after the date of this Order, in

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[3] ~~This provision should only be utilized where necessary, in view of the fact that central cash management systems often operate in a manner that consolidates the cash of applicant companies. Specific attention should be paid to cross-border and inter-company transfers of cash.~~

each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and

(b) ~~the~~subject to the terms and conditions of the DIP Facility (as defined in the Carlstrom Affidavit) and the Term Sheet (as defined below), including the applicable terms therein that refer to the cash flow projections approved by the DIP Lenders pursuant to the terms and conditions of the DIP Facility (the "**Cash Flow Projections**"), the reasonable fees and disbursements of any Assistants retained or employed by the Applicants in respect of these proceedings, at their standard rates and charges.

7. THIS COURT ORDERS that, subject to the terms and conditions of and availability under the DIP Facility and the Term Sheet, including the applicable terms therein that refer to the Cash Flow Projections, and except as otherwise provided to the contrary herein, the Applicants shall be entitled but not required to pay all reasonable expenses incurred by the Applicants in carrying on the Business in the ordinary course after the date of this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; ~~and~~

(b) payment for goods or services actually supplied to the Applicants following the date of this Order; and

(c) payments to critical vendors with the consent of the Monitor.

8. THIS COURT ORDERS that the Applicants shall remit, in accordance with legal requirements, or pay:

(a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees'' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;

(b) all goods and services or other applicable sales taxes (collectively, ~~"~~"**Sales Taxes**~~"~~") required to be remitted by the Applicants in connection with the sale of goods and services by the Applicants, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

(c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicants.

9. THIS COURT ORDERS that until a real property lease is disclaimed ~~[or resiliated]~~[4] in accordance with the CCAA, the Applicants shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Applicants and the landlord from time to time (~~"~~"**Rent**~~"~~"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

10. THIS COURT ORDERS that, except as specifically permitted herein, the Applicants ~~is~~ are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicants to any of ~~its~~their creditors as of this date, other than interest payments under the Credit Agreement (as defined in the Carlstrom Affidavit) and the retention payments to TPLs (as described below), both as set out in the Cash Flow Projections; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in

[4] ~~The term "resiliate" should remain if there are leased premises in the Province of Quebec, but can otherwise be removed.~~

respect of any of ~~its~~their Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

11. THIS COURT ORDERS that the Applicants shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the term sheet governing the DIP Facility (the "**Term Sheet**") and the Definitive Documents (as hereinafter defined), have the right to:

(a) permanently or temporarily cease, downsize or shut down any of ~~its~~their business or operations~~, [~~ and to dispose of redundant or non-material assets not exceeding $~~●~~25,000 in any one transaction or $~~●~~75,000 in the aggregate~~]~~[5];

(b) ~~[~~terminate the employment of such of ~~its~~their employees or temporarily lay off such of ~~its~~their employees as ~~it deems appropriate];~~ and they deem appropriate on such terms as may be agreed upon between the applicable employer and such employee or, failing such agreement, to deal with the consequences thereof in accordance with applicable law;

(c) pursue all avenues of refinancing of ~~its~~their Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing; and

(d) in consultation with the Monitor, solicit non-binding letters of intent for the sale of the Business by May 15, 2014 (or such later date as the Applicants, with the consent of the Monitor, shall determine) through Rothschild Inc. ("**Rothschild**"), in furtherance of the mergers and acquisitions process described in the Carlstrom Affidavit,

all of the foregoing to permit the Applicants to proceed with an orderly restructuring of the Business (the ~~"~~"**Restructuring**~~"~~").

~~[5] Section 36 of the amended CCAA does not seem to contemplate a pre-approved power to sell (see subsection 36(3)) and moreover requires notice (subsection 36(2)) and evidence (subsection 36(7)) that may not have occurred or be available at the initial CCAA hearing.~~

12. THIS COURT ORDERS that the Applicants shall provide each of the relevant landlords with notice of the ~~Applicant's~~Applicants' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the ~~Applicant's~~Applicants' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicants on at least two (2) days notice to such landlord and any such secured creditors. If the ~~Applicant disclaims **[or resiliates]**~~Applicants disclaim the lease governing such leased premises in accordance with Section 32 of the CCAA, ~~it~~they shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer ~~**[or resiliation]**~~ of the lease shall be without prejudice to the ~~Applicant's~~Applicants' claim to the fixtures in dispute.

13. THIS COURT ORDERS that if a notice of disclaimer ~~**[or resiliation]**~~ is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer ~~**[or resiliation]**~~, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicants and the Monitor 24 hours~~!~~" prior written notice, and (b) at the effective time of the disclaimer ~~**[or resiliation]**~~, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicants in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

FINANCIAL ADVISORS

14. THIS COURT ORDERS that the engagement of (i) Rothschild as financial advisor pursuant to the engagement letter dated February 20, 2014 and (ii) Conway MacKenzie ("**Conway**") as financial advisor pursuant to the engagement letter dated January 29, 2014 are hereby approved.

15. THIS COURT ORDERS that Rothschild is authorized to continue the mergers and acquisitions process as described in the Carlstrom Affidavit, in consultation with the Monitor.

NO PROCEEDINGS AGAINST THE APPLICANTS OR THE PROPERTY

16. ~~14.~~ THIS COURT ORDERS that until and including ~~[DATE – MAX. 30 DAYS],~~ May 14, 2014, or such later date as this Court may order (the ~~"~~"**Stay Period**~~"~~"), no proceeding or enforcement process in any court or tribunal (each, a ~~"~~"**Proceeding**~~"~~") shall be commenced or continued against or in respect of the ~~Applicant~~Applicants, the CRO, or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicants and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicants or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

17. ~~15.~~ THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being ~~"~~"**Persons**~~"~~" and each being a ~~"~~"**Person**~~"~~") against or in respect of the ~~Applicant~~Applicants, the CRO, or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Applicants and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicants to carry on any business which the Applicants ~~is~~ are not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

18. ~~16.~~ THIS COURT ORDERS that during the Stay Period, no Person shall 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 Applicants, except with the written consent of the Applicants and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

19. ~~17.~~ THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with the Applicants or statutory or regulatory mandates for the supply of goods and/or

services, 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 Business or the Applicants, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicants, and that the Applicants shall be entitled to the continued use of ~~its~~their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicants in accordance with normal payment practices of the Applicants or such other practices as may be agreed upon by the supplier or service provider and each of the Applicants and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

20. ~~18.~~ THIS COURT ORDERS that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicants. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.[6]

PROCEEDINGS AGAINST CRO, DIRECTORS AND OFFICERS

21. ~~19.~~ THIS COURT ORDERS that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Applicants whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a

[6] ~~This non-derogation provision has acquired more significance due to the recent amendments to the CCAA, since a number of actions or steps cannot be stayed, or the stay is subject to certain limits and restrictions. See, for example, CCAA Sections 11.01, 11.04, 11.06, 11.07, 11.08, 11.1(2) and 11.5(1).~~

compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

22. THIS COURT ORDERS that no member of the Special Committee nor the CRO shall have any liability with respect to any losses, claims, damages or liabilities, of any nature or kind, to any Person from and after the date of this Order except to the extent such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct on the part of such member of the Special Committee or the CRO, as the case may be.

23. THIS COURT ORDERS that a Chief Restructuring Officer ("**CRO**") shall be appointed by the Special Committee acceptable to the DIP Lenders and the Monitor in consultation with counsel to the Ad Hoc Committee. The CRO shall have the authority to direct the operations and management of the Applicants and the Restructuring, and the officers (including the executive management team of the Applicants) of the Applicants shall report to the CRO. For greater certainty, the CRO shall be entitled to exercise any powers of the Applicants set out herein, to the exclusion of any other Person (including any board member of the Applicants). The CRO shall provide timely updates to the Monitor in respect of its activities.

24. THIS COURT ORDERS that the CRO shall not be or be deemed to be a director, officer or employee of any of the Applicants.

25. THIS COURT ORDERS that (i) any indemnification obligations of the Applicants in favour of the CRO and (ii) the payment obligations of the Applicants to the CRO shall be entitled to the benefit of and shall form part of the Administration Charge set out herein.

26. THIS COURT ORDERS that any claims of the CRO shall be treated as unaffected in any plan of compromise and arrangement filed by the Applicants under the CCAA, any proposal filed by the Applicants under the *_Bankruptcy and Insolvency Act_* of Canada (the *"BIA") or any other restructuring.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

27. ~~20.~~ THIS COURT ORDERS that the Applicants shall indemnify ~~its~~their directors and officers against obligations and liabilities that they may incur as directors or officers of the

Applicants after the commencement of the within proceedings,[7] except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

28. ~~21.~~ THIS COURT ORDERS that the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**")[8] on the Property, which charge shall not exceed an aggregate amount of $~~●~~2,500,000 as security for the indemnity provided in paragraph ~~[20]~~27 of this Order. The Directors' Charge shall have the priority set out in paragraphs ~~[38]~~51 and ~~[40]~~53 herein.

29. ~~22.~~ THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the ~~Applicant's~~Applicants' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph ~~[20]~~28 of this Order.

THE THIRD PARTY LENDERS

30. THE COURT ORDERS that the TPLs (as defined in the Carlstrom Affidavit) shall be entitled to the benefit of and are hereby granted a charge (the "**TPL Charge**") on the Property, which charge shall equal the amount of the Applicants' cash-on-hand as of the effective time of this Order (the "**Filing Date Cash**"). The TPLs shall only be entitled to the benefit of the TPL Charge in the event that this Court determines that the TPLs were entitled to the Filing Date Cash in priority to any other Person. Notwithstanding the granting of the TPL Charge, nothing in this order shall grant the TPLs any new, additional, or greater rights to the Filing Date Cash than the TPLs would have had at the effective time of the Order.

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[7] ~~The broad indemnity language from Section 11.51 of the CCAA has been imported into this paragraph. The granting of the indemnity (whether or not secured by a Directors' Charge), and the scope of the indemnity, are discretionary matters that should be addressed with the Court.~~

[8] ~~Section 11.51(3) provides that the Court may not make this security/charging order if in the Court's opinion the Applicant could obtain adequate indemnification insurance for the director or officer at a reasonable cost.~~

31. THIS COURT ORDERS and directs that the Applicants shall keep records of all receipts and disbursements in connection with the TPL brokered loans and any amounts received by the Applicants in respect of same, separate and apart from the Applicants' direct loans, and shall report to the TPLs from time to time as directed by the Monitor. The Applicants shall provide reasonable information and access to their records to the TPLs or their agents, the reasonableness of which shall be determined by the CRO and the Monitor.

32. THIS COURT ORDERS that the Applicants shall be entitled, but not required, to receive amounts in connection with the repayment of TPL brokered loans and to continue to use such receipts for the limited purpose of brokering new loans. The Applicants shall be entitled to continue their practice of depositing repayments of TPL brokered loans into the Applicants' general bank accounts. The Applicants shall maintain a minimum cash balance in an amount equal to the amounts repaid by broker customers on TPL brokered loans received after the Initial Order less the amount subsequently redeployed, from time to time, as new brokered loans.

33. THIS COURT ORDERS that the TPLs shall only be entitled to the benefit of the minimum cash balance and the receivables on the TPL brokered loans after the date of the Initial Order as described in the immediately preceding paragraph in the event that this Court determines that the TPLs were entitled such minimum cash balance and the receivables on the TPL brokered loans in priority to any other Person. Nothing in this Order shall grant the TPLs any new, additional, or greater rights to such minimum cash balance and the receivables on the TPL brokered loans than the TPLs would have had at the effective time of the Order.

34. THIS COURT ORDERS the Applicants shall continue to ensure that TPLs receive a return of approximately 17.5% per year (or such lesser amount as may be agreed to) with respect to TPL brokered loans that are repaid and available for redeployment from and after the Initial Order date and any capital protection (as described in the Carlstrom Affidavit).

APPOINTMENT OF MONITOR

35. ~~23.~~ THIS COURT ORDERS that ~~[MONITOR'S NAME]~~FTI Consulting Canada Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicants with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and ~~its~~their shareholders, officers, directors, and

Assistants shall advise the Monitor of all material steps taken by the Applicants pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor'’s functions.

36. 24. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

(a) monitor the Applicant'sApplicants' receipts and disbursements;

(b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;

(c) assist the Applicants, to the extent required by the Applicants, in itstheir dissemination, to the DIP Lenders and its counsel on a [TIME INTERVAL] basisat the times required under the DIP Facility of financial and other information as agreed to between the Applicants and the DIP Lenders which may be used in these proceedings including reporting on a basis to beas agreed with the DIP LenderLenders under the DIP Facility;

(d) advise the Applicants in itstheir preparation of the Applicant'sApplicants' cash flow statements and reporting required by the DIP Lenders, which information shall be reviewed with the Monitor and delivered to the DIP Lenders and its counsel on a periodic basis, but not less than [TIME INTERVAL], or as otherwise agreed to byas provided under the DIP LenderFacility;

(e) advise the Applicants in itstheir development of the Plan and any amendments to the Plan;

(f) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;

(g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicants, to the extent that is necessary to adequately assess the

~~Applicant's~~Applicants' business and financial affairs or to perform its duties arising under this Order;

(h) assist the Applicants, to the extent required by the Applicants, with any and all restructuring activities and/or any sale of the Property and the Business or any part thereof;

(i) assist Rothschild with respect the mergers and acquisitions process of the Applicants' Business;

(j) ~~(h)~~ be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and

(k) ~~(i)~~ perform such other duties as are required by this Order or by this Court from time to time.

37. ~~25.~~ THIS COURT ORDERS that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

38. ~~26.~~ THIS COURT ORDERS that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, ~~"~~"**Possession**~~"~~") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the ~~"~~"**Environmental Legislation**~~"~~"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor~~'~~'s duties and powers

under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

39. ~~27.~~ THIS COURT ORDERS that ~~that~~ the Monitor shall provide any creditor of the Applicants and the DIP Lenders with information provided by the Applicants in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Applicants is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicants may agree.

40. ~~28.~~ THIS COURT ORDERS that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

41. ~~29.~~ THIS COURT ORDERS that, subject to the terms and conditions of and availability under the DIP Facility and the Term Sheet, including the applicable terms therein that refer to the Cash Flow Projections, the CRO, the Monitor, counsel to the Monitor ~~and counsel to the Applicant~~, counsel to the Applicants, counsel to the Special Committee and the CRO, Rothschild, Conway, Michele McCarthy (the "**CCRO**") and counsel to the DIP Lenders and Coliseum Capital Management, LLC (in its capacity as Agent under the DIP Facility (the "Agent")) shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicants as part of the costs of these proceedings. The Applicants ~~is~~ are hereby authorized and directed to pay the accounts of the CRO, the Monitor, ~~counsel for the Monitor and counsel for the Applicant on a [TIME INTERVAL] basis and, in addition, the Applicant is hereby authorized to pay to the Monitor,~~ counsel to the Monitor, ~~and~~ counsel to the ~~Applicant, retainers in the amount[s] of $● [, respectively,] to be held by them as security for payment of their respective~~Applicants, counsel to the Special Committee and the CRO, Rothschild, Conway, and counsel to the DIP Lenders and Agent on a weekly basis, or on such basis as otherwise agreed by the Applicants and

the applicable payee. The Applicants shall also be entitled to pay the reasonable fees and disbursements ~~outstanding from time to time~~of Goodmans LLP and Houlihan Capital LLC.

42. ~~30.~~ THIS COURT ORDERS that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

43. ~~31.~~ THIS COURT ORDERS that the CRO, the Monitor, counsel to the Monitor, ~~if any, and the Applicant's counsel~~the Applicants' counsel, the Special Committee's and CRO's counsel, Rothschild, Conway, the CCRO, and counsel to the DIP Lenders and Agent shall be entitled to the benefit of and are hereby granted a charge (the ~~"~~"**Administration Charge**~~"~~") on the Property, which charge shall not exceed an aggregate amount of $~~●,~~ 1,500,000, as security for their professional fees and disbursements incurred at their standard rates and charges ~~of the Monitor and such counsel~~, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs ~~[38]~~51 and ~~[40]~~53 hereof.

DIP FINANCING

44. ~~32.~~ THIS COURT ORDERS that the Applicants ~~is~~ are hereby authorized and empowered to obtain and borrow under ~~a credit~~the DIP ~~f~~Facility from ~~[DIP LENDER'S NAME] (~~the ~~"~~DIP ~~Lender")~~Lenders in order to finance the ~~Applicant's~~Applicants' working capital requirements ~~and~~, other general corporate purposes and capital expenditures and allow them to make such other payments as permitted under this Order and the Term Sheet, provided that borrowings under ~~such credit~~the DIP ~~f~~Facility shall not exceed ~~$● unless permitted by further Order of this Court~~the amounts prescribed in the Term Sheet.

45. ~~33.~~ THIS COURT ORDERS ~~THAT such credit~~that the DIP ~~f~~Facility shall be on the terms and subject to the conditions set forth in the ~~commitment letter between the Applicant and the DIP Lender dated as of [DATE] (the "Commitment Letter"), filed~~Term Sheet.

46. THIS COURT ORDERS that the DIP Facility and the Term Sheet be and are hereby approved and the Applicants are hereby authorized and directed to execute and deliver the Term Sheet.

47. ~~34.~~ THIS COURT ORDERS that the Applicants ~~is~~ are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the ~~"~~"**Definitive Documents**~~"~~"), as are contemplated by the ~~Commitment Letter~~Term Sheet or as may be reasonably required by the DIP Lenders pursuant to the terms thereof, and the Applicants ~~is~~ are hereby authorized and directed to pay and perform all of ~~its~~their indebtedness, interest, fees, liabilities and obligations to the DIP Lenders under and pursuant to the ~~Commitment Letter~~Term Sheet and ~~the~~ Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

48. ~~35.~~ THIS COURT ORDERS that the DIP Lenders shall be entitled to the benefit of and ~~is~~are hereby granted a charge (the ~~"~~"**DIP ~~Lender's Charge") on the Property, which DIP Lender's~~Priority Charge**") on the Property as security for any and all obligations of the Applicants under the DIP Facility, the Term Sheet and the Definitive Documents (including on account of principal, interest, fees, expenses and other liabilities) (the aggregate of all such obligations being the "**DIP Obligations**"), which DIP Priority Charge shall be in the aggregate amount of the DIP Obligations outstanding at any given time. The DIP Priority Charge shall not secure an obligation that exists before this Order is made. The DIP ~~Lender's~~Priority Charge shall have the priority set out in paragraphs ~~[38]~~51 and ~~[40]~~53 hereof.

49. ~~36.~~ THIS COURT ORDERS that, notwithstanding any other provision of this Order:

(a) the DIP Lenders may take such steps from time to time as ~~it~~they may deem necessary or appropriate to file, register, record or perfect the DIP ~~Lender's~~Priority Charge or any of the Definitive Documents;

(b) upon the occurrence of an event of default under the Term Sheet, the other Definitive Documents or the DIP ~~Lender's~~Priority Charge, (A) the DIP ~~Lender, upon ● days notice to the Applicant and the Monitor, may exercise any and all of its~~* ~~rights and remedies against the~~ *~~Applicant~~* ~~or the Property under or pursuant to the~~ *~~Commitment Letter, Definitive Documents and the DIP Lender's Charge~~*~~, including without limitation,~~ *~~to~~Lenders may cease making advances to the ~~Applicant and~~Applicants, (B) the DIP Lenders may (i) set off and/or consolidate any amounts owing by the DIP Lenders to the Applicants against the obligations of the Applicants to

the DIP Lenders under the ~~Commitment Letter~~Term Sheet, the Definitive Documents or the DIP ~~Lender's~~Priority Charge, ~~to~~and make demand, accelerate payment ~~and give other notices, or~~, and (ii) following an Order of the Court, granted on two (2) days' notice to the Applicants and the Monitor, exercise any and all of their respective* rights and remedies against the *Applicants* or the Property under or pursuant to the *Term Sheet, the other Definitive Documents, the DIP Priority Charge, or the *Personal Property Security Act* of Manitoba, *Personal Property Security Act* of Alberta, *Personal Property Security Act* of Ontario or any other legislation of similar effect applicable, including without limitation, to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicants and for the appointment of a trustee in bankruptcy of the Applicants; and

(c) the foregoing rights and remedies of the DIP Lenders shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or the Property.

50. ~~37.~~ THIS COURT ORDERS AND DECLARES that the DIP Lenders shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA, or any proposal filed by the Applicants under the *~~*Bankruptcy and Insolvency Act* of Canada (the *"BIA"~~BIA ("**Proposal**"), with respect to any advances made under the DIP Facility, the Term Sheet and the Definitive Documents.

51. THIS COURT ORDERS that the obligations under the DIP Facility, Term Sheet and the Definitive Documents shall be treated as unaffected by any Plan or Proposal and the Applicants shall not file a Plan in these Proceedings or any Proposal that does not provide for the indefeasible payment in full in cash of the obligations outstanding in respect of the DIP Facility, the Term Sheet and the Definitive Documents as a pre-condition to the implementation of any such Plan or Proposal.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

52. ~~38.~~ THIS COURT ORDERS that the priorities of the Directors' Charge, the Administration Charge ~~and~~, the DIP ~~Lender's~~Priority Charge, and the TPL Charge as among them, shall be as follows[9]:

First – Administration Charge ~~(to the maximum amount of $●)~~;

Second – ~~DIP Lender's~~Directors' Charge (up to a maximum of $1,250,000); ~~and~~

Third – DIP Priority Charge and the TPL Charge on a *pari passu* basis;

Fourth – the liens securing obligations under the Credit Agreement;

~~Third~~Fifth – Directors' Charge (~~to~~for the ~~maximum~~remaining amount of $~~●~~1,250,000) (the "**Directors' Subordinated Charge**").

53. ~~39.~~ THIS COURT ORDERS that the filing, registration or perfection of the Directors' Charge, the Administration Charge ~~or~~, the DIP ~~Lender's~~Priority Charge or the TPL Charge (collectively, the ~~"~~"**Charges**~~"~~") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

54. ~~40.~~ THIS COURT ORDERS that each of the Directors' Charge, the Administration Charge ~~and~~, the DIP ~~Lender's~~Priority Charge, and the TPL Charge (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, ~~"~~"**Encumbrances**~~"~~") in favour of any Person, except that the Directors' Subordinated Charge shall rank behind the liens securing obligations under the Credit Agreement.

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[9] ~~The ranking of these Charges is for illustration purposes only, and is not meant to be determinative. This ranking may be subject to negotiation, and should be tailored to the circumstances of the case before the Court. Similarly, the quantum and caps applicable to the Charges should be considered in each case. Please also note that the CCAA now~~

55. ~~41.~~ THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicants shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Directors' Charge, the Administration Charge, the TPL Charge or the DIP ~~Lender's~~Priority Charge, unless the Applicants also obtains the prior written consent of the Monitor, the DIP Lenders and the beneficiaries of the Directors' Charge and the Administration Charge, or further Order of this Court.

56. ~~42.~~ THIS COURT ORDERS that the Directors' Charge, the Administration Charge, the ~~Commitment Letter~~TPL Charge, the DIP Loan Agreement, the Definitive Documents and the DIP ~~Lender's~~Priority Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the ~~"~~"**Chargees**~~"~~") and/or the DIP Lenders thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an ~~"~~"**Agreement**~~"~~") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

(a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the ~~Commitment Letter~~Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Applicants of any Agreement to which ~~it is~~they are a party;

(b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the ~~Applicant~~Applicants' entering into the ~~Commitment Letter~~Term Sheet, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and

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~~permits Charges in favour of critical suppliers and others, which should also be incorporated into this Order (and the rankings, above), where appropriate.~~

(c) the payments made by the Applicants pursuant to this Order, the ~~Commitment Letter~~Term Sheet or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

57. ~~43.~~ THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the ~~Applicant's~~Applicants' interest in such real property leases.

SERVICE AND NOTICE

58. ~~44.~~ THIS COURT ORDERS that the Monitor shall (i) without delay, publish in ~~[newspapers specified by the Court]~~the Edmonton *Journal*, the Calgary *Sun* and the *Globe and Mail* a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicants of more than $1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

59. ~~45.~~ THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: ~~'<@>'~~'http://www.cfcanada.fticonsulting.com/cashstorefinancial.

60. ~~46.~~ THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Applicants and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the ~~Applicant's~~Applicants' creditors or other interested parties at their respective addresses as last shown on the records of the Applicants and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

61. ~~47.~~ THIS COURT ORDERS that the Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

62. ~~48.~~ THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicants, the Business or the Property.

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

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

respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

65. ~~51.~~ THIS COURT ORDERS that any interested party (including the Applicants and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order; provided however, that the DIP Lenders shall be entitled to rely on this Order as issued for all advances made under the Term Sheet, the DIP Priority Charge and the Definitive Documents up to and including the date this Order may be varied or amended.

66. THIS COURT ORDERS that, notwithstanding the immediately preceding paragraph, no order shall be made varying, rescinding or otherwise affected the provisions of this Order with respect to the Term Sheet, the DIP Priority Charge and the Definitive Documents*, including without limitation, *Paragraphs 43 to 56, inclusive, unless notice of a motion is served on the Monitor, the Applicants and the DIP Lenders, returnable no later than April 21, 2014.

67. ~~52.~~ THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

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Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

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

APPLICANTS

AFFIDAVIT OF STEVEN CARLSTROM

(Sworn April 14, 2014)

I, Steven Carlstrom, of the County of Strathcona, in the Province of Alberta, the Vice President, Financial Reporting of the Applicant, The Cash Store Financial Services Inc. ("Cash Store Financial"), MAKE OATH AND SAY:

Introduction

1. This Affidavit is made in support of an Application by Cash Store Financial and its affiliated companies The Cash Store Inc., TCS - Cash Store Inc., Instaloans Inc., 7252331 Canada Inc., 5515433 Manitoba Inc., and 1693926 Alberta Ltd. doing business as "The Title Store" (collectively "Cash Store" or the "Applicants") for an Initial Order and related relief under the *Companies' Creditors Arrangement Act,* R.S.C. 1985, c. C-36, as amended (the "CCAA").

2. I joined Cash Store Financial on August 27, 2012 as Vice President, Financial Reporting. In my role I report directly to the Chief Financial Officer and I am responsible for all of Cash Store Financial's external financial reporting obligations. My duties also include oversight of payroll, corporate accounting, and accounting for Cash Store Financial's off balance sheet arrangements with third-party lenders ("TPLs"), as described below. As such, I have personal knowledge of the matters deposed to herein. Where I have relied on other sources for information, I believe them to be true. In preparing this affidavit I have also consulted with other members of Cash Store Financial's senior management team (the "Senior Management"), and the Special Committee (as defined below) and reviewed certain information provided by financial advisors to the Special Committee as well as Cash Store's public disclosure documents filed on SEDAR.

3. Cash Store is a leading provider of alternative financial products and services, serving individuals for whom traditional banking may be inconvenient or unavailable. Cash Store owns and operates Canada's largest network of retail branches in the alternative financial products and services industry, with 509 branches across Canada operating under the banners "Cash Store Financial", "Instaloans" and "The Title Store." Cash Store also owns and operates 27 branches in the United Kingdom (the "UK") under the banner "Cash Store Financial". Cash Store Financial is listed on the Toronto Stock Exchange (TSX:CSF). Cash Store Financial was traded on the New York Stock Exchange until it voluntarily delisted on February 28, 2014 (NYSE: CSFS).

4. Cash Store acts as both a broker and lender of short-term advances and offers a range of other products and services to help customers meet their day to day financial service needs. Cash Store uses a combination of payday loans and lines of credit as its primary consumer

lending product offerings and earns fees and interest income on these consumer lending products. Cash Store also offers a wide range of financial products and services including bank accounts, prepaid MasterCard, private label credit and debit cards, cheque cashing, money transfers, payment insurance and prepaid phone cards. Cash Store has arrangements with a variety of companies to provide these products.

5. Cash Store employs approximately 1,840 hourly and salaried employees in Canada and the UK who rely on the continued existence of Cash Store for their livelihoods. Other stakeholder groups (discussed in greater detail below) include Cash Store Financial's senior secured lenders under its credit agreement, holders of Cash Store Financial's 11.5% senior secured notes, TPLs, other creditors, customers, shareholders, landlords, and contingent creditors such as class action plaintiffs. Cash Store's corporate headquarters and Senior Management are located in Edmonton, Alberta.

6. Cash Store is facing immediate and multiple challenges to its continued operations, including regulatory issues that affect its core business strategy, multiple class actions requiring defence across Canada and in the U.S., cash flow issues, and the resulting deterioration of its liquidity position. Significantly, on February 13, 2014, the Ontario Registrar of the Ministry of Consumer Services ("Ontario Registrar") issued a proposal to refuse to issue a lender's license to Cash Store Financial's subsidiaries, The Cash Store Inc. and Instaloans Inc., under the *Payday Loans Act, 2008*, S.O. 2008, Ch. 9 ("Payday Loans Act"). On March 27, 2014, the Ontario Registrar issued a final notice of its decision not to grant a license under the Payday Loans Act. Further, a recent decision of the Ontario Superior Court of Justice determined that Cash Store could not sell its line of credit products in Ontario. Cash Store is therefore not currently permitted to sell any payday loan products or line of credit products in Ontario.

7. Over the course of the past several months, Cash Store engaged in significant efforts to pursue a restructuring outside of a formal insolvency proceeding. These efforts include changes to the composition of Cash Store Financial's Board of Directors, the creation of a Special Committee of the Board of Directors to examine and pursue strategic alternatives, hiring of legal and financial restructuring advisors, lengthy negotiations with the Ontario Registrar with respect to the Applicants' licenses to act as a lender under the Payday Loans Act, the commencement of a mergers and acquisition process to seek a sale or significant investment in Cash Store and negotiations with the Applicants' stakeholders. Each of these efforts is described in more detail below.

8. Cash Store's liquidity position continues to significantly deteriorate and the current situation is dire. There is too much uncertainty and too many legal and business impediments to continue the strategic alternatives process outside of an insolvency proceeding. Senior Management and the Special Committee have expressed concerns regarding Cash Store's ability to sustain adequate liquidity to fulfill current business objectives and maintain going concern operations without commencing a CCAA process. Cash Store is unable to meet its liabilities as they become due and is therefore insolvent.

9. Subject to certain conditions including the granting of the proposed Initial Order, the DIP Lenders (defined below) have agreed to provide the Applicants with an interim financing facility (the "DIP Facility") of up to approximately $20.5 million. The DIP Facility is intended to provide the Applicants with adequate liquidity to satisfy their working capital requirements and to seek to complete a restructuring as part of this CCAA proceeding. Cash Store is facing the stark reality that it is unable to continue going concern operations to preserve enterprise value without the DIP Facility.

10. Based on my own knowledge of Cash Store's business and my discussions with Senior Management and the financial advisors to the Special Committee, it is my belief that Cash Store can be a viable business after undergoing a restructuring under the CCAA. In order to continue going concern operations during Cash Store's transition to a new business model or a potential sale, the Applicants require a stay of proceedings and related relief under the CCAA. The Applicants are seeking CCAA protection to enable Cash Store to continue to operate as a going concern and be provided with the breathing space to restructure its affairs. Cash Store intends to continue its stakeholder discussions with the assistance of the proposed Monitor should the Initial Order be granted. A stay will enable the Applicants to evaluate restructuring options concurrently with a potential sale of all or a portion of the Cash Store business, with the ultimate goal of developing a plan of arrangement or compromise to restructure the business in a manner designed to maximize value to the extent possible for its stakeholders.

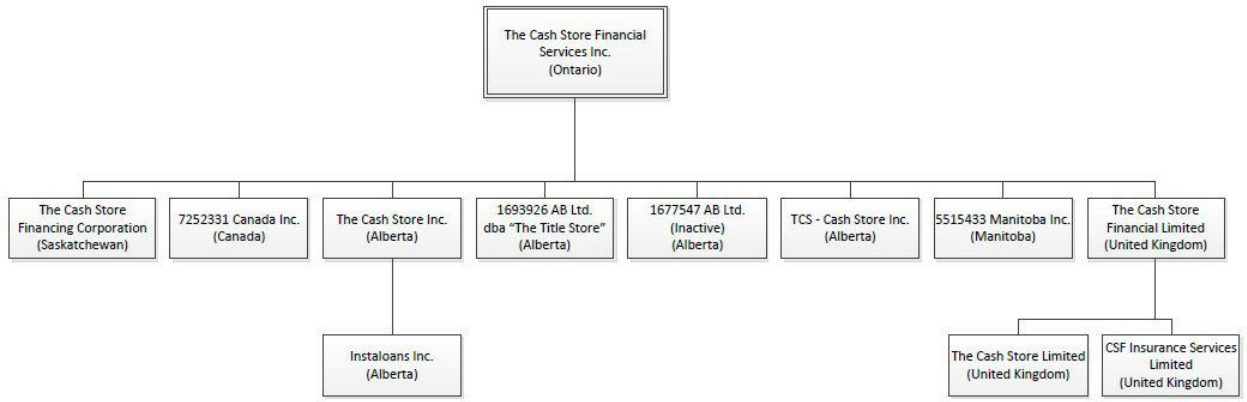
Corporate Structure of the Applicants

11. Cash Store Financial is a publicly-held Ontario corporation. The other Applicants are all privately-held corporations that are direct or indirect subsidiaries of Cash Store Financial. Cash Store Financial is the only broker of short-term advances and provider of other financial services in Canada publicly traded on the Toronto Stock Exchange (TSX:CSF). Cash Store Financial was traded on the New York Stock Exchange until it voluntarily delisted on February 28, 2014 (NYSE: CSFS).

12. As of December 31, 2013, Cash Store Financial had issued and outstanding share capital of 17,571,813 common shares. Cash Store Financial is authorized to issue unlimited common shares with no par value. As at December 11, 2013, Cash Store Financial's directors

and senior executive officers together beneficially owned 3,915,700 (22.2%) of the outstanding common shares. Of that, 3,640,300 (20.7%) of the outstanding common shares are beneficially owned by Gordon Reykdal, a Director and the Chief Executive Officer of Cash Store Financial. Coliseum Capital Management, LLC ("Coliseum") owns 19.27% of the common shares of Cash Store Financial.

13. The chart set out below shows the organizational structure of the Applicants and related companies. Cash Store Financial directly or indirectly owns 100% of the issued and outstanding shares of each of the Applicants. Included in parentheses within the corporate organization chart is the respective jurisdiction of incorporation of each entity.



(a) **Description of Entities**

14. Cash Store Financial is the holding company for Cash Store. Eugene Davis is Chairman of the Board, and the Board of Directors includes Cash Store Financial's CEO Gordon Reykdal, Edward McClelland, Timothy Bernlohr, Thomas Fairfield, and Donald Campion. Mr. Reykdal founded Cash Store in 2001 and has been on the Board of Directors since that time. Mr. McClelland joined the Board of Directors in 2005 and was appointed the Chief Executive Officer of Cash Store Australia in January 2008. Mr. Davis joined the Board of Directors on June 26, 2013, and Mr. Bernlohr, Mr. Fairfield, and Mr. Campion all joined the Board of Directors on

August 13, 2014. Mr. Davis is also the Chairman of the Special Committee and Mr. Bernlohr, Mr. Fairfield, and Mr. Campion are also members of the Special Committee (discussed below).

15. The Cash Store Inc. and Instaloans Inc. both act as lenders and/or brokers. These two companies are the main active subsidiaries of Cash Store Financial, operating in all of the provinces and territories where Cash Store has a presence.

16. The following are the remaining Canadian subsidiaries:

(a) **1693926 Alberta Ltd**. runs The Title Store, which offers loans where the customer provides a motor vehicle title as collateral. This company is unable to meet its liabilities as they come due.

(b) **The Cash Store Financing Corporation** was incorporated in Saskatchewan to act as a lender for Cash Store's "Elite" Line of Credit, however, this subsidiary was never used, is inactive, and is not an Applicant in these proceedings.

(c) **7252331 Canada Inc**. was incorporated to act as a direct lender for payday loans in British Columbia and act as the lender for Cash Store's "Elite" Line of Credit, which Cash Store recently ceased offering. While 7252331 Canada Inc. is not active, it holds some defaulted payday loans receivable that are held at a zero value as well as the Elite Line of Credit receivables.

(d) **1677547 Alberta Ltd**. was created to maintain the "Apply Pronto" internet lender banner, however Cash Store never launched the internet lending business and this entity is only used to maintain a website that aggregates customer leads and directs them to Cash Store's physical branches. It is not an Applicant in these proceedings.

(e) **TCS – Cash Store Inc.** acts as the lessee for all of the leased corporate stores.

(f) **5515433 Manitoba Inc.** holds real property in Manitoba and is the landlord for two Manitoba corporate stores.

17. Gordon Reykdal is the sole director of the three UK companies: The Cash Store Financial Limited (a holding company), The Cash Store Limited (the lender), and CSF Insurance Services Limited (a service provider). The UK companies are not currently Applicants in these proceedings, however, Cash Store may seek to include them in these proceedings should circumstances warrant.

(b) **Investments in Foreign Operations**

18. Cash Store Financial also has investments in the following foreign operations:

- 18.3% of the outstanding common shares of The Cash Store Australia Holdings Inc. ("AUC"), which operated payday loan branches in Australia under the name "The Cash Store Pty". Gordon Reykdal and Edward McClelland are directors of AUC. AUC is publicly listed on the TSX Venture exchange under the symbol "AUC". In December of 2012 the Alberta, Ontario and British Columbia Securities Commissions issued cease trade orders in respect of the shares of AUC for failure to file financial statements. On September 13, 2013, The Cash Store Pty appointed a voluntary administrator pursuant to Section 436A of the *Australian Corporations Act* 2001. The Administrator has taken control of the operations and assets of The Cash Store Pty and an application to have the cease trade orders revoked has been withdrawn by AUC.

- 15.7% of the outstanding common shares of RTF Financial Holdings Inc., a private company in the business of short-term lending by utilizing highly automated mobile

technology (SMS text message lending). RTF Financial Holdings Inc. currently operates in the UK but is not granting new loans at this time.

(c) **Banking and Cash Management System**

19. Cash Store Financial's active subsidiaries have their own bank accounts with CIBC and each branch's account has its own bank account identifiers. The bank accounts do not segregate the cash belonging to each subsidiary into Unrestricted and Restricted Cash (discussed below). Unrestricted and Restricted Cash are comingled. There is a central cash management system in place, including all bank reconciliations, all accounts payable and payroll (with the exception of the UK corporations, which processes their own accounts payable and payroll).

20. In order to maintain minimum bank balances and prevent overdrafts (which are not permitted by CIBC), cash is transferred between legal entities and bank accounts as necessary on a daily basis.

21. In addition to its accounts with CIBC, Cash Store has certain bank accounts with RBC and BMO which accept deposits from branches in certain locations where a CIBC branch is not available. As needed, cash is swept from the RBC and BMO accounts to CIBC operating accounts. As funding is required for the UK operations, Cash Store will purchase British Pounds Sterling and transfer funds from CIBC to the UK companies' bank accounts with Barclays.

22. The chart set out below summarizes the movement of funds:

Outgoing Cash Flows - Consumer Lending	
Prepaid Debit/ Credit Card	If a customer elects to receive his/her loan on a prepaid card product, the card is loaded by a third-party service provider, Direct Cash Payments Inc. The cash for the total card loads is settled to Cash Store's operating accounts by Direct Cash Payments Inc. daily, one day in arrears via a pre-authorized debit. The reconciliation process is done centrally.

EFT	If a customer elects to receive his/her loan via EFT, Cash Store's internal system aggregates the EFTs and they are processed centrally twice per day.
Cheque	If a customer elects to receive his/her loan via Cheque, each branch is equipped with blank cheque stock and prints the cheque itself.
Incoming Cash Flows - Consumer Lending	
POS Payments	Customers may elect to repay obligations through POS terminals at each branch. Funds are collected by a third-party payment processor, Direct Cash Payments Inc. on Cash Store's behalf. The funds are remitted via EFT to Cash Store on a daily basis one day in arrears.
Pre-Authorized debits	Pre-authorized debits to customer accounts are processed by a third-party, DC Bank, on behalf of Cash Store. PAD collections are settled to Cash Store 5 business days after the effective date of the PAD.
Cash/Cheques	Cash and cheques may be received by the branches or the centralized collections centre. Each branch performs its own physical daily deposits of cash and cheques.
Other Payment Methods	Customers are also able to pay via other electronic means, such as bill payment functionality with their financial institution. These payments are processed centrally.
Outgoing Cash Flows - Corporate (Accounts Payable)	
Wire transfer	All wire transfers are processed centrally by treasury through CIBC or Barclays.
EFT	All EFT's are processed centrally through CIBC or Barclays.
Cheque	All accounts payable cheques are processed centrally either via the Canadian or UK head office.

(d) **Chief Place of Business**

23. Cash Store's chief place of business is the Province of Ontario. There are 176 Cash Store branches located in Ontario, which is the largest number of Cash Store branches in any province or territory where Cash Store operates. Currently, Cash Store has approximately 470 employees in Ontario, more people than Cash Store employs in any other province or territory. Cash Store's Chief Compliance and Regulatory Affairs Officer is located in Toronto

because Cash Store is facing its most significant regulatory challenges in Ontario (discussed in more detail below).

24. The Ontario operations of Cash Store accounted for $57.6 million in revenue for FY 2013, roughly 30% of Cash Store's total revenue, more revenue than any other province or territory. Furthermore, Cash Store Financial is listed on the TSX and files all of its public disclosure documents in Ontario. Cash Store Financial is a corporation incorporated under the Ontario *Business Corporations Act*, R.S.O. 1990, c. B16 and its registered office is located in Toronto. The impact of court and regulatory decisions (discussed below) has significantly curtailed Cash Store's Ontario revenues. Addressing the Ontario regulatory issues will be one of the key aspects of Cash Store's proposed CCAA proceeding.

The Business of Cash Store Financial

(a) **Canadian and UK Payday Lending Industries**

25. The Canadian payday lending market is $2.5 billion in loan volume annually, and consists of 1.8 – 2.5 million consumers. It has been a stable market with regard to market size and risk profile and remained stable through recent macroeconomic fluctuations. Neither demand for Cash Store services nor loss rates were negatively affected through the 2008/2009 recession.

26. The Canadian market is not growing and is largely saturated by a number of providers. Significant new entrants to the Canadian market have been on-line rather than branch based. The payday lending market in Canada is dominated by two main providers, Cash Store and Money Mart, each of which had approximately 35.0% market share before the recent suspension of Cash Store's brokering activities in Ontario. The rest of the market is made up of

various smaller providers of loans. Two U.S. providers have or are currently withdrawing from the market. Advance America (the largest U.S. payday lender) withdrew in 2012 and currently Cash Max is converting 29 branches in Ontario from payday lending to Cash Converters.

27. The UK payday lending market is still developing. The estimated market is £2 to £2.2 billion in 2011/12, up from an estimated £900 MM in 2008/09. This corresponds to between 7.4 million and 8.2 million new loans issued.

(b) **Cash Store Customers**

28. It is estimated that forty-seven percent of Canadians live from paycheck to paycheck. Of this forty-seven percent segment, approximately twenty percent (seven to ten percent of Canadians) experience cash flow problems and use payday loans. Cash Store customers rely on the services Cash Store provides, as they often are unable to access traditional bank products from other financial institutions.

29. Cash Store's branches made or arranged over 1.3 million individual advances in FY 2013. Cash Store's customer satisfaction rating is high, at 88% in Canada and 93% in the UK.

(c) **Products and Services**

30. Cash Store acts as both a broker and lender of short-term advances and offers a range of other products and services to help customers meet their day to day financial service needs. The chart set out below summarizes the products offered by Cash Store:

Consumer Loans & Line of Credit	
Payday	- Bridge loans to help customers span temporary cash shortfalls or meet emergency or unexpected expenses

	- Short-term non-collateralized loans - Typically range from $100 to $1,500.
Signature	- Short-term loan against a government source of income (Child Tax, Disability, Pension, Employment Insurance)
Title	- Secured against vehicle, up to 12 months in duration - Can be refinanced or paid out
Lines of Credit	- Up to $5,000 unsecured - Helps customers to rebuild their credit - Customers borrow as needed and repay at any time - Minimum payments are due at regular intervals - Introduced early in FY 2012
Injury Claims	- Immediate cash for personal injury claims awaiting payout - Provided by Rhino Legal Finance Inc., a third-party provider who contracts with Cash Store Financial to provide this service
Diversified Financial Products	
Bank Accounts: Standard & Premium	- Provided by DC Bank, a schedule 1 bank that has a contract with Cash Store Financial to provide this service - Gives customers access to a variety of services - CDIC insured
Cheque Cashing	- Fast turn around - Funds transferred electronically; branches do not hold cash
Prepaid Credit Card	- Supplied by DC Bank and MasterCard - Provides the convenience of a credit card without interest - Can be used online - Preloaded with funds for daily transactional needs and access to cash at ATMs
Prepaid Debit Card	- Supplied by DC Bank - Preloaded with funds for daily transactional needs and access to cash at ATMs
Money Transfer	- Provided by RIA Financial Services, a third party provider who contracts with Cash Store Financial to provide this service - Provides an easy and reliable way to pay bills or send and receive funds worldwide
Payment Insurance	- Covers outstanding loan balances in the event of unexpected

	events such as: involuntary unemployment, accidental injury, critical illness, death, dismemberment

(i) **Payday Loans – Direct Lending: Alberta, British Columbia, Nova Scotia, Saskatchewan, UK**

31. In January 2012, Cash Store Financial completed a private placement of $132.5 million of 11.5% senior secured notes (the "Notes") and used most of the net proceeds of this offering to acquire a portfolio of consumer loans from TPLs. The Notes are discussed in more detail below. With the acquisition of the loan portfolio, Cash Store began funding payday loans directly in Alberta, British Columbia, Nova Scotia, and Saskatchewan. Cash Store also funded payday loans directly in Ontario and Manitoba until the product offering in those provinces was switched to brokered lines of credit. These six provinces all enacted payday loan legislation (discussed below).

32. Cash Store typically arranges for advances to customers that range from $100 to $1,500. In order to receive an advance, a customer is generally required to provide proof of income, copies of recent bank statements, and identification. The customer must then either write a cheque or execute a pre-authorized debit agreement for the amount of the advance plus loan fees. Where customers pay by cheque, Cash Store defers depositing the cheque until the due date of the loan, which is the customer's next payday (normally between 14 days and 31 days, but no later than 62 days as prescribed by regulations).

(ii) **Payday Loans – Brokering*:* New Brunswick, Newfoundland, Northwest Territories, Prince Edward Island, Yukon**

33. For loans that Cash Store brokers on behalf of customers, the application process and documentation requirements are similar to those for direct lending. After an application is

completed and other relevant information is obtained from a customer, Cash Store brokers the customer's loan request to TPLs. Based on approval criteria established by the TPLs, the customer's eligibility for an advance is assessed. If the customer is approved, Cash Store provides the TPL's loan documentation to the customer. Upon fulfillment of the loan documentation requirements, Cash Store is authorized by the lender to forward the cash advance to the customer on behalf of the lender. When an advance becomes due and payable, the customer must make repayment of the principal and interest owing to the lender through Cash Store, which, is then retained in Cash Store's operating bank account until redeployed to new borrowers. Cash Store earns fees on these transactions. If there is difficulty with the collection process, the customer's account may be turned over to an independent collection agency.

(iii) **Line of Credit Products – Brokering: Manitoba, Ontario**

34. On October 1, 2012 in Manitoba and February 1, 2013 in Ontario, Cash Store launched new line of credit products and stopped offering payday loans in those provinces. The lines of credit are unsecured, medium term revolving credit lines, with regular minimum payments tailored to customers' needs and profiles. The line of credit products are all brokered products, except a small number of Cash Store's "Elite" lines of credit, which Cash Store ceased offering in March 2014. Similar to what is described above for brokered payday loans, TPLs provide the funds for the line of credit, Cash Store arranges the line of credit, and Cash Store earns fees on these transactions. The proceeds from the brokered line of credit products are handled in the same way as the proceeds from the brokered payday loans. Cash Store ceased to offer its line of credit products in Ontario as of February 12, 2014 (discussed below).

(d) **Branch Locations**

35. Cash Store owns and operates Canada's largest network of retail branches in the alternative financial products and services industry, with 509 branches across Canada operating under the banners "Cash Store Financial", "Instaloans" and "The Title Store." Cash Store has a market share of approximately one third of all payday loan branches in Canada.

36. On April 14, 2010, Cash Store opened its first branch in the UK and has since expanded its operations to include 27 branches in the UK under the banner "Cash Store Financial".

37. The typical format for a branch is a small, strategically located storefront in a strip mall. Substantially all of Cash Store's branches are in facilities leased from third party landlords, as is Cash Store's corporate headquarters. Many of Cash Store's branch leases are with large retail landlords who lease several locations to Cash Store. The leases for branches are generally for terms of 5 years with some granting Cash Store options to renew beyond such a term.

38. Cash Store's corporate headquarters are located in Edmonton, Alberta and Cash Store Financial's registered office is located in Toronto, Ontario. Cash Store has branches in all of Canada's provinces and territories except Quebec and Nunavut. The following chart sets out Cash Store's current branch locations by geographical region:

Location	**Number of Cash Store Locations**
Ontario	176
Alberta	120
British Columbia	97
Saskatchewan	33
United Kingdom	27

Location	Number of Cash Store Locations
Manitoba	25
Nova Scotia	25
New Brunswick	14
Newfoundland & Labrador	13
P.E.I.	3
Northwest Territories	2
Yukon Territory	1
Total	**536**

(e) **Employees**

39. Cash Store employs approximately 1,700 hourly and salaried active employees in Canada and approximately 140 employees in the UK who rely on the continued existence of Cash Store for their livelihoods. 170 of Cash Store's active employees are located at the headquarters in Edmonton.

40. A typical branch is staffed by 3 to 4 employees, including both full and part-time associates and a branch manager. Branch managers are compensated through base salary and company-paid benefits, while associates are paid hourly wages. In addition, some of these individuals are eligible to receive profitability bonuses. Cash Store has also established a group RRSP for employees with over one year of service.

41. In addition to the above, Cash Store has a stock option plan for certain employees, officers and directors. In November 2013, Cash Store introduced a share unit plan for senior executives, vice presidents, and/or members of the management team to reduce its reliance on stock options and to incentivize management through payment of compensation related to

appreciation of Cash Store Financial shares and performance goals. No share units have yet been issued. Cash Store also introduced a director deferred share unit plan to link a portion of annual director compensation to the future value of Cash Store Financial shares. Cash Store has issued 219,073 units under the director deferred share unit plan.

42. There are no registered pension plans for Cash Store management or other employees.

(f) **Community Work**

43. Cash Store is committed to social responsibility and to supporting the communities in which it does business. Its fundraising efforts for various charitable organizations make a difference in the lives of Canadians. In the past, Cash Store has partnered with the Canadian Diabetes Foundation to raise money for diabetes research and to build national understanding about the disease. In FY 2013, Cash Store hosted 15 Freedom Runs and sponsored 5 runs for diabetes, helping to contribute over $1 million to this cause.

The Financial Position of Cash Store

44. As a publicly traded company listed on the TSX, Cash Store Financial's consolidated financial statements are filed on SEDAR. A copy of Cash Store Financial's audited consolidated financial statements for the fiscal year ended September 30, 2013 is attached as Exhibit "A". A copy of Cash Store Financial's interim consolidated financial statements for the three months ended December 31, 2013 is attached as Exhibit "B". Certain information contained in the December 31, 2013 consolidated financial statements is summarized below. All amounts in this affidavit are in Canadian Dollars.

(a) **Assets**

45. As at December 31, 2013, Cash Store had total assets of $176,255,000.

(i) **Current Assets**

46. Cash Store's current assets (as at December 31, 2013) represented $78,364,000 of its total assets and consisted of:

(1) Unrestricted Cash - $10,553,000;

(2) Restricted Cash - $6,408,000;

(3) Consumer advances receivable, net - $34,804,000;

(4) Other receivables, net - $8,332,000;

(5) Prepaid expenses and other assets - $2,584,000; and

(6) Income taxes receivable - $15,683,000.

47. The majority of Cash Store's current assets consisted of consumer advances receivable and income taxes receivable. With respect to consumer advances receivable, the above number incorporates appropriate aging of the receivables.

48. "Restricted Cash" (discussed below) can only be used for consumer lending. As at December 31, 2013, $6,408,000 of Restricted Cash included $706,000 of funds held by a financial institution as security related to banking arrangements and $5,702,000 transferred from TPLs in excess of consumer loans written to customers and cumulative losses. As of February 28, 2014, the total amount of Restricted Cash had climbed to $12,961,000.

49. The amounts transferred from TPLs to Cash Store Financial are reflected in the Restricted Cash amounts and certain off-balance sheet accounts receivable. A corresponding liability is recognized to the TPLs in accrued liabilities equal to Restricted Cash.

(ii) **Non-Current Assets**

50. Cash Store's non-current assets (as at December 31, 2013) represented $97,891,000 of its total assets and consisted of:

(1) Deposits and other assets - $2,792,000;

(2) Deferred financing costs - $5,836,000;

(3) Property and equipment, net of accumulated depreciation - $16,735,000;

(4) Intangible assets, net of accumulated amortization - $32,843,000; and

(5) Goodwill - $39,685,000.

51. The majority of Cash Store's non-current assets are made up of property and equipment, intangible assets, and goodwill.

(b) **Liabilities**

52. As at December 31, 2013, Cash Store's total liabilities were approximately $184,984,000. These liabilities consisted of current liabilities of approximately $35,979,000, and non-current liabilities of approximately $149,005,000.

(i) **Current Liabilities**

53. Current liabilities as at December 31, 2013 included the following:

(1) Accounts payable - $2,242,000;

(2) Accrued liabilities - $31,263,000;

(3) Current portion of deferred revenue - $1,000,000;

(4) Current portion of deferred lease inducements - $355,000; and

(5) Current portion of obligations under capital leases and other obligations - $1,119,000.

(ii) **Non-Current Liabilities**

54. Cash Store's non-current liabilities (as at December 31, 2013) included:

(1) Deferred revenue - $ 2,668,000;

(2) Deferred lease inducements - $596,000;

(3) Obligations under capital leases and other obligations - $3,386,000;

(4) Long-term debt - $139,496,000; and

(5) Deferred income taxes - $2,859,000.

55. The $139.5 million owing in respect of long-term debt is made up of the $12.0 million advanced by the Senior Lenders under the Credit Agreement (discussed below) and $127.5 million owing to the Senior Secured Noteholders (also discussed below). The Notes are recorded at a discount to the face value ($132.5 million) and accreted to the par value over the five year term using the effective interest rate method.

56. The $31.3 million of accrued liability includes an amount of $6.4 million "due to TPLs" in respect of the reported Restricted Cash amount.

(c) **Revenue**

57. Cash Store has experienced a sharp drop in financial results over the past two years, despite the fact that net revenues have remained steady. Net revenue decreased from $189.9 million in FY 2011 to $187.4 million in FY 2012 and increased to $190.8 million in FY 2013. Net revenue decreased from $49.5 million for the three months ended December 31, 2012 to $45.2 million for the three months ended December 31, 2013. Earnings before interest taxes depreciation and amortization (EBITDA) decreased from positive $27.4 million in FY 2011 to negative $31.7 million in FY 2012 and increased to negative $1.0 million in FY 2013. EBITDA for the three months ended December 31, 2013 was $1.0 million as compared to $6.5 million for the three months ended December 31, 2012.

(d) **Stakeholder Amounts**

58. The chart below sets out the relationship of certain stakeholders to Cash Store:

Stakeholder	Maturity Date	Amount	Rate of Return
Senior Secured Lenders ("Senior Lenders")	November 29, 2016	$12 million	12.5%
Senior Secured Notes ("Noteholders")	January 31, 2017	$132.5 million Subordinated to Senior Lenders	11.5%
Third Party Lenders ("TPLs")		$42.0 million Consisting of the TPL Funds originally advanced, including funds deployed in brokered loans, Restricted Cash, and cumulative losses	Effectively 17.5%

(i) **Senior Lenders**

59. On November 29, 2013, Cash Store Financial entered into a credit agreement (the "Credit Agreement") with Coliseum, 8028702 Canada Inc. and 424187 Alberta Ltd. (collectively, the "Senior Lenders"), pursuant to which the Senior Lenders have to date provided $12.0 million of secured loans. The loans are guaranteed by Cash Store Financial, The Cash Store Inc., TCS - Cash Store Inc., Instaloans Inc., 7252331 Canada Inc., 5515433 Manitoba Inc., The Cash Store Limited, The Cash Store Financial Limited, and CSF Insurance Services Limited (collectively, the "Guarantors"). A copy of the Credit Agreement (without schedules) is attached as Exhibit "C". A copy of the press release dated December 5, 2013 announcing that Cash Store Financial had entered into the Credit Agreement is attached as Exhibit "D".

60. 424187 Alberta Ltd., which loaned $2.0 million of the $12.0 million drawn, is a company controlled by Cash Store Financial's CEO and a director, Gordon Reykdal. Coliseum, which loaned $5.0 million of the $12.0 million drawn, owns 19.27% of the common shares of Cash Store Financial and is also a Noteholder. 8028702 Canada Inc., which loaned the remaining $5.0 million of the $12.0 million drawn, is a company controlled by the same person who controls McCann Family Holding Corporation, one of Cash Store Financial's principal TPLs. The loans under the Credit Agreement were used to fund operations and growth in key business areas.

61. Pursuant to the Credit Agreement, 424187 Alberta Ltd. (the "Agent") acts as agent for the Senior Lenders. The loans made under the Credit Agreement bear interest at 12.5% per annum, payable monthly in arrears, on the 29th day of each month. If a default occurs under the Credit Agreement, the interest rate is increased by 2% after the occurrence and during the continuance of such default.

62. The Credit Agreement provides that an additional $20.5 million may be advanced for a total maximum loan amount of $32.5 million. The Senior Lenders have a right of first refusal in respect of any additional advances. If the Senior Lenders do not exercise their right of first refusal, Cash Store Financial is free to obtain loan advances from other lenders who agree to become party to the Credit Agreement. The loans outstanding at any time are subject to the requirement that the maximum amount outstanding cannot exceed 75% of the Unrestricted Cash of Cash Store Financial plus 75% of the net consumer advances receivable of Cash Store Financial not more than 90 days in arrears (the "Borrowing Base"). If the total amount outstanding under the loan at any time exceeds the Borrowing Base, Cash Store Financial must repay to the Senior Lenders, on a pro rata basis, an amount which will result in the loans not being in excess of the Borrowing Base. Such payment must be made within 20 days of the month-end in which the Borrowing Base was exceeded.

63. Loans made under the Credit Facility mature on November 29, 2016 or on such earlier date as the principal amount of all loans owing from time to time plus accrued and unpaid interest and all other amounts due under the Credit Agreement may become payable under the Credit Agreement. Cash Store Financial may repay the loans at any time subject to payment of specified prepayment fees.[1]

64. Cash Store Financial agreed to designate the loans made under the Credit Agreement as priority lien debt and obtain the benefit of the security granted by Cash Store Financial pursuant to the Collateral Trust and Intercreditor Agreement ("Collateral Trust

[1] The prepayment fees are as follows: (a) If the prepayment is on or before November 29, 2014, the greater of (A) the interest that would accrue if the prepaid amount were to remain outstanding until November 29, 2014 and (B) 4% of the prepaid amount; (b) If the prepayment is after November 29, 2014 but on or prior to November 29, 2015, 3% of the prepaid amount; and (c) If the prepayment is after November 29, 2015, no fee.

Agreement") entered into in connection with the Notes. A copy of the Collateral Trust Agreement is attached as Exhibit "E".

65. In addition to certain covenants relating to the repayment of the loans and the authority of Cash Store Financial to enter into the Credit Agreement, Cash Store Financial has covenanted in favour of the Senior Lenders:

(a) to comply with the covenants granted to the 11.5% Noteholders;

(b) not to designate any additional debt under the Collateral Trust Agreement; and

(c) to meet certain Adjusted EBITDA targets on a quarterly basis over the term of the Credit Agreement.

66. Upon the occurrence and during the continuance of a default, the Senior Lenders have a right to accelerate the obligations under the Credit Agreement, the right to instruct the Agent to begin the process to realize on the security under the Collateral Trust Agreement and the right, but not the obligation, to appoint a financial advisor to review the affairs of Cash Store Financial and to appoint a director to the Board.

67. Cash Store Financial was in compliance with the financial covenants of the Credit Agreement as at December 31, 2013 and therefore, the amounts drawn were classified as long-term debt on Cash Store Financial's balance sheet. However, Cash Store Financial breached a number of covenants in the Credit Agreement at the end of March 2014, which breaches are either defaults under the Credit Agreement or will give rise to defaults under the Credit Agreement with the passage of time. Senior Lenders may rely on the defaults to exercise their remedies under the Credit Agreement, including demanding immediate repayment of the amounts drawn and exercising their rights under the security if Cash Store cannot reach an

agreement with the Senior Lenders to amend or waive the covenant breaches. Cash Store does not have the ability to immediately repay the amounts owing to the Senior Lenders.

68. On March 31, 2014, Cash Store requested a Waiver from the Senior Lenders of the following: (i) the failure to pay interest when due on March 29, 2014; (ii) the failure to achieve the $10 million minimum Adjusted EBITDA for the first 6 months of fiscal 2014; (iii) exceeding the Borrowing Base and not being able to make the required repayment within 20 days of same; and (iv) Cash Store's inability to represent that it is duly qualified to carry on business in all jurisdictions in which it carries on business unless such failure to so qualify would not constitute a material adverse effect under the Credit Agreement. To date, no response has been received.

(ii) **Noteholders**

69. On January 31, 2012, Cash Store Financial issued, through a private placement in Canada and the U.S., $132.5 million of 11.5% Senior Secured Notes. A copy of the Note Indenture is attached as Exhibit "F".

70. The Notes mature on January 31, 2017 and bear interest on the aggregate principal amount from the date of issue at 11.5% per annum payable on a semi-annual basis in equal installments on January 31 and July 31 of each year, commencing in July of 2012. The Notes were issued at a price of 94.608% resulting in an effective interest rate of 13.4%. Cash Store Financial used the majority of the proceeds of the Notes to acquire a portfolio of consumer loans and certain intangible assets, and to settle pre-existing relationships with certain TPLs.[2]

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[2] On January 31, 2012, Cash Store Financial acquired a portfolio of short-term advances from TPLs for total consideration of $116,334,000. At the date of acquisition, the gross contractual principal and accrued interest of the acquired short-term advances was $319,906,000.

71. The Notes are guaranteed, jointly and severally, by the same entities that are Guarantors under the Credit Agreement. Pursuant to the Collateral Trust Agreement, the Notes are secured on a second-priority basis by liens on all of Cash Store Financial's and its restricted subsidiaries' existing and future property, subject to specified permitted liens and exceptions. The Credit Agreement is secured by a first-priority lien on this collateral.

72. The Notes are redeemable at the option of Cash Store Financial, in whole or in part, at any time on or after July 31, 2014 at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest:

For the Period Below	**Percentage**
On or after July 31, 2014	103.084%
On or after January 31, 2015	102.091%
On or after July 31, 2015	101.127%
On or after January 31, 2016	101.194%
On or after July 31, 2016	100%

73. Prior to July 31, 2014, Cash Store Financial is entitled at its option, in certain circumstances, on one or more occasions to redeem up to 35% of the aggregate principal amount of the Notes at a redemption price of 111.5% of the principal amount of the Notes redeemed, plus accrued and unpaid interest.

74. If a change in control of Cash Store Financial occurs, the Noteholders will have the right to require Cash Store Financial to purchase all or a portion of the Notes, at a purchase price in cash equal to 101% of the principal amount of the Notes offered for repurchase plus accrued interest to the date of purchase.

75. Upon the commencement of the CCAA proceeding, Cash Store will no longer be in compliance with the covenants in the Note Indenture and the $139.5 million owing in respect of long-term debt will become immediately due and payable. Cash Store does not have the ability to repay the Notes at this time.

(iii) **Third Party Lenders**

76. Cash Store has entered into written business agreements with a number of TPLs who are prepared to lend to Cash Store's customers or to purchase advances originated by Cash Store (the "Broker Agreements"). Pursuant to the Broker Agreements, the TPLs make loans to Cash Store's customers and Cash Store provides services to the TPLs related to the collection of documents and information from Cash Store's customers, as well as loan repayment services. Cash Store collects fees for brokering these transactions. Copies of the Broker Agreements for Trimor Annuity Focus Limited Partnership #5 ("Trimor"), McCann Family Holding Corporation ("McCann"), 1396309 Alberta Ltd., Omni Ventures Ltd., and L-Gen Management Inc. are attached as Exhibits "G","H","I","J", and "K".

77. The Broker Agreements also provide that the TPLs are responsible for losses suffered due to uncollectible advances, provided Cash Store has fulfilled the duties required under the terms of the Broker Agreements. If Cash Store does not properly perform its duties and the TPLs make a claim under the Broker Agreements, Cash Store may be liable to the TPLs for losses they have incurred. However, pursuant to section 7.1 of the Broker Agreements, if any loss is as a result of any act or omission of Cash Store in reliance on any bona fide interpretation of Applicable Law or upon the advice of legal counsel, no liability shall attach to Cash Store.

(A) Restricted Cash

78. Cash Store has received approximately $42.0 million from the TPLs (the "TPL Funds"). The total TPL Funds are comprised of the Restricted Cash (defined below) plus the outstanding balance of the brokered loans and cumulative losses. The Broker Agreements stipulate that the TPL Funds are to be utilized by Cash Store for making advances to broker customers on the TPLs' behalf. The TPL Funds are deployed by Cash Store to broker customers, subsequently received by Cash Store as repayment for such broker loans (subject to loan losses), and then redeployed, repeating the process. In FY 2013, Cash Store deployed the TPL Funds multiple times for total short term advances of $241.4 million, representing 30.9% of Cash Store's total loan volume of $781.8 million.

79. Any TPL Funds received by Cash Store as repayment for any brokered loan that are not currently deployed to Cash Store customers are deposited in Cash Store's bank accounts and are referred to in Cash Store's financial statements as "Restricted Cash". While the Broker Agreements permit the TPLs to require Cash Store to hold the TPL Funds in accounts designated for that purpose, no TPL has designated any account as a Designated Financier Bank Account or a Designated Broker Bank Account. The Restricted Cash is comingled with all of Cash Store's other cash (the "Unrestricted Cash"), and the aggregate of Cash Store's Restricted and Unrestricted Cash is the total cash reported on Cash Store's balance sheet. Cash Store keeps detailed records of the amounts loaned to and repaid by the broker loan customers and the direct loan customers. The funds received from broker loan customers representing principal and interest of the broker loan are included in the Restricted Cash, and funds received from the direct loan customers are included in Unrestricted Cash (along with any broker and other ancillary fees). Since all of these funds are comingled in multiple accounts, it is not possible to know which dollar represents Restricted Cash and which dollar represents Unrestricted Cash.

Furthermore, the exact amount of Restricted and Unrestricted Cash is not calculated by Cash Store until it completes its month-end reconciliation. The month-end reconciliation is usually completed on or about the tenth day after month-end.

(B) Assigning Receivables to TPLs to Free Up Restricted Cash

80. Once the month-end reconciliation is complete, Cash Store compares the amount of total cash in its accounts and the amount of Restricted Cash that should be held on account of TPL Funds. On several occasions, Cash Stores has completed its month-end reconciliation and has found that the amount of Restricted Cash exceeds its total cash (meaning that Cash Store has used the Restricted Cash to fund its intra-month working capital needs). On these occasions, Cash Store has assigned its own direct loan receivables to the TPLs in an amount equal to the difference between Cash Store's total cash and the amount of Restricted Cash recorded on account of the TPLs plus an additional amount to permit Cash Store to meet its anticipated working capital needs for the next month with Unrestricted Cash. These assignments are permitted under the terms of the Credit Agreement and the Note Indenture provided that they are made in the ordinary course of business. These assignments are also permitted under the Broker Agreements and the assignments are disclosed to the TPLs as part of the monthly account statements and reconciliations provided to the TPLs.

81. For example, if at month-end total cash is $15 million and Restricted Cash is $18 million, then Unrestricted Cash is negative $3 million. To address this issue, Cash Store would assign $3 million of direct loan receivables to the TPLs to ensure there is sufficient Restricted Cash, plus an additional $5 million dollars of direct loan receivables to meet its anticipated minimum working capital needs for the next month, resulting in $10 million of Restricted Cash and $5 million of Unrestricted Cash. Cash Store could then make $10 million of brokered loans

using Restricted Cash and use the $5 million of Unrestricted Cash to fund operating expenses and make direct loans. Total cash never changes when implementing these assignments.

82. The assignment of receivables essentially results in a greater portion of the TPL Funds being deployed to Cash Store's customers. For every dollar of receivables assigned to the TPLs, there is a dollar for dollar increase in the amount of Unrestricted Cash. During FY 2013 and FY 2012, as part of the normal course of operations, Cash Store assigned $14.3 and $17.6 million (respectively) of net consumer advances receivable to TPLs in exchange for cash.

(C) Amount of Restricted Cash

83. As of February 28, 2014, there was $12.2 million in Restricted Cash available for consumer lending and Unrestricted Cash of $0.2 million. Since Cash Store has been receiving repayments of loans in Ontario but not re-lending, the amount of Restricted Cash has increased dramatically. Final accounting is not yet available as at March 31, 2014 however, it is estimated that the amount of Restricted Cash has increased to approximately $14.9 million and exceeded the total amount of cash in Cash Store's bank accounts. In light of the circumstances facing Cash Store, the decision of whether to make assignments to address this issue was deferred.

(D) Voluntary Retention Payments

84. Cash Store has historically made voluntary retention payments to TPLs in order to lessen the impact of loan losses. Since I have been at my role at the company the TPL Funds have been managed in the following manner:

(1) **Monthly Lender Distributions:** Cash Store pays TPLs cash payments so that, when combined with portfolio returns (interest collected, net of losses), the TPLs receive approximately 17.5% return per year on the total TPL Funds.

(2) **Capital Protection:** (a) Expensing Mechanism – Cash Store provides protection to the TPLs in respect of losses arising from brokered loans that remain unpaid after 90 days. The protection consists of crediting the TPLs with a retention payment as a book entry in the amount of the losses suffered by the TPLs. Cash Store in turn records these retention payments as an expense on its balance sheet. No cash is paid to the TPLs by the Cash Store in respect of these retention payments. The effect of these book entry retention payments is that (i) the TPL Funds are not eroded by losses; (ii) the Restricted Cash balance is increased by the amount of the retention payment; and (iii) the Unrestricted Cash balance is decreased by the amount of the retention payment.

(b) Purchasing Mechanism – In Ontario and Manitoba, Cash Store also effects retention payments by purchasing past due brokered loans (including any past due direct loans that were previously transferred to the TPLs) at face value to prevent any erosion of the TPL Funds. These purchases are an additional mechanism (and an alternative to the expensing mechanism described above) to prevent the TPLs from incurring any of the losses inherent in the past due brokered loans. Cash Store incurs losses equal to the difference between the purchase price and the fair value of the purchased brokered loans and recognizes the losses as retention payments. Cash Store's purchase of past due brokered loans also has the benefit of allowing Cash Store to collect the past due amounts without engaging a third-party agency for collection and without itself being licensed as a collections agency.

85. The Broker Agreements between Cash Store and the TPLs do not contemplate retention payments. The Broker Agreements also do not guarantee repayment or a specified rate of return on the TPL Funds. However, if the TPLs were to no longer participate in the brokering of advances to Cash Store's customers, Cash Store would lose the anticipated future revenue related to the brokering of advances. Under the broker model, Cash Store makes voluntary retention payments to the TPLs to encourage them to continue making funds available to Cash Store. The Board of Directors regularly approves a resolution authorizing Cash Store to pay up to a certain amount of retention payments per quarter to TPLs. Retention payments are recorded in the period in which a commitment is made to a lender.

86. In March 2014, given Cash Store's liquidity issues and ongoing stakeholder discussions, Cash Store did not make any voluntary retention payments to TPLs, including the monthly lender distribution of approximately 17.5% per year.

Urgent Need for Relief

87. Cash Store is facing multiple challenges to its continued operations, including regulatory issues that affect its core business strategy, multiple class actions requiring defence across Canada and in the U.S., and immediate and dire liquidity challenges.

(a) **Regulatory Issues**

88. With respect to the completeness and accuracy of the information in the regulatory and litigation sections of my affidavit, I have specifically relied on information provided to me by Michael Thompson, Senior Vice President & Corporate Affairs, and Jerry Roczkowsky, Vice President of Compliance, of Cash Store Financial.

89. Regulations affecting Cash Store's primary product offerings of payday loans and lines of credit significantly affect Cash Store's ability to successfully operate and execute its business strategy.

90. In May 2007, the federal government enacted a bill clarifying that the providers of certain payday loans were not governed by the criminal interest rate provisions of the *Criminal Code*, R.S.C., 1985, c. C-46 (the "Criminal Code"), granting lenders (other than most federally-regulated financial institutions) an exemption from the criminal interest rate provisions of the Criminal Code if their loans fell within certain dollar amount and time frame maximums. In order for payday loan companies to rely on the exemption, provincial governments are required to enact legislation that includes a licensing regime for payday lenders, measures to protect consumers and maximum allowable limits on the total cost of borrowing.

91. Since late 2009, the Canadian payday loan market has been in transition from an unregulated market to varying states of regulation. The provinces that have enacted specific payday loans legislation pursuant to the federal exemption are British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, and Nova Scotia. The key components of payday loans regulation are caps on the loan size, length and fees that can be charged. Typically regulations limit payday loans to a maximum of $1,500 and 62 days in duration as well as providing a rate cap.

92. While regulatory issues have affected the industry as a whole, they have had a more severe impact on Cash Store due to its particular business model. Cash Store's strategic objective was to achieve a single platform universally deployed across jurisdictions with its line of credit product suite. The operational impacts of multiple regulatory environments have been numerous, creating significant additional costs. Senior Management has been required to devote

significant resources to these matters and has retained a Chief Compliance and Regulatory Affairs Officer (the "CCRO") and legal counsel to address these issues (discussed below).

(i) **Ontario Regulatory Issues**

(A) Regulatory Litigation

93. On February 1, 2013, Cash Store launched its suite of line of credit products in Ontario and ceased offering payday loans in that province. With respect to the new line of credit offerings, on April 29, 2013, Cash Store filed an application in the Ontario Superior Court of Justice (the "Ontario Court") seeking a declaration that its basic line of credit was not subject to the Payday Loans Act.

94. On February 4, 2013, the Ontario Registrar issued a proposal to revoke the payday lending licenses of the Cash Store Inc. and Instaloans Inc. Cash Store filed an Appeal with the License Appeal Tribunal on February 19, 2013. However, as Cash Store allowed its payday licenses to expire in Ontario effective July 4, 2013 (since Cash Store was of the view that it could offer lines of credit without such a license), this appeal was withdrawn effective August 15, 2013.

95. Previous to the February 4, 2013 proposal of the Registrar for payday loans, Cash Store submitted an application for judicial review in the Ontario Court, seeking a declaration that certain provisions of the regulations made under the Ontario Payday Loans Act are void and unenforceable. This application was heard on October 2, 2013. On November 5, 2013, the Ontario Court dismissed the application. Cash Store has not appealed this decision.

96. On June 7, 2013, the Director designated under the Ontario Ministry of Consumer and Business Services Act filed an application in the Ontario Court seeking a declaration that Cash Store's basic line of credit is subject to the Payday Loans Act and that Cash Store must

obtain a broker license to offer this product. This application was heard on November 29, 2013 and the decision was rendered on February 12, 2014. The Ontario Court concluded that the basic line of credit is subject to the Payday Loans Act and ordered that Cash Store Financial's subsidiaries, The Cash Store Inc. and Instaloans Inc., are prohibited from acting as a loan broker in respect of its basic line of credit product without a broker's license under the Payday Loans Act. On March 14, 2014, Cash Store commenced an appeal of this decision.

97. On February 12, 2014, Cash Store ceased offering all line of credit products offered to its customers in Ontario branches. A copy of the press release reporting the outcome of the application and the decision to stop offering line of credit products in Ontario is attached as Exhibit "L".

(B) Additional Regulations

98. Additionally, on December 17, 2013, Ontario Regulation 351/13 was filed by the Government of Ontario. Regulation 351/13, made under the Payday Loans Act, prescribes certain categories of credit such that the Payday Loans Act applies to line of credit products offered through the Cash Store's retail banners. Regulation 351/13 required Cash Store to obtain licenses pursuant to the Payday Loans Act in order to continue providing access to certain line of credit products in the Ontario market after February 15, 2014. These regulations are now in force. To comply with the new requirements of the Payday Loans Act, Cash Store applied for the requisite licenses through its operating subsidiaries. A copy of the press release dated December 20, 2013 regarding the announcement of the regulations is attached as Exhibit "M".

(C) Ontario Regulator Refuses to Grant License to Cash Store

99. In response to Cash Store's license application, on February 13, 2014, the Ontario Registrar issued a proposal to refuse to issue a lender's license to Cash Store Financial's

subsidiaries, The Cash Store Inc. and Instaloans Inc., under the Payday Loans Act. A copy of the press release dated February 13, 2014 regarding the proposal to refuse a lender's license is attached as Exhibit "N". The Payday Loans Act provides that applicants are entitled to a hearing before the License Appeal Tribunal in respect of a proposal by the Ontario Registrar to refuse to issue a license.

100. The Cash Store Inc. and Instaloans Inc. allowed the time for appealing this decision to lapse while it was in negotiations with the Ontario Registrar. These negotiations failed to produce a favourable result and on March 27, 2014, the Ontario Registrar issued a final notice of its decision not to grant a license under the Payday Loans Act. Cash Store will not be eligible to re-apply for a license for 12 months from the date of issuance of the final order. If Cash Store chooses to re-apply for a license after such time, Cash Store will be required to provide new or additional evidence for the Ontario Registrar to consider or demonstrate that material circumstances have changed. Cash Store is not currently permitted to sell any payday loan products in Ontario. A copy of the press release dated March 28, 2014 regarding the final order refusing to grant a license is attached as Exhibit "O".

101. All of Cash Store's 172 Ontario branches that operated under the Instaloans and the Cash Store banners have remained open and Cash Store incurred significant operating expenses while it pursued discussions with the Ontario Registrar regarding obtaining a license under the Payday Loans Act. Cash Store intends to keep the majority of its branches open while considering its strategic options. Since Cash Store is unable to make new loans in Ontario, its ability to collect outstanding customer accounts receivable has also been significantly impaired. On April 8, 2014, Cash Store reduced its Ontario staffing to a skeletal staff by commencing a

temporary layoff of approximately 250 Ontario employees. Cash Store is considering closing certain branches in Ontario.

102. As discussed above, the Ontario operations of Cash Store accounted for $57.6 million in revenue for FY 2013, roughly 30% of Cash Store's total revenue. Closure of the Ontario operations will entail significant severance costs for approximately 470 employees.

(ii) **Federal-Provincial Consumer Measures Committee**

103. A federal-provincial Consumer Measures Committee is working collaboratively on a national response to high-cost credit loans. New regulations may affect the title loans and lines of credit offered by Cash Store.

(iii) **Manitoba Regulatory Issues**

104. On October 15, 2013, the Manitoba Consumer Protection Office ("CPO") concluded an investigation of Cash Store. The CPO determined that Cash Store was in violation of Manitoba's maximum legal cost of $17 per $100 on payday loans, which could result in substantial demands for refunds to customers.

105. The CPO issued a refund demand to Cash Store to reimburse 61 identified borrowers for certain fees charged, required or accepted in relation to payday loans in Manitoba during the period of time that it held a valid payday lender licence in the province. The additional fees were charged in relation to cash cards associated with payday loans. More such refund demands may be made.

106. On April 9, 2014, the Manitoba CPO informed Cash Store that it had identified various breaches of *The Consumer Protection Act*, C.C.S.M. c. C200 related to certain disclosure documents issued in respect of broker agreements and advances made to consumers in respect of

lines of credit that had been issued to consumers. The CPO has directed Cash Store to refund roughly $37,000 in brokerage fees paid by consumers in relation to advances made to them by TPLs under 32 lines of credit by April 30, 2014. The CPO also expressed its concern at the number of allegedly non-compliant agreements and the possibility that there are more line of credit agreements that may be in breach of the legislation. The CPO recommended that Cash Store conduct a review of its files to determine whether any other consumers may be owed refunds due to breaches of the legislation.

107. The Government of Manitoba has recently promulgated new legislation that expands the powers of the CPO. Additionally, the government has introduced legislation to regulate high cost credit products. If passed, Cash Store may not be able to profitably make available the line of credit product suite in the Province of Manitoba.

(iv) **British Columbia Regulatory Issues**

108. On March 23, 2012, Cash Store was issued a compliance order (the "Order") and administrative penalty from Consumer Protection BC. The Order directs Cash Store to refund to all borrowers with loan agreements negotiated with Cash Store or its subsidiaries between November 1, 2009 and the date of the Order, the amount of any issuance fee charged, required or accepted for or in relation to the issuance of a cash card.

109. The Order also directed Cash Store to pay an administrative penalty of $25,000 in addition to costs. On November 30, 2012, Consumer Protection BC issued a supplementary compliance order directing that unclaimed refund amounts, to a maximum of $1.1 million be deposited into a consumer protection fund. On December 14, 2012, Cash Store filed a Petition for Judicial Review in the British Columbia Supreme Court seeking an order quashing or setting aside the Order and Supplemental Order, and seeking declarations that it had not contravened

sections 112.04(1)(f) of the *Business Practices and Consumer Protection Act*, [SBC 2004] Ch. 2, or sections 17 and 19 of the Payday Loan Regulation, B.C. Reg. 57/2009. The Petition was heard by the Court on June 26, 27, and 28, 2013 and dismissed in a decision released on January 30, 2014. As at December 31, 2013, the total amount of the supplemental order of $1.1 million was paid by Cash Store and will soon be disbursed to consumers.

(v) **Newfoundland Investigation**

110. There is no provincial regulation of payday loans in Newfoundland. However, the Royal Newfoundland Constabulary and Royal Canadian Mounted Police recently concluded an investigation of Cash Store with regard to alleged violations of the interest provisions in the Criminal Code. While the results of the investigation are not yet known, they have been forwarded to public prosecutors.

(vi) **Nova Scotia**

111. Payday Loan legislation in Nova Scotia requires that licensees offer to deliver to borrower their loan proceeds in cash. Cash Store has attempted to satisfy this requirement by offering to distribute funds to consumers by way of Electronic Fund Transfers. The Province has not been fully satisfied with this approach. If Cash Store cannot resolve related matters, it is possible that an inability to satisfy this regulatory requirement may serve as the basis for a proposal to suspend or revoke the Companies' operating licenses. Any such suspension or revocation would have significant impact on Cash Store's revenues.

(vii) **New Brunswick**

112. In New Brunswick, Cash Store's operating subsidiaries are registered as brokers. This registration is in good standing. In early April, Cash Store received notification that TPLs for which the subsidiaries' broker loans are not properly registered in the province. If registration

is not quickly secured for these TPLs, Cash Store may not be able to broker loans for those TPLs in that province, with the resulting impact on revenue. Since it received this notification, Cash Store has received confirmation that one of the two TPLs who operate in New Brunswick is properly licensed and the other TPL is beginning to take steps to seek a license. Cash Store operates 14 branches in the Province of New Brunswick.

113. In March 2014, the Government of New Brunswick tabled legislation (Bill 55) to regulate the payday loan industry in that province. This legislation, if promulgated, will require the implementation of a licensing regime, various restrictions on business practices by licensed payday lenders and caps on the maximum allowable amount that lenders may charge. It is not known at this time whether or not the legislation will be promulgated and, if rate caps are to be implemented, what they will be and what the impact of such caps will be for licensed lenders. If the legislation is promulgated, Cash Store would have to apply for and be granted a license in order to participate in any lending.

(b) **Significant Litigation**

114. Cash Store's difficult financial position is further threatened by multiple significant litigation matters that Cash Store is defending across Canada and in the United States. As a result of additional legal activity related to the regulatory claims (discussed above) and securities and other class action claims (discussed below), as well as reserves taken for existing litigation and claims, legal expenses have increased significantly from $2.2 million in FY 2012 to $3.8 million in FY 2013. The three months ending December 31, 2013 saw legal expenses of $1.0 million.

(i) Outstanding Settlement Liability – BC Class Proceeding

115. On February 28, 2010, the Supreme Court of British Columbia approved the settlement of two related class actions filed against Cash Store. Under the terms of the court approved settlement, Cash Store is to pay to the eligible class members who were advanced funds under a loan agreement, and who repaid the payday loan plus brokerage fees and interest in full, or who met certain other eligibility criteria, a maximum estimated amount including legal expenses of $18.8 million, consisting of $9.4 million in cash and $9.4 million in credit vouchers. The credit vouchers can be used to pay existing outstanding brokerage fees and interest, to pay a portion of brokerage fees and interest which may arise in the future through new loans advanced, or can be redeemed for cash from January 1, 2014 to June 30, 2014. The credit vouchers are not transferable and have no expiry date. After approved legal expenses of $6.4 million were paid in March 2010, the balance of the settlement amount remaining to be disbursed was $12.4 million, consisting of $6.2 million of cash and $6.2 million of vouchers.

116. By September 30, 2010, Cash Store had received approximately 6,300 individual claims with total valid claims being in excess of the settlement fund. As the valid claims exceed the balance of the remaining settlement fund, under the terms of the settlement agreement, the entire settlement fund of $12.4 million was mailed to claimants in November 2012 in the form of cash and vouchers on a pro-rata basis. To date, $5.3 million of the cash portion of the settlement has been redeemed by claimants while $0.8 million is being held in trust by the administrator for future redemptions or to be handled in accordance with unclaimed property laws. To date, approximately $4.3 million of the $6.1 million of vouchers have been redeemed for services or cash. The total remaining liability related to the settlement is approximately $1.8 million.

(ii) **Ongoing Class Proceedings**

117. There are multiple proposed class proceedings filed against Cash Store. Due to the uncertainty surrounding the litigation process, Cash Store is unable to reasonably estimate the range of loss, if any, in connection with these class actions.

118. Cash Store believes that it has conducted business in accordance with applicable laws and is defending each claim. However, the resolution of any current or future legal proceeding could cause Cash Store to have to refund fees and/or interest collected, refund the principal amount of advances, pay damages or other monetary penalties and/or modify or terminate operations in particular jurisdictions. Cash Store may also be subject to adverse publicity. Defense of any legal proceedings, even if successful, requires substantial time and attention of senior officers and other management personnel that would otherwise be spent on other aspects of the business and requires the expenditure of significant amounts for legal fees and other related costs. Settlements of lawsuits may also result in significant payments and modifications to operations. Any of these events could have a material adverse effect on business prospects, results of operations and the financial condition of Cash Store.

119. Cash Store is currently defending the following class action lawsuits which allege breaches of various provincial Payday Loan Regulations, Consumer Protection Acts, and/or the criminal interest provisions of the Criminal Code:

- **British Columbia, September 11, 2012**: Roberta Stewart on behalf of class members who, on or after November 1, 2009 received a loan from the Applicants in British Columbia.

- **Alberta, January 19, 2010**: Shaynee Tschritter and Lynn Armstrong are the representative plaintiffs in this certified class action alleging that Cash Store is in breach of s. 347 of the Criminal Code.

- **Alberta, September 18, 2012**: Kostas Efthimiou on behalf of all persons who, on or after March 1, 2010, received a payday loan from the Applicants.

- **Saskatchewan, October 9, 2012**: John Ironbow on behalf of all persons who, on or after January 1, 2012, received a payday loan from the Applicants**.**

- **Manitoba, April 23, 2010**: Scott Meeking on behalf of all persons in Manitoba and others outside the province who obtained a payday loan from the Applicants. A previous settlement approved by the Ontario Court presumptively resolved claims with respect to loans borrowed by Mr. Meeking, and other Manitoba residents, on or before December 2, 2008. The Manitoba Court of Appeal held that the Ontario settlement was unenforceable in part as notice to the Manitoba residents was inadequate. The class action was certified. Leave to appeal to the Supreme Court of Canada has been granted to both parties and the appeal is tentatively scheduled for November 13, 2014.

- **Manitoba, November 1, 2012**: Sheri Rehill on behalf of all persons who, on or after October 18, 2010, borrowed a payday loan from the Applicants in Manitoba.

- **Ontario, August 1, 2012:** Timothy Yeoman on behalf of class members who entered into payday loan transactions with the Applicants in Ontario between September 1, 2011 and the date of judgment. This class action also makes allegations that Cash Store operated an unlawful business model as it did not provide borrowers with the option to

take their payday loan in an immediate liquid form and thereby misrepresented the total cost of borrowing.

120. The above actions generally seek any or all of the following remedies: restitution or damages for allegedly unlawful charges paid by the class members, repayment of unlawful charges paid by the plaintiff and class members, damages for conspiracy, interest on all amounts found to be owing and legal costs.

121. Additionally, Cash Store was facing investor class actions in Alberta, Ontario, and Quebec alleging that Cash Store made misrepresentations during the period from November 24, 2010 to May 24, 2013 regarding its internal controls over financial reporting and the value of the loan portfolio acquired from TPLs, losses on its internal consumer loan portfolio, and its liability associated with the settlement of the British Columbia Class Action (discussed above). The Quebec and Alberta proceedings were stayed pending the outcome of the Ontario claim. A similar securities class action alleging violations of the Securities Exchange Act of 1934, 15 U.S.C. § 78a, is also being defended by Cash Store in the United States.

122. On March 31, 2014, Cash Store Financial announced that it entered into an agreement in principle to settle all four of the proposed securities class actions. A copy of the press release regarding the settlement is attached as Exhibit "P". The agreement in principle covers all claims related to investments in Cash Store Financial's common shares and Notes acquired or disposed of during the expanded period of November 24, 2010 through February 14, 2014, other than certain rights and claims of Noteholders under the Note Indenture dated January 31, 2012.

123. The proposed settlement provides for a payment in the amount of approximately $9.45 million (all-inclusive) by Cash Store to be fully funded by Cash Store Financial's insurers.

The proposed settlement is subject to the fulfillment of customary conditions including, among other things, the parties entering into a definitive settlement agreement, court approvals, approval of parties other than Cash Store Financial, and the fulfillment of conditions relating to the number of opt-outs from the proposed settlement.

(iii) **Claim by Former Third Party Lender, Assistive Financial Corp.**

124. On September 18, 2013, an action in the Court of Queen's Bench of Alberta was commenced against Cash Store, certain of its officers and affiliates, including The Cash Store Inc., certain of its associated companies, including The Cash Store Australia Holdings Inc. and RTF Financial Holdings Inc., and other corporate defendants, seeking repayment of certain funds advanced to Cash Store, its affiliates and the associated companies by Assistive Financial Corp. ("Assistive"), a former related party TPL. An application for interim relief, including the appointment of an inspector, was brought by the Plaintiffs and was heard by the Court of Queen's Bench of Alberta on December 12, 2013 and a decision has not yet been rendered. The action by Assistive also seeks damages equivalent to $110,000,000 together with interest thereon at the rate of 17.5% per year. Assistive filed for bankruptcy on February 3, 2014 and this action has been stayed while the Trustee reviews and considers this litigation.

(c) **Audit and Special Investigation Fees**

125. Audit and special investigation expenses also jumped significantly in FY 2013 to $4.0 million from $0.9 million in FY 2012. Audit expenses included $1.6 million related to restatements of previously issued financial statements.

126. A special investigation by Cash Store Financial's audit committee resulted in a $2.0 million expense. The audit committee was made aware of written communications that contained questions about the acquisition of the consumer loan portfolio from TPLs in late

January 2012 (the "TPL Transaction") and included allegations regarding the existence of undisclosed related party transactions in connection with the TPL Transaction. In response to this allegation, legal counsel to a previous special committee of independent directors of Cash Store Financial (the "Special Investigation Committee") retained an independent accounting firm to conduct a special investigation. The investigation followed a review conducted by Cash Store Financial's internal auditor under the direction of the audit committee of the Board, and the restatement by Cash Store Financial in December 2012 of its unaudited interim quarterly financial statements and Management's Discussion and Analysis for periods ended March 31, 2012 and June 30, 2012.

127. The investigation covered the period from December 1, 2010 to January 15, 2013 and was carried out over four months. It involved interviews of current and former officers, directors, employees and advisors of Cash Store and a review of relevant documents and agreements as well as electronically stored information obtained from Cash Store computers and those of employees, former employees and directors most likely to have information relevant to the investigation.

128. The Special Investigation Committee has reported its findings on the allegations to the Board of Directors and, consistent with the recommendation made to the Board of Directors by the Special Investigation Committee, the Board of Directors has determined that no further corrections or restatements of previously reported financial statements and other public disclosures are required in relation to the TPL Transaction.

(d) **Voluntary Delisting from the NYSE**

129. On April 2, 2013, Cash Store Financial received notice from the NYSE that it was not in compliance with the US$50 million market capitalization and stockholders' equity

standard for continued listing of its common shares on the NYSE. On February 24, 2014, Cash Store Financial received an additional notice from the NYSE that it had fallen below the NYSE's continued listing criteria requiring listed companies to maintain an average closing price of its listed common shares of not less than US$1.00 over a consecutive 30 trading-day period.

130. On February 28, 2014, Cash Store Financial voluntarily delisted its stock from the NYSE due, in part, to non-compliance with the NYSE's market capitalization and shareholders' equity, as well as its share price requirements. A copy of the press release regarding the delisting dated February 28, 2014 is attached as Exhibit "Q".

(e) **TPL Requests for Return of Restricted Cash**

131. As discussed above, Unrestricted Cash and Restricted Cash are comingled in Cash Store's accounts to form its total cash, which is then used to fund operations. The amount of Restricted Cash on Cash Store's balance sheet is expected to exceed the amount of total cash in Cash Store's bank accounts. In light of the circumstances facing Cash Store, the decision of whether to make assignments to address this issue was deferred.

132. Two TPLs have requested returns of TPL Funds. McCann has made a redemption request as of February 26, 2014 to return all of McCann's TPL Funds. As of February 28, 2014, the McCann portion of Restricted Cash was $6,449,000 and by March 31, 2014 had increased to approximately $7,674,000. On January 23, 2014, Trimor initially made a redemption request of $4.0 million, and subsequently made a redemption request for the balance of its funds in the amount of $23 million on April 4, 2014. The Broker Agreements require 120 days' notice of reduced lending limits. As such, the McCann notice takes effect on or about June 26, 2014 and the initial Trimor request takes effect on or about May 23, 2014. The McCann and Trimor requests are attached as Exhibits "R", "S" and "T".

133. Cash Store does not have sufficient liquidity to fulfill these requests, as the amount of total cash as of March 31, 2014 was approximately $12.6 million. Senior Management has had discussions with McCann and Trimor concerning the redemption requests. On March 20, 2014, Trimor signed a non-disclosure agreement ("NDA") and on March 26, 2014, Trimor attended meetings with Cash Store and the advisors to the Special Committee to discuss the liquidity issues faced by Cash Store. Trimor has been provided with a significant amount of non-public, confidential information under the NDA. The advisors to the Special Committee have also been attempting to negotiate an NDA with McCann. However, McCann did not sign an NDA, and therefore could not attend the March 26, 2014 meeting and could not receive any of the confidential information given to Trimor. As of the date of this affidavit, the redemption requests remain outstanding.

134. On April 4, 2014, counsel for McCann wrote to counsel for the Special Committee, requesting that any funds held by Cash Store on behalf of McCann be returned, or else held in a segregated account. McCann's counsel asserted that the funds are held in trust for McCann and that there is a fiduciary relationship between McCann and Cash Store. McCann's counsel stated that McCann would seek personal remedies against anyone responsible for any dissipation of the alleged trust funds. A copy of the April 4, 2014 McCann letter is attached as Exhibit "U".

135. Counsel for the Special Committee replied on April 8, 2014, and clarified that there is no provision in the McCann Broker Agreement that establishes a trust relationship or imposes a trust on any funds. Furthermore, Cash Store's public disclosure does not describe its relationship with TPLs as constituting a trust relationship. Additionally, counsel for the Special Committee noted that McCann is aware that all funds collected from Cash Store's customers,

including funds collected in respect of loans brokered for McCann, are comingled. A copy of counsel for the Special Committee's April 8, 2014 letter is attached as Exhibit "V".

136. McCann's counsel's response of April 8, 2014 is attached as Exhibit "W". In it, he reiterates his request that money advanced by McCann be placed in a segregated account.

137. On April 4, 2014, Trimor made a redemption request for the balance of its funds in the amount of $23 million. Trimor also requested an immediate and complete accounting of loans brokered on Trimor's behalf, including all funds flowing in and out of Trimor's Designated Broker Bank Account and Designated Financier Bank Account. Trimor stated that it did not consent to any comingling of funds and required that any Trimor funds be held and accounted for separately. A copy Trimor's April 4, 2014 letter is attached as Exhibit "X".

138. On April 9, 2014, counsel for the Special Committee wrote to Trimor and noted that Trimor was aware that all TPL funds are comingled. Furthermore, he confirmed that while Cash Store has an account it uses to receive funds from TPLs with respect to their initial advance and will transfer funds to this account to make distributions to the TPLs from time to time, there has never been a Trimor Designated Broker Bank Account or Designated Financier Bank Account. A copy of the April 9, 2014 letter is attached as Exhibit "Y".

139. A copy of an email from counsel for Trimor dated April 12, 2014 with respect to a potential CCAA filing is attached as Exhibit "Z".

(f) **McCann Files an Injunction**

140. The attempts to negotiate an NDA with McCann continued through the first ten days of April. On the evening of April 10, 2014, the advisors to the Special Committee sent a further revised NDA to McCann which would allow PricewaterhouseCoopers ("PwC") to inspect

Cash Store's documents and records. McCann did not provide a substantive response regarding the NDA. Instead, on April 11, 2014, McCann served Cash Store with an application for an injunction seeking:

(a) An interim and final injunction directing Cash Store to permit PwC to attend at Cash Store's offices to review its books and records in accordance with the Broker Agreement;

(b) An injunction prohibiting Cash Store from (i) comingling, using, converting or otherwise appropriating the funds advanced by McCann pursuant to the Broker Agreement; (ii) directing that the funds be held in a segregated trust account; and (iii) such further and other relief which will preserve the rights of McCann pending the conclusion of the litigation;

(c) An Order directing the Cash Store to account for all funds advanced pursuant to the Broker Agreement; and

(d) A declaration that all funds advanced or subsequently recovered by collection of loans belong to McCann or are held in trust for McCann.

141. McCann also served a statement of claim seeking

(a) A direction that PwC or a suitable alternative accounting firm be granted full and immediate access to the books and records of Cash Store;

(b) The injunction described above;

(c) A declaration or judgment against any parties who have knowingly received the Restricted Cash and an Order for accounting or tracing; and

(d) An Order directing that the Plaintiff's funds be returned by June 19, 2014 or earlier.

142. The Statement of Claim, application for an injunction, and affidavit of Sharon Fawcett are attached as Exhibits "AA", "BB", and "CC".

Restructuring Efforts to Date

(a) **Special Committee**

143. In light of the difficulties faced by Cash Store, on February 19, 2014, the Board of Directors constituted a special committee of independent directors (the "Special Committee") to:

(i) Review and respond to the regulatory developments in Ontario preventing Cash Store from selling payday loan products in Ontario; and

(ii) Carefully evaluate the strategic alternatives available to Cash Store with a view to maximizing value for all of its stakeholders.

144. The Special Committee engaged Osler, Hoskin & Harcourt LLP as its independent legal advisor and Rothschild Inc. ("Rothschild") as its independent financial advisor to assist it in its strategic alternatives review process. A copy of the two press releases dated

February 19 and February 20, 2014 are attached as Exhibits "DD" and "EE". Additionally, Cash Store has engaged Conway MacKenzie Inc. ("Conway") as a financial advisor to assist the Special Committee in evaluating Cash Store's liquidity position as part of the strategic alternatives review process. The engagement letters for Rothschild and Conway are attached as Exhibits "FF" and "GG".

145. Rothschild has informed me that the Special Committee has explored the possibility of a sale, restructuring, refinancing and liquidation.

(i) **Mergers and Acquisitions Process**

146. During the week of March 3, 2014, Rothschild initiated a mergers and acquisitions process to seek a sale or significant investment in Cash Store. Rothschild contacted numerous parties, including financial buyers and strategic buyers based in both Canada and the U.S. Strategic buyers represent companies in the consumer finance and alternative financial services sectors and financial buyers were selected based on past experience in the financial services sector, investments in turnaround situations and their ability and willingness to deploy capital quickly.

147. Many of the parties contacted have been provided with public teasers and several have requested NDAs. As of March 26, 2014, a number of parties had executed NDAs and started their due diligence of Cash Store. A data room has been set up and parties who have executed NDAs have been granted access. Rothschild will be providing parties who have executed NDAs with Cash Store's business plan and a letter requesting proposals by mid-May.

(b) **Appointment of Compliance and Regulatory Affairs Officer**

148. On February 27, 2014, Cash Store Financial announced that it had engaged Michèle McCarthy to fill the newly created position of CCRO. A copy of the related press release dated February 27, 2014 is attached as Exhibit "HH".

149. Ms. McCarthy is an experienced senior executive with experience in numerous roles with global financial services companies. She has previously had mandates which included Chief Legal Officer, Chief Privacy Officer, and Chair of the Board of Directors at significant public and private corporations.

150. As CCRO, Ms. McCarthy reports directly to the Special Committee. The mandate of the CCRO includes the following responsibilities:

- Ensure that Cash Store is in compliance with all federal and provincial legislation, regulations and regulatory directives (the "Governing Legislation");
- Ensure that all documents used in the business of Cash Store are compliant with Governing Legislation;
- Develop procedures to identify, assess and communicate internally any changes or proposed changes to Governing Legislation;
- Foster a constructive relationship between Cash Store and its regulators; and
- Oversee and assist business units within Cash Store in the resolution of compliance issues.

151. In her role as CCRO, Ms. McCarthy is leading discussions with Cash Store's Ontario regulator in an effort to address the regulator's concerns regarding the issuance of a lender loan license to Cash Store Financial and its subsidiaries under the Payday Loans Act.

Relief Sought

152. In preparing this section of the affidavit, I have also consulted with and relied on discussions with Tom Fairfield, Cash Store's financial advisor, and the legal and financial advisors to the Special Committee.

153. Cash Store has made efforts to pursue a restructuring outside of a formal insolvency proceeding. Cash Store's liquidity position continues to significantly deteriorate and the current situation is dire. As noted above, there is too much uncertainty and too many legal and business impediments to continue the process outside of an insolvency proceeding. Senior Management and the Special Committee have expressed concerns regarding Cash Store's ability to sustain adequate liquidity to fulfill current business objectives and maintain going concern operations without commencing a CCAA process. Cash Store is unable to meet its liabilities as they become due and is therefore insolvent.

(a) **Stay of Proceedings**

154. Cash Store urgently requires a stay of proceedings and other protections provided by the CCAA so that it is provided with the breathing space to restructure its affairs and attempt to maximize enterprise value. In particular, the Applicants require a stay of proceedings to prevent the TPLs from attempting to withdraw the TPL Funds pursuant to the terms of the Broker Agreements, the Noteholders from making demands under the Senior Secured Notes and the Senior Lenders from making demands under the Credit Agreement. Such demands would likely result in the cessation of going concern operations for the Applicants absent a stay of proceedings. The Applicants are requesting an initial stay of proceedings until May 14.

155. If the court grants the proposed Initial Order, the Applicants intend to immediately continue the dialogue with its significant stakeholders in an effort to reach agreement on a consensual restructuring plan.

(b) **Interim Financing**

156. Cash Store's liquidity has declined from $13.1 million of reported total cash at the end of February to $12.6 million at the end of March. As of close of business on April 11, 2014 the total cash in Cash Store's bank accounts was approximately $2.9 million. These cash balances include Restricted Cash. The liquidity shortfall is driven primarily by the cessation of lending in Ontario as well as elevated corporate costs associated with ongoing litigation. Because of the nature of the Company's business as a lender of cash, the Company needs to maintain a minimum cash balance of $5 to $10 million to manage ordinary day to day fluctuations in its lending activities.

157. Because of its current liquidity challenges, and as demonstrated in the cash flow forecast (discussed below), Cash Store requires interim financing on an urgent basis to continue going concern operations and to implement the reorganization of its business as part of this CCAA proceeding. Subject to certain terms and conditions, Coliseum Capital Partners, LP, Coliseum Capital Partners II, LP and Blackwell Partners, LLC have agreed to act as DIP lenders (the "DIP Lenders") and provide an interim financing facility (the "DIP Facility") of approximately $20.5 million to Cash Store Financial. The term sheet is attached to this affidavit as Exhibit "II".

158. The funds available under the DIP Facility will be used to meet Cash Store's immediate funding requirements during the CCAA proceedings in accordance with the cash flow projections, as well as for the payment of professional fees and other costs and expenses in

connection with the CCAA proceedings. The DIP Facility is guaranteed, jointly and severally, by the same entities that are Guarantors under the Credit Agreement and the Notes and by 1693926 Alberta Ltd. doing business as "The Title Store".

159. Cash Store has agreed to pay the DIP Lenders:

(a) For the first $12.5 million borrowed, interest of 12.5% per year, all of which is to be capitalised (not paid in cash) and added to the outstanding principal balance of the loan to become due and payable on the maturity date of the DIP Facility;

(b) For amounts loaned in excess of $12.5 million, interest of 10.5% per year and payable monthly in arrears in cash on the first business day of each month and on the maturity date, plus 7% per year provided that all such accrued and unpaid interest will be capitalised (not paid in cash) and added to the outstanding principal balance of the loan to become due and payable on the maturity date; and

(c) Agency fees of $30,000 per month while the DIP Facility is in place, DIP Financing fees of 3.5% of $12.5 million plus 5% of $8 million, and certain exit fees that are payable in specific circumstances.

160. It is a condition precedent to the availability of the DIP Facility that the Initial Order be in form and substance satisfactory to the DIP Lenders, including in respect of the granting of the DIP Lenders' Charge (as defined below). The DIP Facility is also provided on the condition that there be no Events of Default or Material Adverse Changes (as defined in the term sheet). The maturity date of the DIP Facility is the earlier of (i) 180 days from the granting of the Initial Order, (ii) the date an Approved Transaction is consummated, (iii) the date a demand for payment is made following an Event of Default, or (iv) the date on which the stay of proceedings

pursuant to the Initial Order expires without being extended or on which the CCAA proceedings are terminated.

161. The DIP Facility is proposed to be secured by a Court-ordered security interest, lien and charge (the "DIP Lenders' Charge") on all of the present and future assets, property and undertaking of Cash Store, including any cash on hand at the day of the filing (the "Property") that will secure all post-filing advances. The DIP Lenders' Charge is to have priority over all other security interests, charges and liens other than the Administration Charge (as defined below) and up to an amount of $1.5 million. The DIP Lenders' Charge will not secure any obligation that exists before the Initial Order is made and will be *pari passu* with the TPL Protections.

162. The DIP Facility includes affirmative covenants providing that the DIP Lenders will engage a Chief Restructuring Officer ("CRO") within 10 days from the issuance of the Initial Order. The DIP Facility permits a certain amount in critical vendor payments, which have been incorporated into the Cash Flows.

163. An alternative interim financing proposal (the "Alternative DIP Facility") was also conditional on a CCAA filing and required a priority DIP charge. The Special Committee, in consultation with its advisors, determined that the DIP Facility had more favourable terms than the Alternative DIP Facility and was in the best interests of Cash Store and its stakeholders.

164. The DIP Facility is critical to the successful restructuring of Cash Store, as it will provide Cash Store with the necessary liquidity to operate as a going concern during these proceedings and, absent an injection of cash at this time, Cash Store will be forced to shut down its operations, with a significant loss of employment and disruption to those who rely on its services.

(c) **Monitor**

165. FTI Consulting Canada Inc. ("FTI") has consented to act as the Monitor of the Applicants under the CCAA. A copy of the Monitor's consent is attached as Exhibit "JJ".

(d) **Administration Charge**

166. In connection with its appointment, it is proposed that the Monitor, along with its counsel, counsel and the financial advisor to the Special Committee, counsel to the Applicants and counsel and the financial advisor to the DIP Lenders will be granted a Court-ordered charge on all of the present and future assets, property and undertaking of the Applicants (the "Property") as security for their respective fees and disbursements relating to services rendered in respect of the Applicants up to a maximum amount of $1.5 million (the "Administration Charge"). The Administration Charge is proposed to have first priority over all other charges.

(e) **Directors' and Officers' Protection**

167. A successful restructuring of Cash Store will only be possible with the continued participation of Cash Store Financial's board of directors (the "Directors"), management and employees. These personnel are essential to the viability of Cash Store's continuing business.

168. I am advised by Marc Wasserman of Osler, Hoskin & Harcourt LLP, counsel for the Special Committee, and believe that, in certain circumstances, directors can be held liable for certain obligations of a company owing to employees. Cash Store estimates, with the assistance of its financial advisor, that these obligations may include unpaid accrued wages which could amount to as much as approximately $3.7 million, unpaid accrued vacation pay which could amount to as much as $1.4 million for a total potential director liability of approximately $5.1 million.

169. The amount of insurance remaining under the Director and Officer primary and excess insurance policies is approximately $28 million. As discussed above, Cash Store and its Directors and Officers are subject to significant litigation and it is not certain that there will be sufficient Director and Officer insurance to cover the defence costs and any potential findings of liability on the part of the Cash Store Directors or Officers. Furthermore, Cash Store has not yet been able to finalize a renewal of the Director and Officer insurance, which is due to expire in July 2014. Cash Store has recently purchased one year run-off insurance under the terms of its primary and excess policies, which will commence on the expiry of those policies.

170. The Directors and Officers have indicated that, in light of the uncertainty surrounding available Directors' and Officers' insurance, their continued service and involvement in this restructuring is conditional upon the granting of an Order under the CCAA which grants a charge in favour of the Directors and Officers of Cash Store in the amount of $2.5 million on the Property of Cash Store (the "Directors' Charge"), the priority of which is still under discussion. The Directors' Charge would act as security for indemnification obligations for the Directors' potential liabilities as set out above.

171. The Directors' Charge is necessary so that Cash Store may benefit from its Directors' and Officers' experience with the business and the alternative financial products industry, and guide Cash Store's restructuring efforts.

172. The members of the Special Committee have indicated that, in light of the uncertainty surrounding available Directors' and Officers' insurance, it is their intention to resign after a Chief Restructuring Officer ("CRO") is appointed by the court and a proper transition can be implemented. To that end, the DIP term sheet provides that a CRO be engaged within 10 days. The members of the Special Committee have indicated that they are only willing to assist

in transferring the Special Committee's restructuring duties to the proposed CRO on the condition that they receive protections akin to that of a CRO from and after the date of the Initial Order. Thus, the Special Committee members' continued service and involvement in this restructuring is conditional upon the granting of an Order under the CCAA which provides that no member of the Special Committee will have any liability with respect to any losses, claims, damages or liabilities, of any nature or kind, from and after the date of the Initial Order except to the extent such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct on the part of such member of the Special Committee.

(f) **TPL Protections**

(i) **Existing Cash-on-hand**

173. Given the position of certain TPLs with respect to the Cash Store's cash-on-hand, it is proposed in the draft Initial Order that the TPLs be granted a Court-ordered charge on Cash Store's Property in the maximum amount of cash-on-hand at the time of filing (the "TPL Charge"). As stated in the DIP term sheet, the sole purpose of the TPL Charge is to ensure that any claims by the TPLs to Cash Store's cash-on-hand are preserved pending a determination by this court. Further, as stated in the DIP term sheet, the TPL Charge is intended to preserve the claims of the TPLs as they existed immediately prior to the effective time of the Initial Order. However, the term sheet states that the TPL Charge shall not grant the TPLs any new, additional, or greater rights than they would have had absent these protections.

174. The draft Initial Order proposes that the TPL Charge will rank *pari passu* with the DIP Lenders' Charge and will only be enforceable by the TPLs as directed by the Court. Given these protections, it is proposed in the draft Initial Order that Cash Store will be permitted to use all of the cash-on-hand for general operating purposes.

(ii) **Post-Filing Brokered Loan Repayments and Post-Filing Brokered Loans**

175. On the date of filing there will be approximately $18.7 million of brokered loans (less than 90 days past due), roughly $11.5 million, or 62%, of which are Ontario loans. The TPLs will likely encounter difficulty collecting outstanding Ontario loans, as the Ontario Cash Store branches are currently unable to broker new loans for customers. Cash Store is not able to predict with any certainty the amount of Ontario loans that will be repaid.

176. As customers repay the TPL brokered loans, Cash Store intends to use this liquidity for the sole purpose of brokering new loans (and not for funding operations or other costs). Cash Store will keep sufficiently detailed records of all post-filing repayments of TPL loans, including principal and interest ("TPL Repayments") and any and all re-advances made by Cash Store such that, as at any time post-filing, the company can determine (i) the amount of all TPL Repayments, (ii) any and all re-advances, and (iii) any still outstanding TPL brokered loans. Cash Store will work with the Monitor to accelerate the existing reconciliation process in order to allow Cash Store to identify on a daily basis the TPL brokered loans and any amounts received in respect of same following the Initial Order (as opposed to the month-end reconciliation process now followed).

177. On a go-forward basis, Cash Store will continue its practice of depositing repayments of TPL brokered loans into Cash Store's general bank account. Cash Store is not in a position to physically segregate the TPL Repayments given the manner in which such repayments are made and limitations with Cash Store's cash management process, including Cash Store's cash management software and that belonging to third parties, DC Bank and Direct Cash Payments Inc.

178. Cash Store has had discussions with the proposed Monitor and has agreed to maintain a minimum cash balance in an amount equal to the TPL Repayment received after the Initial Order and not yet redeployed as new brokered loans.

179. Cash Store will continue to ensure that TPLs receive a return of approximately 17.5% per year (or such lesser amount as may be agreed to) with respect to TPL brokered loans that are repaid and available for redeployment from and after the Initial Order date. Based on this approach, the return will be made on any TPL brokered loan existing as of the date of the Initial

Order that is subsequently repaid and available for redeployment. The return will be calculated so that the 17.5% payment is paid from the Initial Order date on such amounts. These arrangements are also intended to ensure that Cash Store will not make payments on loans in existence on the date of filing that are subsequently defaulted upon.

(g) **Cash Flow Forecast**

180. Cash Store, with the assistance of its financial advisor Conway, has prepared 13-week cash flow projections as required by the CCAA. FTI has reviewed these cash flow projections. A copy of the cash flow projections is attached as Exhibit "KK". The cash flow projections demonstrate that Cash Store can continue going concern operations during the proposed stay period should the proposed DIP Facility be approved.

181. Cash Store anticipates that the Monitor will provide oversight and assistance and will report to the Court in respect of Cash Store's actual results relative to cash flow forecast during this proceeding. Existing accounting procedures will provide the Monitor with the ability to track the flow of funds among the various Applicants.

182. I am confident that granting the Initial CCAA Order sought by the Applicants is in the best interests of the Applicants and all interested parties. Without the DIP Facility, Cash Store faces a cessation of going concern operations, the liquidation of its assets and the loss of its employees' jobs. Cash Store requires an immediate and realistic dialogue with its stakeholders under the protection of the CCAA with the goal of maximizing the ongoing value of the business and continuing employment for its employees. The granting of the requested stay of proceedings will maintain the "status quo" and permit an orderly restructuring and analysis of the Applicants' affairs, with minimal short-term disruptions to Cash Store's business.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario, on April 14, 2014.

Commissioner for Taking Affidavits
Karin Sachar

Steven Carlstrom

THIS IS EXHIBIT "A" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

Consolidated Financial Statements

For the years ended September 30, 2013, 2012 and 2011

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements are the responsibility of management and have been approved by the Board of Directors. The consolidated financial statements have been prepared by management in accordance with United States generally accepted accounting principles and include some amounts based on management's best estimates and informed judgments. When alternative accounting methods exist, management has chosen those it considers most appropriate in the circumstances.

The Cash Store Financial Services Inc. maintains a system of internal controls to provide reasonable assurance that transactions are properly authorized, financial records are accurate and reliable and the Company's assets are properly accounted for and adequately safeguarded.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board of Directors carries out its responsibility for the financial statements through its Audit Committee. This Committee meets periodically with management and the independent external auditors to review the financial statements and to discuss audit, financial and internal control matters. The Company's independent external auditors have full and free access to the Audit Committee. The Audit Committee is responsible for approving the remuneration and terms of engagement of the Company's independent external auditors. The consolidated financial statements have been subject to an audit by the the Company's external auditors, KPMG LLP, in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States) on behalf of the shareholders.

The consolidated financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized in note 1 of the notes to the consolidated financial statements.

Signed "Gordon J. Reykdal"
Gordon Reykdal
Chief Executive Officer

Signed "Craig Warnock"
Craig Warnock, FCMA
Chief Financial Officer

December 11, 2013
Edmonton, Alberta, Canada

KPMG LLP
Chartered Accountants
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Edmonton AB T5J 3V8
Canada

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INDEPENDENT AUDITORS' REPORT OF REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of The Cash Store Financial Services Inc.

We have audited the accompanying consolidated financial statements of The Cash Store Financial Services Inc., which comprise the consolidated balance sheets as at September 30, 2013 and September 30, 2012, the consolidated statements of operations and comprehensive income (loss), changes in shareholders' equity and cash flows for each of the years in the three-year period ended September 30, 2013, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of The Cash Store Financial Services Inc. as at September 30, 2013 and September 30, 2012, and its consolidated results of operations and its consolidated cash flows for each of the years in the three-year period ended September 30, 2013 in accordance with

U.S. generally accepted accounting principles.

Emphasis of Matter

We draw attention to Note 20 to the consolidated financial statements, which describes that the Company is the defendant in various lawsuits and other regulatory actions alleging noncompliance with payday lending and securities laws and regulations in multiple jurisdictions in Canada and the United States. The Company is also the defendant in a lawsuit seeking repayment of certain funds advanced to the Company and its affiliates by a third party lender. The Company is vigorously defending these actions. The ultimate outcome of these matters cannot presently be determined and, accordingly, no provision for any effects on the Company that may result from the outcome of these lawsuits has been made in the consolidated financial statements. Our opinion is not qualified in respect of these matters.

Chartered Accountants
Edmonton, Canada
December 11, 2013

THE CASH STORE FINANCIAL SERVICES INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(in thousands, except share and per share amounts)

	Years Ended		
	September 30, 2011	September 30, 2012	**September 30, 2013**
REVENUE			
Loan fees	$ 136,623	$ 137,994	**$ 152,430**
Other income - Note 6	53,276	49,418	**38,335**
	$ 189,899	$ 187,412	**$ 190,765**
BRANCH OPERATING EXPENSES			
Salaries and benefits	67,017	65,944	**58,653**
Provision for credit losses - Note 5	2,559	31,004	**36,607**
Retention payments	26,786	9,968	**11,659**
Selling, general and administrative	24,109	23,595	**20,449**
Rent	18,427	18,940	**18,581**
Advertising and promotion	5,941	5,180	**6,307**
Depreciation of property and equipment	6,803	6,843	**6,366**
	151,642	161,474	**158,622**
BRANCH OPERATING MARGIN	38,257	25,938	**32,143**
CORPORATE AND OTHER EXPENSES			
Corporate expenses	18,641	22,684	**38,142**
Interest expense	616	12,339	**18,583**
Depreciation of property and equipment	1,146	835	**1,794**
Amortization of intangible assets	965	5,138	**7,517**
Branch closure costs - Note 7	—	1,574	**123**
Impairment of property and equipment - Note 8	—	3,425	**1,236**
Expense to settle pre-existing relationships with third-party lenders - Note 3	—	36,820	**—**
INCOME (LOSS) BEFORE INCOME TAXES	16,889	(56,877)	**(35,252)**
INCOME TAXES - NOTE 12			
Current expense (recovery)	6,157	(3,571)	**(12,429)**
Deferred expense (recovery)	153	(9,784)	**12,709**
	6,310	(13,355)	**280**
NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)	$ 10,579	$ (43,522)	**$ (35,532)**
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING - Note 17			
Basic	17,259,196	17,431,809	**17,564,292**
Diluted	17,663,380	17,431,809	**17,564,292**
BASIC EARNINGS (LOSS) PER SHARE			
Net income (loss) and comprehensive income (loss)	$ 0.61	$ (2.50)	**$ (2.02)**
Net income (loss) and comprehensive income (loss)	$ 0.60	$ (2.50)	**$ (2.02)**

See accompanying notes to the consolidated financial statements

THE CASH STORE FINANCIAL SERVICES INC.
CONSOLIDATED BALANCE SHEETS
(in thousands of Canadian Dollars)

	September 30 2012	**September 30 2013**
ASSETS		
Current Assets		
Cash	$ 16,063	**$ 6,216**
Restricted cash - Note 4	3,076	**5,242**
Consumer advances receivable, net - Note 5	32,440	**25,592**
Other receivables, net - Note 6	19,481	**8,104**
Prepaid expenses and other assets	2,454	**3,471**
Income taxes receivable	4,576	**15,683**
Deferred income taxes - Note 12	12,183	**—**
	90,273	**64,308**
Long term receivable - Note 6	460	**836**
Deposits and other assets	1,162	**1,740**
Deferred income taxes - Note 12	424	**—**
Deferred financing costs	7,523	**6,203**
Property and equipment, net of accumulated depreciation of $36,180 and $39,424 - Note 8	23,157	**17,460**
Intangible assets, net of accumulated amortization of $7,831 and $13,506 - Note 9	39,760	**34,353**
Goodwill - Note 10	39,685	**39,685**
	$ 202,444	**$ 164,585**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable	$ 1,055	**$ 1,511**
Accrued liabilities - Note 11	27,882	**24,715**
Current portion of deferred revenue - Note 14	1,000	**1,000**
Current portion of deferred lease inducements	436	**333**
Current portion of obligations under capital leases and other obligations - Note 15	1,180	**1,185**
	31,553	**28,744**
Deferred revenue - Note 14	3,917	**2,918**
Deferred lease inducements	985	**686**
Obligations under capital leases and other obligations - Note 15	3,608	**3,441**
Senior secured notes - Note 13	126,033	**127,182**
Deferred income taxes - Note 12	2,832	**2,934**
	168,928	**165,905**
SHAREHOLDERS' EQUITY		
Share capital, number of voting common shares, issued and outstanding - 17,496,646 and 17,571,813 - Note 16	46,652	**47,091**
Additional paid-in capital	4,700	**4,957**
Deficit	(17,836)	**(53,368)**
	$ 33,516	**$ (1,320)**
	202,444	**164,585**

Litigations, Claims and Contingencies - Note 20
Subsequent Event - Note 25

Approved by the Board:

Signed "Gordon Reykdal" — Director

Signed "Eugene Davis" — Director

See accompanying notes to the consolidated financial statements

THE CASH STORE FINANCIAL SERVICES INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(in thousands of Canadian Dollars)

	Common Shares	Additional Paid-in Capital	Retained Earnings (Deficit)	Total Shareholders' Equity
Balance, September 30, 2010	**$ 43,468**	**$ 3,981**	**$ 29,305**	**$ 76,754**
Net loss and comprehensive loss	—	—	10,579	10,579
Dividends to common shareholders	—	—	(7,929)	(7,929)
Issuance of common shares	2,681	(589)	—	2,092
Stock-based compensation expense	—	786	—	786
Total of other equity movements	2,681	197	(7,929)	(5,051)
Balance, September 30, 2011	**46,149**	**4,178**	**31,955**	**82,282**
Net loss and comprehensive loss	—	—	(43,522)	(43,522)
Dividends to common shareholders	—	—	(6,269)	(6,269)
Issuance of common shares	503	(211)	—	292
Stock-based compensation expense	—	733	—	733
Total of other equity movements	503	522	(6,269)	(5,244)
Balance, September 30, 2012	**46,652**	**4,700**	**(17,836)**	**33,516**
Net loss and comprehensive loss	—	—	(35,532)	(35,532)
Issuance of common shares	439	(182)	—	257
Stock-based compensation expense	$ —	$ 439	$ —	$ 439
Total of other equity movements	439	257	—	696
Balance, September 30, 2013	**47,091**	**4,957**	**(53,368)**	**(1,320)**

See accompanying notes to the consolidated financial statements

THE CASH STORE FINANCIAL SERVICES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands of Canadian Dollars)

	Years ended September 30,		
	2011	2012	**2013**
Cash provided by (used in):			
OPERATING ACTIVITIES			
Net income (loss)	$ 10,579	$ (43,522)	**$ (35,532)**
Items not affecting cash:			
Depreciation of property and equipment	7,950	7,678	**8,160**
Amortization of intangible assets	965	5,138	**7,517**
Impairment of assets	—	3,425	**1,236**
Provision for credit losses - Note 5	2,559	31,004	**36,607**
Expense to settle pre-existing relationships with third-party lenders - Note 3	—	36,820	**—**
Stock-based compensation	786	733	**439**
Accretion of long-term debt discount and amortization of deferred financing costs	—	1,466	**2,469**
Deferred income taxes	153	(9,784)	**12,709**
Change in non-cash working capital:			
Consumer advances receivable, net - Note 5	(2,744)	(8,649)	**(29,759)**
Other receivables and long-term receivables	(3,666)	(6,685)	**11,001**
Prepaid expenses, deposits and other assets	(2,408)	559	**(1,595)**
Income taxes receivable	138	(4,576)	**(11,107)**
Accounts payable and accrued liabilities	2,942	2,915	**(1,442)**
Income taxes payable	(2,116)	(138)	**—**
Deferred revenue	(1,217)	(1,194)	**(999)**
Deferred lease inducements	106	(151)	**(402)**
	14,027	15,039	**(698)**
INVESTING ACTIVITIES			
Acquisition of short-term advances (Note 5b(i))	—	(27,235)	**—**
Expense to settle pre-existing relationships with third-party lenders - Note 3	—	(36,820)	**—**
Business acquisitions	(25)	—	**—**
Purchase of intangible assets	(895)	(31,068)	**(1,461)**
Purchase of property and equipment	(6,826)	(4,713)	**(3,044)**
	(7,746)	(99,836)	**(4,505)**
FINANCING ACTIVITIES			
Repayment of obligations under capital leases and other obligations	(778)	(961)	**(1,528)**
Proceeds from issuance of senior secured notes - Note 13	—	102,577	**—**
Restricted cash (Note 4)	(3,100)	6,281	**(2,166)**
Funding from (paid to) third-party lenders	—	(2,697)	**(1,207)**
Deferred financing costs	(14)	(8,297)	**—**
Dividends paid on common shares - Note 18	(7,929)	(6,269)	**—**
Issuance of common shares	2,092	292	**257**
	(9,729)	90,926	**(4,644)**
INCREASE (DECREASE) IN UNRESTRICTED CASH	(3,448)	6,129	**(9,847)**
UNRESTRICTED CASH, BEGINNING OF PERIOD	13,382	9,934	**16,063**
UNRESTRICTED CASH, END OF PERIOD	$ 9,934	$ 16,063	**$ 6,216**
Supplemental cash flow information:			
Interest paid	$ 147	$ 7,841	**$ 15,760**
Interest received	30	4	**39**
Income taxes paid (received)	8,132	1,204	**(1,137)**
Non-cash investing and financing activities:			
Addition of capital lease obligations and other obligations	$ 121	$ 4,454	**$ 1,366**
Addition of consumer loans portfolio in exchange for senior secured notes	—	22,779	**—**
Addition of intangible asset due to taxable difference on acquisition	—	2,524	**—**
Addition of goodwill due to taxable difference on acquisition	—	552	**—**
Addition of property and equipment included in accounts payable and accrued liabilities	283	515	**62**

See accompanying notes to the consolidated financial statements

(in thousands, except share and per share amounts)
(unaudited)

Nature of Business

The Cash Store Financial Services Inc. (the “Company”) operates under three branch banners: The Cash Store Financial, Instaloans and The Title Store (TSX: CSF, NYSE: CSFS). The Company acts as lender and broker to facilitate short-term advances and provides other financial services, to income-earning consumers. As at September 30, 2013, the Company operated 537 (2012 - 536, 2011 - 586) branches. The Company has operations in Canada and the United Kingdom.

Although the Company’s business is not significantly affected by seasonality, the Company typically experiences its strongest revenues in the third and fourth quarters (which correspond with tax season and the summer months) followed by the first quarter (Christmas/holiday season). The second quarter is typically the weakest. In addition to seasonal demand, quarterly results are impacted by the number and timing of new branch openings and new product lines offered.

The Cash Store Financial is a Canadian corporation that is not affiliated with Cottonwood Financial Ltd. or the outlets of Cottonwood Financial Ltd. which operate in the United States under the name "Cash Store." The Cash Store Financial does not conduct under the name "Cash Store" in the United States and does not own or provide any consumer lending services in the United States.

Note 1 – Significant Accounting Policies

(a) Basis of Presentation

The consolidated financial statements have been prepared by management in accordance with United States Generally Accepted Accounting Principles ("U.S. GAAP") and include the accounts of the Company and its wholly-owned subsidiaries. All inter-company balances and transactions have been eliminated upon consolidation.

All figures are presented in Canadian dollars, unless otherwise disclosed.

(b) Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the reported amounts of revenue and expenses during the reporting periods, and disclosures reported in these consolidated financial statements and accompanying notes. Certain significant judgments, estimates and assumptions, such as those related to the allowance for credit losses, valuation of acquired loans and lines of credit advances, valuation of goodwill and intangible assets, expense to settle pre-existing relationships with third-party lenders, deferred income taxes, the inputs in the calculation of financial covenants under the Indenture governing the senior secured notes, and accrued liabilities related to litigation and claims, depend upon subjective or complex judgments about matters that may be uncertain, and changes in those estimates could materially impact the consolidated financial statements. Actual results could differ from those estimates made by management.

(c) Risks and Uncertainties

The Company's future operations involve a number of risks and uncertainties. Factors that could affect the Company's future operating results and cause actual results to differ materially from expectations include, but are not limited to, the application of laws and regulations to the Company's business (Note 20), the Company's ability to manage credit risk and continued access to capital. The Company manages these risks through operational and legal efforts, and continual evaluation of credit loss experience.

Note 1 – Significant Accounting Policies (continued)

(c) Risks and Uncertainties (continued)

The Company's business depends on the willingness of third-party lenders to make significant funds available for lending to the Company's customers and to purchase loans that the Company has made. There are no assurances that existing or new third-party lenders will continue to make funds available. Any reduction or withdrawal of funds could have a material adverse impact on the Company's results of operations and financial condition.

(d) Revenue Recognition

Revenue arising from the direct lending of consumer advances (including: short-term advances and line of credit advances) to customers is recognized on a constant yield basis ratably over the term of the related loan, in loan fees in the consolidated statement of operations. Direct loan origination costs are deferred and recognized as a reduction in the yield of the related loan over its life. The Company charges late interest and default fees on direct lending loans in default status. Late interest and default fees are recorded once collected in other income.

Revenue from brokering short-term advances for customers is reported in loan fees on the statement of operations and is recognized once all services have been rendered, all advance amounts have been received by the customer, and the brokerage fee has been collected. Late interest and default fees are recorded once collected in other income.

Revenue from brokering and the credit assessment of lines of credit advances for customers is reported in loan fees on the statement of operations and is recognized once all services have been rendered, all advance amounts have been received by the customer, and the brokerage and credit assessment fees have been collected.

Included in other income in the consolidated statement of operations is revenue from insurance products, card fees, banking services, interest and default fees collected, money transfers, cheque cashing, and other miscellaneous services and fees. For these services, revenue is recognized when the services are rendered at the point-of-sale in the branch and the related fees charged have been collected from the customer. Services where the Company acts as an agent on behalf of third-party providers include banking services, card products, money transfers, bill payment services, and insurance products and are classified as agency fee income in Note 6(b).

(e) Retention Payments

When the Company acts as a broker on behalf of income earning consumers seeking short-term advances and lines of credit advances, the funding is provided by third-party lenders. The short-term advances and lines of credit advances provided by the third-party lenders are repayable by the customer to the third-party lenders and represent the assets of the lenders; accordingly, they are not included on the Company's consolidated balance sheet.

To facilitate the short-term advance and lines of credit advance business, the Company has entered into agreements with third-party lenders who are prepared to lend to the Company's customers. Pursuant to these agreements, the Company provides services to the lenders related to the collection of documents and information as well as loan collection services. Under the terms of the Company's agreements with third-party lenders, responsibility for losses suffered on account of uncollectible advances rests with the third-party lender, unless the Company has not properly performed its duties as set forth under the terms of the agreement. The significant duties under the terms of the agreements generally include ensuring that any proposed short-term advance or line of credit advance was applied for through an authorized outlet, ensuring

Note 1 – Significant Accounting Policies (continued)

(e) Retention Payments (continued)

each potential customer meets the short-term advance or line of credit advance selection criteria as set forth by the third-party lender prior to approval and release of funding, satisfying the documentation requirements in a full and timely manner, providing loan management services throughout the term of the short-term advance or line of credit advance and providing collection services on behalf of the third-party lender for all short-term advances and lines of credit advances funded which are not paid in full by the due date, all of which while ensuring information system integrity is maintained. In the event the Company does not properly perform its duties and the lenders make a claim as required under the agreement, the Company may be liable to the lenders for losses they have incurred. A liability is recorded when it is determined that the Company has a liability under the agreement.

The Company's Board of Directors (the "Board of Directors") regularly approves a resolution which authorizes management to pay a maximum annual amount of retention payments per quarter to the third-party lenders as consideration to those lenders that continue to be willing to fund advances to the Company's customers. While the third-party lenders have not been guaranteed a return, the decision has been made to voluntarily make retention payments. Retention payments are recorded in the period in which a commitment is made to a lender pursuant to the resolution approved by the Board of Directors.

Also included in retention payments are amounts paid to third-party lenders to purchase lines of credit advances that exceed the advance's fair value. The arrangements with the third-party lenders permit the Company, at its discretion to purchase advances brokered for consideration of at least its fair value.

(f) Provision for Credit Losses

Advances in default consist of direct lending consumer advances originated by the Company which are past due. The Company defines a past due or delinquent advance whereby payment has not been received in full from the customer on or before its contractual due date. A provision for credit loss is recorded when the Company no longer has reasonable assurance of timely collection of the full amount of principal and interest.

In determining whether the Company will be unable to collect all principal and interest payments due, the Company assesses relevant internal and external factors that affect loan collectability, including the amount of outstanding advances owed to the Company, historical percentages of advances written off, current collection patterns and other current economic trends. The provision for credit losses reduces the carrying amount of consumer advances receivables to their estimated realizable amounts. The provision is primarily based upon models that analyze specific portfolio statistics, and also reflects, to a lesser extent, management's judgment regarding overall accuracy. The provision is reviewed monthly, and any additional provision as a result of historical loan performance, current and expected collection patterns and current economic trends is included in the provision for credit losses at that time.

In the prior year, the Company's policy for charging off uncollectible consumer advances originated by the Company was to write the advance off when an advance remained in default status for an extended period of time without any extended payment arrangements made. During the quarter ended September 30, 2013, the Company changed the methodology for estimating the provision for loan losses in order to reduce the estimation uncertainty inherent in this provision, improve the accuracy of the amounts recorded with the benefit of additional history in originating loans, and improve comparability with financial information reported by its competitors who charge-off past due amounts at an earlier date. The Company now fully charges off consumer advances receivable when the advances remain in default status for 90 days. This change resulted in the acceleration of the point in time when consumer advances receivable are fully provided for.

Note 1 – Significant Accounting Policies (continued)

(f) Provision for Credit Losses (continued)

In accordance with FASB ASC No. 250 - Accounting Changes and Error Corrections, ("ASC 250"), the Company has determined that this a change in estimation methodology and accordingly is a change in estimate. The impact of this change in methodology resulted in an increase in the provision for consumer loan losses during the year ended September 30, 2013 of $5,218. Advances to customers who file for bankruptcy are written off upon receipt of the bankruptcy notice. Recoveries on amounts previously written off are credited against the provision for credit losses expense.

(g) Stock-Based Compensation

The Company has a stock-based compensation plan for employees and the Board of Directors, which is described in Note 16. The Company accounts for all stock-based compensation payments that are settled by the issuance of equity in accordance with a fair value-based method of accounting. Stock-based compensation awards are recognized in the consolidated financial statements over the period in which the related services are rendered, which is usually the vesting period of the option, or as applicable, over the period to the date an employee is eligible to retire, whichever is shorter, with a corresponding increase recorded in contributed surplus. The fair value is calculated using the Black-Scholes option-pricing model.

When options are exercised, the proceeds received by the Company, together with the amount in additional paid-in capital associated with the exercised options, are credited to share capital.

(h) Earnings Per Share

Basic earnings per share is computed by dividing net income (loss) by the weighted average number of common shares outstanding during each reporting period. Diluted earnings per share is computed similar to basic earnings per share except that the weighted average shares outstanding are increased to include additional shares from the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised, and that proceeds from such exercises were used to acquire common shares at the average market price during the reporting period.

(i) Consumer Loans Receivable

Consumer Advances Originated by the Company

Unsecured short-term advances that the Company originates on its own behalf are reflected on the balance sheet in consumer advances receivable. Consumer advances receivable are reported net of an allowance for credit losses described above in “Provision for Credit Losses - Note 1(f)” and any deferred fees or costs. Origination fees on these advances, net of certain direct origination costs, are deferred and recognized as an adjustment of yield in interest income using the effective interest method.

The Company does not accrue interest when consumer advances are considered impaired. When ultimate collectability of the principal balance of the impaired advances is in doubt, all cash receipts on impaired advances are applied to reduce the principal amount of such advances until the principal has been recovered and are recognized as interest income thereafter. Impairment losses are charged against the allowance and any increases in the allowance are charged to the provision for credit losses. Advances are written off against the allowance when all possible means of collections have been exhausted and the potential for recovery is considered remote. The Company resumes accrual of interest when it is probable that the Company will collect the remaining principal and interest of an impaired advance.

Note 1 – Significant Accounting Policies (continued)

(i) Consumer Loans Receivable (continued)

Acquired Short-Term Advances and Lines of Credit Advances (continued)

Acquired Short-Term Advances and Lines of Credit Advances

Short-term advances and line of credit advances acquired from the Company's third-party lenders fall within the scope of FASB ASC 310-30, "Receivables – Loans and Debt Securities Acquired with Deteriorated Credit Quality" as there is evidence of deterioration in credit quality since origination and for which it is probable, at acquisition, that all contractually required payments will not be collected. As such, acquired short-term advances and line of credit advances are accounted for separately from short-term advances and line of credit advances originated by the Company and are initially recorded at fair value, which represents expected cash flows discounted at a market rate of interest. The Company's estimate of fair value of acquired short-term advances and line of credit advances includes assumptions regarding the amount and timing of both principal and interest payments, future credit losses, prepayments and discount rates. A provision for credit losses is not recorded at the acquisition date on acquired short-term advances because the fair value incorporates an estimate of expected credit losses. A loss on the acquisition of lines of credit advances is included in retention payments expense if the purchase price is greater than the fair value of the pooled portfolio of line of credit advances acquired. Advances acquired on a quarterly basis that have similar risk characteristics, primarily credit risk and underwriting criteria, are pooled and accounted for as a single asset with an aggregate expectation of cash flows.

Income recognition on acquired short-term advances and line of credit advances is based on a reasonable expectation of the timing and amount of cash flows to be collected. The expected cash flows in excess of the estimated fair value are recorded as interest income over the remaining life of the loan (accretable difference). The excess of contractual principal and interest over the expected cash flows is not recorded (non accretable difference). Subsequent to the acquisition date, any increases in cash flow over those expected at the purchase date in excess of the fair value that are significant and probable are recorded as an adjustment to the accretable difference on a prospective basis. Any subsequent decreases in cash flow below those expected at the purchase date that are significant and probable are recognized through an immediate reduction in the carrying amount of the portfolio and are included in the provision for credit loss expense.

The determination of fair value of acquired short-term advances and line of credit advances relies on estimates and significant judgments regarding future collections. Changes in those estimates could materially impact the consolidated financial statements.

Transfer of Short-Term Advances

Short-term advances that the Company has originated on its own behalf may be transferred to third-party lenders in exchange for cash. Advances transferred to the third-party lenders are done at fair value and the related advances are derecognized from the consolidated balance sheet . The determination of fair value relies on estimates and judgments regarding future collections using the methodology described in Note 1 (f) to these consolidated financial statements.

Under the terms of the arrangements with the Company's third-party lenders, the Company is maintained as the lender on record for the transferred advances and must continue to collect, maintain and enforce such advances on the third-party lenders behalf in all respects. The Company must pay a participation fee to the third-party lenders based on the principal of all advances collected for the agreed term of the advance at a rate that is equivalent to the interest rate accrued on the transferred advance. The participation fee is recorded in retention payments expense.

Note 1 – Significant Accounting Policies (continued)

(j) Income Taxes

Income taxes are accounted for under the asset and liability method. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted by the balance sheet date.

Deferred income tax assets and liabilities are recognized for the deferred income tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred income tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Valuation allowances are recorded to reduce any deferred income tax assets to the amounts management concludes is more likely than not to be realized. The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The Company records interest and penalties related to unrecognized tax benefits in corporate expenses.

(k) Fair Value of Financial Instruments

Fair value measurements are categorized using a valuation hierarchy for disclosure of the inputs used to measure fair value, which prioritizes the inputs into three broad levels. Fair values included in Level 1 are determined by reference to quoted prices in active markets for identical assets and liabilities. Fair values included in Level 2 include valuations using inputs based on observable market data, either directly or indirectly other than the quoted prices. Level 3 valuations are based on inputs that are not based on observable market data. The classification of a fair value within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement. The Company does not use derivative financial instruments.

The fair values of financial instruments are determined with respect to the hierarchy that prioritizes the input to fair value measurement. In the absence of an active market, the Company determines fair value by using valuation techniques that refer to observable market data or estimated market prices. Fair values are inherently judgmental, thus the estimated fair values do not necessarily reflect amounts that would be received or paid in case of immediate settlement of these instruments. The use of different estimations, methodologies and assumptions could have a material effect on the estimated fair value amounts.

(l) Restricted Cash

Any cash provided to the Company for which withdrawal or use is restricted is classified as restricted cash.

(m) Long-Term Investments

The Company has long-term investments in The Cash Store Australia Holdings Inc. (“AUC”) and RTF Financial Holdings Inc. (“RTF”). The Company accounts for its long-term investments using the equity method of accounting as it has significant influence over the strategic operating, investing and financing activities due to board representation. The carrying amount of these long-term investments is $nil.

Note 1 – Significant Accounting Policies (continued)

(n) Deferred Financing Costs

Underwriting, legal and other direct costs incurred in connection with the issuance of debt are included in deferred financing costs. Amortization of deferred financing costs is calculated using the effective interest method over the term of the related debt and recorded as interest expense.

(o) Property and Equipment

Property and equipment are carried at cost less accumulated depreciation. Depreciation is recorded using the straight-line method over the estimated useful lives of the assets as follows:

	Estimated Useful Life
Computer hardware	4 years
Fixtures, furniture, and equipment	5 years
Signs	5 years
Vehicles	5 years

Leasehold improvements are depreciated using the straight-line method over the shorter of the lease term and the estimated useful life of the asset. Repairs and maintenance costs are expensed as incurred.

(p) Intangible Assets

Intangible assets acquired as part of a business combination are initially recognized and measured at fair value. Intangible assets acquired individually or as part of a group of other assets that are not considered a business combination are recorded at cost.

The Company accounts for internally developed software costs in accordance with Accounting Standards Codification ("ASC") 350-40, "Internal Use Software," which requires the capitalization of certain costs incurred in connection with developing or obtaining software for internal use. The Company capitalizes internal use software if that software meets the following criteria:

- The software is acquired, internally developed or modified solely to meet the Company's internal needs; and
- No substantive plan exists or is being developed to market the software externally.

If these two criteria are met, the Company will capitalize labor costs of full time and temporary employees working directly on the development or modification of internal use software and hardware and software purchased specifically for the internal use software. Capitalized costs are depreciated over the estimated useful lives when the software is complete and ready for its intended use.

Amortization is recorded using the straight-line method over the estimated useful lives of the assets as follows:

	Estimated Useful Life
Customer list, contracts and relationships	3 years
Computer software	3 - 5 years
Non-compete agreements	Term of the agreements
Favorable supplier relationships	7 years
Proprietary knowledge	5 years
Brand name	Indefinite life

Note 1 – Significant Accounting Policies (continued)

(q) Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is assigned, as of the date of the business combination, to reporting units that are expected to benefit from the business combination Goodwill is not amortized, but instead is assessed for impairment annually or more frequently if events or changes in circumstances indicate that it may be impaired, as described in Note 1(r).

(r) Impairment

Property and equipment and intangible assets subject to amortization

Property and equipment and intangible assets subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable.

If the sum of the undiscounted future cash flows expected to result from the use and eventual disposition of an asset or group of assets is less than its carrying amount, it is considered to be impaired. The Company measures the impairment loss as the amount by which the carrying amount of the asset or group of assets exceeds its fair value. In determining whether an impairment exists, the Company makes assumptions about the future cash flows expected from the use of these assets which may include: applicable industry performance and prospects, general business and economic conditions that prevail and are expected to prevail, expected growth, maintaining its customer base, and achieving cost reductions. There can be no assurance that expected future cash flows will be realized, or will be sufficient to recover the carrying amount of these assets. Furthermore, the process of determining fair values is subjective and requires management to exercise judgment in making assumptions about future results, including revenue and cash flow projections and discount rates.

An asset group is the lowest level for which there are separate identifiable cash flows. For property and equipment, an asset group typically represents an individual branch. Any assets to be disposed of by sale are reported at the lower of carrying amount or fair value less costs to sell. Such assets are not depreciated while they are classified as held-for-sale.

For intangible assets subject to amortization, which include non-compete agreements, favourable supplier relationships, proprietary knowledge and software intangibles, impairment testing is performed using the expected undiscounted cash flows of the Canadian reporting unit.

As a result of the factors discussed in Note 8 that required a recoverability test to be performed over certain branches and corporate assets, the Company also performed a recoverability test on the asset group containing its intangible assets subject to amortization. The Company determined that the sum of the undiscounted future cash flows expected to result from the use and eventual disposition of the Canadian reporting unit was greater than the carrying amount of the Canadian reporting unit and accordingly no impairment existed.

Note 1 – Significant Accounting Policies (continued)

(r) Impairment (continued)

Goodwill and brand name

Goodwill and the brand name intangible asset are tested for impairment annually on July 1st of each year, or more frequently if events or changes in circumstances indicate the asset might be impaired.

The brand name impairment test consists of a comparison of the fair value of the brand name with its carrying value. If the carrying amount exceeds its fair value, an impairment is recognized equal to the amount of the excess.

The Company assesses qualitative factors to determine if it is more-likely-than-not that goodwill might be impaired and whether it is necessary to perform the two-step goodwill impairment test. If the qualitative assessment results in a determination that goodwill has more-likely-than-not been impaired, the Company performs the two-step goodwill impairment test. In the first step, the carrying amount of the reporting unit, including goodwill, is compared to its fair value. When the fair value of the reporting unit exceeds its carrying amount, goodwill of the reporting unit is not considered to be impaired and the second step of the impairment test is unnecessary. The second step is carried out when the carrying amount of a reporting unit exceeds its fair value, in which case, the implied fair value of the reporting unit's goodwill, determined in the same manner as the value of goodwill is determined in a business combination, is compared with its carrying amount to measure the amount of the impairment loss, if any.

As a result certain events and circumstances, including recent operating results and regulatory matters, the Company completed an impairment test on goodwill and the Instaloans brand name on June 30, 2013 and determined that there was no impairment of goodwill as the fair value of the Company's Canadian reporting unit exceeded its carrying value and the fair value of the Instaloans brand name exceeded its carrying value as at June 30, 2013. The Company performed its annual impairment assessment on July 1, 2013 and no impairment was identified.

(s) Litigation Accruals

In view of the inherent difficulty of predicting the outcome of litigation and regulatory matters, particularly where the claimants seek very large or indeterminate damages or where the matters present novel legal theories or involve a large number of parties, the Company cannot state with confidence what the eventual outcome of pending matters will be, what the timing of the ultimate resolution of these matters will be, what the eventual loss, fines, or penalties related to each pending matter may be, or the extent to which such amounts may be recoverable under the Company's insurance policies.

In accordance with applicable accounting guidance, the Company establishes reserves for litigation and regulatory matters when those matters present loss contingencies which are both probable and estimable. When loss contingencies are not both probable and estimable, the Company does not establish reserves. In the matters described in Note 20, loss contingencies are not both probable and estimable in the view of management, and accordingly, reserves have not been established for those matters. Based on current knowledge, management does not believe that loss contingencies, if any, arising from pending litigation and regulatory matters, including the litigation and regulatory matters described in Note 20, will have a material adverse effect on the consolidated financial position or liquidity of the Company, but may be material to the Company's result of operations for any particular reporting period.

Note 1 – Significant Accounting Policies (continued)

(t) Deferred Revenue

The Company has entered into a long-term services contract for which it received an advance payment. The advance payment was recorded as deferred revenue and is recognized as revenue using the straight-line method over the life of the contract.

(u) Leases

Leases are classified as capital or operating depending upon the terms and conditions of the related contracts. Assets under capital leases are recorded as property and equipment with a corresponding obligation. Obligations under capital leases are reduced by lease payments net of imputed interest. Computer and phone operating lease expenses are recorded in selling, general, and administrative expenses. All other leases are classified as operating leases and leasing costs, including any rent holidays, leasehold incentives, and rent concessions, are amortized on a straight-line basis over the lease term. Branch operating leases are recorded in branch operating expense within the rent caption.

(v) Branch Operating and Corporate Expenses

The direct costs incurred in operating the Company's branch network have been classified as branch operating expenses. These costs include salaries and benefits of branch and regional employees, retention payments, rent expense, provision for loan losses, advertising and promotion, depreciation of branch property and equipment, and other costs incurred by the branches. Corporate expenses incurred by the Company are excluded from branch operating expenses, and include salaries and benefits of corporate employees, corporate rent, professional fees and legal costs.

(w) Branch Closure Costs

Branch closure costs represent management's estimate of severance payments, costs to clean and vacate the premises, losses related to the write-off of leasehold improvements and signage, and lease cancellation expenses related to closing a branch. Additionally, closing or consolidating branches could result in the impairment of receivables, long-lived assets, or goodwill. A liability for severance payments, unless contractually obligated, is recognized when management: (i) decides to close a center and this plan is unlikely to change; (ii) determines that an employee cannot be relocated to another center; and (iii) informs the employee of the termination and the benefits that will be paid. Costs to terminate the lease are recorded at the earlier of the date the lease is terminated or the date the leased property is no longer used. All other expenses are recorded when incurred.

(x) Foreign Currency

The financial statements of the Company's operations in the United Kingdom have been translated into Canadian dollars. Monetary assets and liabilities are translated at the current exchange rate at each period end while non-monetary assets and liabilities are translated at historical exchange rates. Statement of operations items are translated at the average exchange rate for the period. Resulting translation adjustments are included in corporate expenses. Gains or losses from foreign currency transactions are included in corporate expenses.

(y) Operating Segments

The Company conducts business through two operating segments: Canada and the United Kingdom. For reporting purposes the Canada and united Kingdom operating segments are aggregated for based on the similar nature of the operations, customers, and regulatory environment.

Note 2 – Changes in Accounting Policies and Practices

The following standards were adopted for the year ended September 30, 2013:

In September 2011, FASB issued ASU No. 2011-08 “Intangibles – Goodwill and Other”. This ASU allows companies to assess qualitative factors to determine if it is more-likely-than-not that goodwill might be impaired and whether it is necessary to perform the two-step goodwill impairment test required under current accounting standards. The ASU is effective for fiscal years beginning after December 15, 2011. The adoption of the provisions of ASU No. 2011-08 has not had a material impact on the Company’s consolidated financial statements.

In December 2011, FASB issued ASU No. 2011-11 “Disclosures about Offsetting Assets and Liabilities”. This ASU attempts to provide users of financial statements with information to understand the extent of offsetting in the statement of financial position and improve comparability between International Financial Reporting Standards and U.S. GAAP. The adoption of the provisions of ASU No. 2011-11 has not had a material impact on the Company’s consolidated financial statements.

In July 2012, FASB issued ASU No. 2012-02 “Intangibles – Goodwill and Other (Topic 350): Testing Indefinite-Lived Intangible Assets for Impairment”. This ASU attempts to reduce the cost and complexity of performing an impairment test for indefinite-lived intangible assets by simplifying how an entity tests those assets for impairment and to improve consistency in impairment testing guidance among long-lived asset categories. The amendments permit an entity first to assess qualitative factors to determine whether it is more likely than not that an indefinite-lived intangible asset is impaired as a basis for determining whether it is necessary to perform the quantitative impairment test in accordance with “Intangibles – Goodwill and Other – General Intangibles Other than Goodwill (Subtopic 350-30)”. The adoption of the provisions of ASU No. 2012-02 has not had a material impact on the Company’s consolidated financial statements.

Accounting Pronouncements Not Yet Adopted:

In February 2013, FASB issued ASU No. 2013-04 “Liabilities – Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation is Fixed at the Reporting Date - (Topic 405)”. This ASU provides guidance for the recognition, measurement, and disclosure of obligations resulting from joint and several liability arrangements for which the total amount of the obligation is fixed at the reporting date except for obligations addressed within existing guidance in U.S. GAAP. ASU No. 2013-04 is effective for fiscal years and interim periods within those fiscal years, beginning after December 15, 2013. The Company is currently evaluating the impact of the adoption of the provisions of ASU No. 2013-04 on its consolidated financial statements.

In July 2013, FASB issued ASU No. 2013-11 “Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists - (Topic 740).” This ASU provides guidance on the financial statement presentation of unrecognized tax benefits when an operating loss carryforward, a similar tax loss, or a tax credit carryforward exists. ASU No. 2013-11 is effective for fiscal years and interim periods within those fiscal years, beginning after December 15, 2013. The Company is currently evaluating the impact of the adoption of the provisions of ASU No. 2013-11 on its consolidated financial statements.

(in thousands, except share and per share amounts)

Note 3 – Acquisition of Consumer Advances Portfolio

On January 31, 2012, the Company acquired a portfolio of short-term advances from third-party lenders for total consideration of $116,334. At the date of acquisition, the gross contractual principal and income of the acquired short-term advances was $319,906.

The total consideration paid to third-party lenders was allocated to consumer advances receivable, intangible assets and the premium paid to settle pre-existing relationships with third-party lenders. The determination of fair value of each component of the transaction was subject to management judgment and estimates of future cash flows, collection rates, forecasts and assumptions that a market participant would use in pricing the components. In accordance with U.S. GAAP the Company determined that the premium paid settled the pre-existing relationships between the Company and third-party lenders. Accordingly, the expense was measured at its fair value and recorded as an expense in the consolidated statement of operations as part of the acquisition transaction.

The total consideration was allocated as set forth below:

Consumer advances receivable	$	50,014
Non-compete agreements		15,524
Favorable supplier relationships		14,220
Proprietary knowledge		2,280
Expense to settle pre-existing relationships with third-party lenders		36,820
Deferred tax liability		(2,524)
Total consideration	**$**	**116,334**

Note 5 and Note 9 separately disclose the September 30, 2013 carrying amount of the acquired short-term advances and related intangible assets respectively.

(in thousands, except share and per share amounts)

Note 4 - Cash

The significant components of cash are as follows:

	September 30, 2012	**September 30, 2013**
Cash	$ 16,063	**$ 6,216**
Restricted cash	3,076	**5,242**
	$ 19,139	**$ 11,458**

As at September 30, 2013, restricted cash includes $666 (September 30, 2012 - $635) of funds held by a financial institution as security related to banking arrangements and $4,575 (September 30, 2012 - $2,441) advanced from third-party lenders in excess of consumer loans written to customers.

Note 5 – Consumer Advances Receivable, net

	September 30, 2012	**September 30, 2013**
Short-term advances receivable	$ 50,834	**$ 25,428**
Term loans receivable	569	**—**
Line of credit advances receivable	849	**3,751**
Allowance for credit losses	(26,397)	**(9,835)**
Consumer advances originated by the Company	25,855	**19,344**
Acquired short-term advances and line of credit advances	6,585	**6,248**
	$ 32,440	**$ 25,592**

a) Consumer Advances Receivable Originated by the Company

Age analysis of Consumer Advances Receivable:

	September 30, 2012	**September 30, 2013**
Consumer advances receivable		
Current	$ 17,019	**$ 14,606**
1-30 days past due date	8,791	**6,502**
31-60 days past due date	3,934	**4,179**
61-90 days past due date	3,469	**3,892**
Greater than 90 days past due date	19,039	**—**
Consumer advances receivable	52,252	**29,179**
Allowance for credit losses	(26,397)	**(9,835)**
	$ 25,855	**$ 19,344**

(in thousands, except share and per share amounts)

Note 5 – Consumer Advances Receivable, net

a) Consumer Advances Receivable Originated by the Company (continued)

Analysis of Allowance for Credit Losses:

	September 30, 2012	**September 30, 2013**
Balance, beginning of period	$ 2,783	**$ 26,397**
Provisions made for credit losses	31,004	**35,072**
Charge-offs	(7,408)	**(52,320)**
Effect of foreign exchange translation	18	**686**
Balance, end of period	$ 26,397	**$ 9,835**

Analysis of Provisions made for Credit Losses:

	Years Ended		
	September 30, 2011	**September 30, 2012**	**September 30, 2013**
Provisions made for credit losses	$ 2,559	$ 31,004	**$ 35,072**
Impairment of January 31, 2012 acquisition (Note 5 (b)(i))	—	—	**1,011**
Impairment of purchased lines of credit advances (Note 5 (b)(ii))	—	—	**524**
Balance, end of period	$ 2,559	$ 31,004	**$ 36,607**

Transfer of Short Term Advances

During the year the Company transferred $16,410 (2012 - $24,100) of gross short-term advances to third-party lenders in exchange for cash. The gross advances were transferred at fair value and no gain or loss was recorded. The fair value of the transferred advances of $14,259 (2012 - $17,600) was determined using the contractual loan value less a provision for credit losses of $2,151 (2012 - $6,500).

b) Acquired Short-Term Advances and Lines of Credit Advances

	September 30, 2012	**September 30, 2013**
January 31, 2012 short-term advances acquisition (Note 5b(i))	**$ 6,585**	**$ 1,715**
Fiscal 2013 Q2 acquired line of credit advances (Note 5b(ii))	**—**	**47**
Fiscal 2013 Q3 acquired line of credit advances (Note 5b(ii))	**—**	**1,173**
Fiscal 2013 Q4 acquired line of credit advances (Note 5b(ii))	**—**	**3,313**
	$ 6,585	**$ 6,248**

(in thousands, except share and per share amounts)

Note 5 – Consumer Advances Receivable, net (continued)

(i) January 31, 2012 Acquisition

On January 31, 2012, the Company acquired a portfolio of short-term advances from various third-party lenders. At the date of purchase, the undiscounted contractual cash flows of the acquired short-term advances portfolio totaled $319,906 and the expected cash flows at acquisition totaled $51,491. The Company recorded the fair value of the advances acquired of $50,014 as the carrying value of the acquired short-term advances as of the acquisition date. During the year ended September 30, 2013, based on current collection trends, the

The Company revised its forecast of future cash flows related to this acquired portfolio and included with part of the provision for credit losses expense for the year ended September 30, 2013 was an impairment charge of $1,011 related to this acquired portfolio.

After accretion and net collections of $47,288 and an impairment of $1,011, the remaining carrying value of the acquired short-term advances balance as of September 30, 2013 was $1,715 (September 30, 2012 - $6,585).

(ii) Purchase of Lines of Credit Advances

Commencing in February 2013 the Company purchased line of credit advances from the third-party lenders for consideration equal to the contractually required payments of the line of credit advances. The following table summarizes acquisition date information for purchased lines of credit advances acquired during the year ended September 30, 2013:

Line of Credit Advances Acquired in the Quarter Ended:	**Fiscal 2013 Q2**	**Fiscal 2013 Q3**	**Fiscal 2013 Q4**	**Total**
Contractually required payments	$ 7,298	$ 11,650	$ 21,031	$ 39,979
Loss recorded as retention payments	756	2,171	4,183	7,110
Initial carrying amount at acquisition date	$ 6,542	$ 9,479	$ 16,848	$ 32,869
Collections and accretion to September 30, 2013	6,370	7,907	13,535	27,812
Impairment recorded as provision for credit losses	125	399	—	524
Carrying amount at September 30, 2013	$ 47	$ 1,173	$ 3,313	$ 4,533

Note 6 – Other Receivables, net and Other Income

(a) Other Receivables, net

	September 30 2012	**September 30 2013**
Due from investee corporations	$ 3	**$ 1**
Due from vendors for agency services	12,332	**10,812**
Other	7,606	**2,484**
Allowance for doubtful accounts	—	**(4,357)**
	$ 19,941	**$ 8,940**
Long term portion:		
Due from vendors for agency services	460	**836**
	$ 460	**$ 836**
	$ 19,481	**$ 8,104**

(in thousands, except share and per share amounts)

Note 6 – Other Receivables, net and Other Income (continued)

(a) Other Receivables, net (continued)

Age analysis of Other Receivables, net:

	September 30 2012	**September 30 2013**
Current	$ 14,035	**$ 5,847**
Current to 3 months past due	3,284	**1,639**
3 months to 6 months past due	1,148	**629**
6 months to one year past due	613	**2,403**
Greater than one year past due	$ 401	**1,943**
Total other receivables gross	$ 19,481	**$ 12,461**
Allowance for doubtful accounts	$ —	**(4,357)**
Total other receivables, net	$ 19,481	**$ 8,104**

Due from Vendors

Due from vendors includes $10,812 (2012 - $12,332) of short-term receivables from vendors, with which the Company has agency arrangements to provide bank accounts, debit and prepaid MasterCard and insurance products to our customers.

Included in this amount are gross receivables of $9,802 (September 30, 2012 - $11,316) due from a vendor. The Company has recorded an allowance of $4,357 (2012 - $nil), within corporate expense, to provide for a portion of those overdue receivables for specific amounts in dispute or where collection is otherwise considered doubtful.

Other

Amounts included in Other are amounts related to the BC Consumer Protection compliance order (Note 20(b)(ii)), the third party administration of the British Columbia class actions settlement fund as at September 30, 2012 (Note 20(a)(i)) and other amounts due in the normal course of business.

(b) Other Income

	September 30 2011	September 30 2012	**September 30 2013**
Agency fee income	$ 46,809	$ 39,847	**$ 25,386**
Other income	6,467	9,571	**12,949**
	$ 53,276	$ 49,418	**$ 38,335**

(in thousands, except share and per share amounts)

Note 7 - Branch Closure Costs

During the year ended September 30, 2013, in the normal course of operations the Company closed 12 branches in Canada (2012 - 63, 2011 - nil). The Company also closed one branch in the United Kingdom subsequent to year end and incurred $123 (2012 - $1,574, 2011 - $nil) in branch closure costs. The closure of the one branch in the United Kingdom will occur in the first quarter of the year ending September 30, 2014. The charges included $80 (2012 - $1,389, 2011 - $nil) relating to lease buy-out costs, $10 (2012 - $60, 2011 - $nil) in employee severance and benefit costs, and $33 (2012 - $125, 2011 - $nil) in other costs.

Of the $123 of branch closure costs recorded, $94 (2012 - $879, 2011 - $nil) is included in accrued liabilities as at September 30, 2013. The Company expects these accrued liabilities to be settled within one year.

Note 8 – Property and Equipment

	September 30, 2013		
	Cost	**Accumulated Depreciation**	**Net Book Value**
Leasehold improvements	**$ 31,006**	**$ 21,928**	**$ 9,078**
Fixtures, furniture, and equipment	**11,297**	**7,489**	**3,808**
Computer hardware	**9,028**	**5,564**	**3,464**
Signs	**5,425**	**4,395**	**1,030**
Vehicles	**77**	**48**	**29**
Land	**51**	**—**	**51**
	$ 56,884	**$ 39,424**	**$ 17,460**

	September 30, 2012		
	Cost	Accumulated Depreciation	Net Book Value
Leasehold improvements	$ 31,804	$ 19,468	$ 12,336
Fixtures, furniture, and equipment	13,598	7,422	6,176
Computer hardware	7,201	4,423	2,778
Signs	6,606	4,839	1,767
Vehicles	77	28	49
Land	51	—	51
	$ 59,337	$ 36,180	$ 23,157

Property and equipment includes the following capital leases:

	September 30, 2013		
	Cost	**Accumulated Depreciation**	**Net Book Value**
Computer hardware	**$ 3,531**	**$ 2,560**	**$ 971**
Fixtures, furniture and equipment	**1,661**	**1,183**	**478**
	$ 5,192	**$ 3,743**	**$ 1,449**

(in thousands, except share and per share amounts)

Note 8 – Property and Equipment (continued)

	September 30, 2012		
	Cost	Accumulated Depreciation	Net Book Value
Computer hardware	$ 2,814	$ 1,761	$ 1,053
Fixtures, furniture and equipment	1,661	851	810
	$ 4,475	$ 2,612	$ 1,863

Depreciation of property and equipment for the year ended September 30, 2013, includes $1,131 (2012 - $796, 2011 - $165) relating to property and equipment under capital leases.

During the year ended September 30, 2013, additions to property and equipment included $717 (2012- $1,401, 2011 - $121) of assets that were acquired by means of capital lease.

Impairment of Property and Equipment

During the year ended September 30, 2013, as a result of certain events and circumstances, including recent operating results and regulatory matters, the Company determined that it was necessary to test the recoverability of certain branches and corporate assets that are not allocated to individual branches. During the year ended September 30, 2013, the Company recorded an impairment charge of $1,236 (2012 - $3,425, 2011 - nil) as a result of impairments identified in certain branches. In addition, the Company determined that the asset group containing the Company's corporate property and equipment was recoverable as at September 30, 2013. The property and equipment impaired included leasehold improvements, fixtures, furniture and equipment, signage, and computer equipment.

Note 9 - Intangible Assets

	September 30, 2013		
	Cost	**Accumulated Amortization**	**Net Book Value**
Customer contracts, relationships, lists and other	**$ —**	**$ —**	**$ —**
Favorable supplier relationships	**14,220**	**3,433**	**10,787**
Non-compete agreements	**15,897**	**5,386**	**10,511**
Proprietary knowledge	**2,280**	**750**	**1,530**
Computer software	**10,162**	**3,937**	**6,225**
Brand name	**5,300**	**—**	**5,300**
	$ 47,859	**$ 13,506**	**$ 34,353**

(in thousands, except share and per share amounts)

Note 9 – Intangible Assets

	September 30, 2012		
	Cost	Accumulated Amortization	Net Book Value
Customer contracts, relationships, lists and other	$ 962	$ 938	$ 24
Favorable supplier relationships	14,220	1,375	12,845
Non-compete agreements	16,031	2,369	13,662
Proprietary knowledge	2,280	300	1,980
Computer software	8,798	2,849	5,949
Brand name	5,300	—	5,300
	$ 47,591	$ 7,831	$ 39,760

The estimated annual amortization expense for the next five years for intangible assets subject to amortization is as follows:

Fiscal year ending September 30	**2014**	**2015**	**2016**	**2017**	**2018**
Amortization expense for intangible assets	$ 7,598	$ 7,489	$ 6,977	$ 4,187	$ 2,159

Amortization of intangible assets for the year ended September 30, 2013, includes $451 (2012 - $nil, 2011 - $nil) relating to intangible assets under capital leases.

During the year ended September 30, 2013, additions to computer software included $649 (2012 - $727, 2011 - $nil) of assets that were acquired by means of capital lease.

Note 10 - Goodwill

	September 30, 2012	**September 30, 2013**
Balance, beginning of period	$ 39,133	**$ 39,685**
Goodwill acquired	—	—
Other	552	—
Balance, end of period	$ 39,685	**$ 39,685**

(in thousands, except share and per share amounts)

Note 11 – Accrued Liabilities

	September 30, 2012	**September 30, 2013**
Class action settlements Note 20 (a)	$ 11,448	**$ 6,262**
Accrued salaries and benefits	2,807	**4,003**
Amounts due to third party lenders	5,782	**4,575**
Interest accrued on long-term debt - Note 13	2,540	**2,540**
Other accruals	5,305	**7,335**
	$ 27,882	**$ 24,715**

The amounts due to third-party lenders include funds made available by lenders but not yet advanced to customers, any liability under the lending agreement, any approved and unpaid retention payments, and loan repayments and interest amounts collected from customers. Amounts due to third-party lenders are non-interest bearing, unsecured and have no specified repayment terms.

Note 12 - Income Taxes

(a) Provision for Income Taxes

The income tax provision (recovery) differs from the amount that would be computed by applying the statutory income tax rates of 25.0% (2012 – 26.5%, 2011 – 28.0%) to income as a result of the following:

	September 30, 2011	September 30, 2012	**September 30, 2013**
Income (loss) before income taxes	$ 16,889	$ (56,877)	**$ (35,252)**
Computed tax expense (recovery) at statutory income tax rates	$ 4,729	$ (15,072)	**$ (8,813)**
Change in enacted tax rates	(31)	108	**(3)**
Book to filing adjustments and adjustment of prior year immaterial errors	1,180	(245)	**(579)**
Change in valuation allowance	—	1,980	**10,166**
Stock-based compensation	206	186	**110**
Rate difference on losses carried back	—	(532)	**(702)**
Permanent differences and other	226	220	**101**
Total income tax provision (recovery)	$ 6,310	$ (13,355)	**$ 280**

The company recorded a valuation allowance against a portion of its Canadian and United Kingdom net deferred tax assets as at September 30, 2013 which amounted to $12,146. As at September 30, 2012, the Company had provided a valuation allowance against its United Kingdom deferred tax assets, which amounted to $1,980. In assessing the realizability of deferred tax assets, management considers whether it is more-likely-than-not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities (including the impact of available carryback and carryforward periods), projected future taxable income, and tax-planning strategies in making this assessment. Due to cumulative pre-tax losses, realization is not considered more likely than not and the Company has not recorded the benefit of the majority of its deferred tax assets.

(in thousands, except share and per share amounts)

Note 12 - Income Taxes (continued)

(a) Provision for Income Taxes (continued)

As at September 30, 2013, the Company has tax loss carry forwards in the amount of $21,365 (September 30, 2012- $9,826). The increase was a result of additional net operating losses for the year ended September 30, 2013. The net operating loss carry forwards related to Canadian operations, which are available to offset future taxable income, will begin to expire in 2033, if not utilized. The net operating loss carry forwards related to United Kingdom do not have an expiry date.

The Company's tax positions for 2008 to present in Canada remain subject to examination by tax authorities. The Company's tax position for the current and prior fiscal year in the United Kingdom remains subject to examination by tax authorities.

(b) Deferred Income Taxes

The tax effects that give rise to significant portions of the deferred income tax assets and liabilities are presented below:

	September 30, 2012	**September 30, 2013**
Deferred income tax assets:		
Current:		
Accrued liability for class action settlements and other temporary differences	$ 3,919	**$ 302**
Expense to settle pre-existing relationships with third-party lenders	3,814	**714**
Loss on acquisition of lines of credit advances	—	**2,275**
Loan loss provision	4,450	**2,813**
Valuation allowance for current deferred tax assets	—	**(6,104)**
	$ 12,183	**$ —**
Non-current:		
Losses available to be carried forward	2,404	**5,223**
Property and equipment	1,782	**1,919**
Deferred lease inducements	200	**112**
Deferred revenue	1,032	**1,032**
Discount on senior secured notes	85	**228**
Valuation allowance for non-current deferred tax assets	(1,980)	**(6,042)**
	$ 3,523	**$ 2,472**
Deferred income tax liabilities:		
Intangible assets and goodwill	$ (5,711)	**$ (4,959)**
Deferred financing costs and other	(220)	**(447)**
	$ (5,931)	**$ (5,406)**
Net deferred income taxes	$ 9,775	**$ (2,934)**

Classified as:

	September 30, 2012	**September 30, 2013**
Current asset	$ 12,183	$ —
Non-current asset	424	—
Current liability	—	—
Non-current liability	(2,832)	**(2,934)**
	9,775	**(2,934)**

(in thousands, except share and per share amounts)

Note 13 – Senior secured notes

On January 31, 2012, the Company issued, through a private placement in Canada and the U.S., $132.5 million of 11.5% Senior Secured Notes (the "Notes"). The Notes mature on January 31, 2017 and bear interest on the aggregate principal amount from the date of issue at 11.5% per annum payable on a semi-annual basis in equal installments on January 31 and July 31 of each year, commencing in July of 2012. The notes were issued at a price of 94.608% resulting in an effective interest rate of 13.4%.

The Company used the majority of the proceeds of the Notes to acquire a portfolio of consumer loans as described in Note 3.

The Notes are guaranteed, jointly and severally, on a senior secured basis, by each of the Company's existing and future restricted subsidiaries that guarantee indebtedness or indebtedness of any subsidiary guarantor under any carve-out for credit facility. The Notes are secured on a second-priority basis by liens on all of the Company's and its restricted subsidiaries' existing and future property subject to specified permitted liens and exceptions. Any future credit facility as well as certain other future debt will be secured by a first-priority lien on this collateral.

The Notes are redeemable at the option of the Company, in whole or in part, at any time on or after July 31, 2014 at the redemption prices (expressed as percentages of principal amount) set forth below, plus accrued and unpaid interest, if any, to, but excluding, the redemption date if redeemed during the periods set forth below.

For the period below	Percentage
On or after July 31, 2014	103.084%
On or after January 31, 2015	102.091%
On or after July 31, 2015	101.127%
On or after January 31, 2016	101.194%
On or after July 31, 2016	100.000%

Prior to July 31, 2014, the Company is entitled at its option on one or more occasions to redeem up to 35% of the aggregate principal amount of the Notes originally issued under a trust indenture (the "Trust Indenture") at a redemption price of 111.5% of the principal amount of the Notes redeemed, plus accrued and unpaid interest, if any, to, but excluding, the redemption date if:

- such redemption is made with the proceeds of one or more Equity Offerings as defined in the Trust Indenture;
- at least 65% of the aggregate principal amount of the Notes (including Additional Notes) originally issued under the Trust Indenture remain outstanding immediately after the occurrence of such redemption (excluding Notes held by the Company or any of its subsidiaries); and
- the redemption occurs within 90 days of such Equity Offering.

If a change in control occurs, the holders of the Notes will have the right to require the Company to purchase all or a portion of the Notes, at a purchase price in cash equal to 101% of the principal amount of the Notes offered for repurchase plus accrued interest to the date of purchase.

As at September 30, 2013, the Company was in compliance with all of the covenants in the Trust Indenture.

(in thousands, except share and per share amounts)

Note 14 – Deferred Revenue

	September 30, 2012	**September 30, 2013**
Current	$ 1,000	**$ 1,000**
Long-term	3,917	**2,918**
	$ 4,917	**$ 3,918**

On September 1, 2010, the Company entered into an agreement with Ria Financial Services, a division of Euronet Worldwide Inc. to supply money transfer services across the Company's network of branches in Canada. The Company received a $7,000 signing bonus, which is recognized into revenue using the straight-line method over the 7 year term of the agreement.

Note 15 - Obligations under Capital Leases and Other

The Company has entered into capital leasing and other obligation arrangements related to leasehold improvements, office furniture and equipment:

	September 30, 2013		
	Aggregate Due	**Less Imputed Interest**	**Net**
Various leases and other obligations - repayable in monthly instalments totalling $71 including imputed interest ranging from 5.0% - 22.7%; due to mature between 2013 - 2027; secured by assets with an aggregate carrying amount of $4,674.	**$ 6,946**	**$ 2,320**	**$ 4,626**
Less current portion	**1,612**	**427**	**1,185**
	$ 5,334	**$ 1,893**	**$ 3,441**

	September 30, 2012		
	Aggregate Due	Less Imputed Interest	Net
Various leases and other obligations - repayable in monthly instalments totalling $72 including imputed interest ranging from nil - 19.8%; due to mature between 2012 - 2027; secured by assets with an aggregate carrying amount of $4,834.	$ 7,281	$ 2,493	$ 4,788
Less current portion	1,565	385	1,180
	$ 5,716	$ 2,108	$ 3,608

(in thousands, except share and per share amounts)

Note 15 - Obligations under Capital Leases and Other (continued)

The capital lease and other obligation repayments are due as follows:

	Aggregate Due	Less Imputed Interest	Net
2014	$ 1,612	$ 427	$ 1,185
2015	973	326	647
2016	855	256	599
2017	506	203	303
2018	300	184	116
2019 and thereafter	2,699	923	1,776
	$ 6,945	$ 2,319	$ 4,626

During the year ended September 30, 2013, the Company incurred interest charges related to capital leases and other obligations in the amount of $494 (2012- $222, 2011- $147). These changes have been included in corporate expenses.

Note 16 – Share Capital

(a) Issued share capital

	September 30, 2012		**September 30, 2013**	
	Number of Shares	Amount	**Number of Shares**	**Amount**
Authorized:				
Unlimited common shares with no par value				
Issued:				
Balance, beginning of period	17,419,214	$ 46,149	**17,496,646**	**$ 46,652**
Transfer from contributed surplus for stock options exercised	—	211	**—**	**182**
Options exercised	77,432	292	**75,167**	**257**
Balance, end of period	17,496,646	$ 46,652	**17,571,813**	**$ 47,091**

(in thousands, except share and per share amounts)

Note 16 – Share Capital (continued)

(b) Options to Employees and Directors

The Company has a stock option plan for certain employees, officers and directors. Options issued under the plan have vesting terms that vary depending on date granted and other factors. All stock options must be exercised over specified periods not to exceed five years from the date granted.

	September 30, 2012		**September 30, 2013**	
	Total Options for Shares	Weighted Average Price	Total Options for Shares	Weighted Average Price
Outstanding, beginning of year	979,168	$ 9.42	**1,219,236**	**$ 8.84**
Granted	325,000	5.88	**195,000**	**2.58**
Exercised	(77,432)	3.77	**(75,167)**	**3.39**
Expired	—	—	**(130,733)**	**4.66**
Forfeited and cancelled	(7,500)	8.80	**(40,001)**	**9.93**
Outstanding, end of year	1,219,236	8.84	**1,168,335**	**8.57**
Exercisable, end of year	662,573	$ 8.87	**684,334**	**$ 10.88**

At September 30, 2013, the number outstanding, the weighted average remaining contractual life, the weighted average exercise price and the number of options exercisable are as follows:

Fiscal Year Granted	**Number Outstanding**	Weighted Average Remaining Term	Weighted Average Exercise Price	**Number Exercisable**
2009	126,667	8 mos.	7.08	126,667
2010	366,668	16 mos.	12.81	366,668
2011	155,000	33 mos.	12.96	103,335
2012	325,000	64 mos.	5.88	87,664
2013	195,000	57 mos.	2.59	—
	1,168,335	34 mos.	$ 8.57	684,334

The fair value of common share options is estimated at the grant date using the Black-Scholes option pricing model based on the following weighted average assumptions:

	September 30, 2012	**September 30, 2013**
Risk free interest rate	1.3%	**1.7%**
Expected life (years)	4	**5**
Expected volatility	45.5%	**47.5%**
Expected dividends	5.3%	**—%**

During the year ended September 30, 2013, the weighted average grant-date fair value of options granted was estimated at $1.11 (September 30, 2012- $1.36) per option.

The Company is authorized to issue an additional 1,715,568 equity share options under its existing stock option plan.

(in thousands, except share and per share amounts)

Note 16 – Share Capital (continued)

A summary of the status of the Company's nonvested share options as of September 30, 2012 and the changes during the year ended September 30, 2013, is presented below:

	September 30, 2012		**September 30, 2013**	
	Total Options for Shares	Weighted Average Price	Total Options for Shares	Weighted Average Price
Nonvested, beginning of period	473,336	$ 12.17	**556,663**	**$ 8.80**
Granted	325,000	5.88	**195,000**	**2.58**
Vested	(239,173)	11.51	**(260,995)**	**10.59**
Forfeited and cancelled	(2,500)	8.80	**(6,667)**	**10.30**
Nonvested, end of period	556,663	$ 8.80	**484,001**	**$ 5.31**

The pre-tax intrinsic value of options exercised during the year ended September 30, 2013, was $93 (September 30, 2012 - $162). The total fair value of options that vested during the year ended September 30, 2013, was $692 (September 30, 2012 - $765).

As at September 30, 2013, the aggregate intrinsic value of options outstanding was $nil (September 30, 2012 - $296), while the aggregate intrinsic value of the options that are currently exercisable was $nil (2011- $296).

As at September 30, 2013, there was $581 of total unrecognized compensation costs related to non-vested stock options. The Company expects to recognize this expense over a weighted average period of 2.64 years.

For the year ended September 30, 2013, the total cash received for stock options exercised totaled $257 (2012 - $292, 2011 - $939).

Note 17 - Per Share Amounts

For the year ended September 30, 2013, the effect of dilutive securities was $nil (2012 - $nil, 2011 - $404). For the year ended September 30, 2013, there were 1,168,335 stock options which were anti-dilutive and therefore not considered in computing diluted earnings per share (2012 - 1,219,236, 2011 - nil)

(in thousands, except share and per share amounts)

Note 18 - Dividends

For the year ended September 30, 2013, there were no dividends declared or paid to shareholders.

	September 30, 2012		
	Declared effective	Paid to shareholders	Total
Dividend per Common Share			
Dividend $0.12	November 16, 2011	December 14, 2011	$ 2,091
Dividend $0.12	February 8, 2012	March 7, 2012	2,091
Dividend $0.06	May 10, 2012	June 7, 2012	1,039
Dividend $0.06	August 10, 2012	September 7, 2012	1,048
			$ 6,269

	September 30, 2011		
	Declared effective	Paid to shareholders	Total
Dividend per Common Share			
Dividend $0.10	December 6, 2010	December 21, 2010	$ 1,710
Dividend $0.12	February 7, 2011	February 21, 2011	2,062
Dividend $0.12	May 9, 2011	May 24, 2011	2,084
Dividend $0.12	August 10, 2011	August 25, 2011	2,073
			$ 7,929

The Company reviews its dividend distribution policy on a quarterly basis, evaluating its financial position, profitability, cash flow and other factors that the Board of Directors considers relevant.

The ability to declare and pay dividends is subject to compliance with a restricted payment covenant stipulated in the Indenture governing the Notes. The Company remains in compliance with all covenants under this Indenture.

(in thousands, except share and per share amounts)

Note 19 – Commitments

Operating Lease Commitments

The Company is committed to future minimum annual operating lease payments for office and branch premises, which expire through 2027 as follows:

	Aggregate Lease Payments
2014	$ 20,419
2015	14,539
2016	9,628
2017	7,564
2018	5,658
Thereafter	25,281
	$ 83,089

Note 20 – Litigation, Claims and Contingencies

(a) Litigation and Claims

The Company is subject to various asserted and unasserted claims during the course of business of which the outcome of many of these matters is currently not determinable. Due to the uncertainty surrounding the litigation process, unless otherwise stated below, the Company is unable to reasonably estimate the range of loss, if any, in connection with the asserted and unasserted legal actions against it. The Company believes that it has conducted business in accordance with applicable laws and is defending each claim vigorously. In addition to the litigation and claims discussed below, the Company is involved in routine litigation and administrative proceedings arising in the normal course of business.

(i) British Columbia

March 5, 2004 Claim

On March 5, 2004, an action under the Class Proceedings Act was commenced in the Supreme Court of British Columbia by Andrew Bodnar and others proposing that a class action be certified on his own behalf and on behalf of all persons who have borrowed money from the defendants, The Cash Store Financial and All Trans Credit Union Ltd. The action stems from the allegations that all payday loan fees collected by the defendants constitute interest and therefore violate s. 347 of the Criminal Code of Canada (the “Code”). On May 25, 2006, the claim in British Columbia was affirmed as a certified class proceeding of Canada by the British Columbia Court of Appeal. In fiscal 2007, the plaintiffs in the British Columbia action brought forward an application to have certain of the Company’s customers’ third-party lenders added to the claim. On March 18, 2008, another action commenced in the Supreme Court of British Columbia by David Wournell and others against The Cash Store Financial, Instaloans Inc., and others in respect of the business carried out under the name Instaloans since April 2005. Collectively, the above actions are referred to as the “British Columbia Related Actions”.

Note 20 - Litigation, Claims and Contingencies (continued)

(a) Litigation and Claims (continued)

(i) British Columbia (continued)

March 5, 2004 Claim (continued)

On May 12, 2009, the Company settled the British Columbia Related Actions in principle and on February 28, 2010 the settlement was approved by the Court. Under the terms of the court approved settlement, the Company was to pay to the eligible class members who were advanced funds under a loan agreement and who repaid the payday loan plus brokerage fees and interest in full, or who met certain other eligibility criteria, a maximum estimated amount including legal expenses of $18,800, consisting of $9,400 in cash and $9,400 in credit vouchers. The credit vouchers can be used to pay existing outstanding brokerage fees and interest, to pay a portion of brokerage fees and interest which may arise in the future through new loans advanced, or can be redeemed for cash from January 1, 2014 to June 30, 2014. The credit vouchers are not transferable and have no expiry date. After approved legal expenses of $6,438 were paid in March 2010, the balance of the settlement amount remaining to be disbursed was $12,362, consisting of $6,181 of cash and $6,181 of vouchers.

By September 30, 2010, the Company received approximately 6,300 individual claims representing total valid claims in excess of the settlement fund. As the valid claims exceed the balance of the remaining settlement fund, under the terms of the settlement agreement, the entire settlement fund of $12,362 was mailed to claimants in November 2012 in the form of cash and vouchers on a pro-rata basis. As at September 30, 2013, $5,140 of the $6,131 cheques issued had been cashed and $595 of vouchers had been redeemed.

In arriving at the liability recorded at the balance sheet date, the voucher portion of the settlement fund of $6,181 has been discounted using a discount rate of 16.2%. During the year ended September 30, 2013, the Company recorded accretion expense of $854 (2012 - $716, 2011 - $616) in interest expense. The total liability related to the settlement at September 30, 2013 is $6,162 (September 30, 2012- $11,303).

September 11, 2012 Claim

On September 11, 2012, an action under the British Columbia Class Proceedings Act was commenced in the Supreme Court of British Columbia by Roberta Stewart against The Cash Store Financial Services Inc., The Cash Store Inc. and Instaloans Inc. claiming on behalf of the plaintiff and class members who, on or after November 1, 2009 borrowed a loan from the Company in British Columbia, and that the Company charged, required or accepted an amount that is in excess of 23% of the amount loaned of the principal which is contrary to s. 17(1) of the Payday Loans Regulation and s. 112.02(2) of the Business Practices Consumer Protection Act (“BPCPA”) and charged, required or accepted an amount in relation to each cash card issued to a class member which is contrary to s. 112.04(1)(f) of the BPCPA; made the provision of each payday loan contingent on class members purchasing a cash card and services related thereto, contrary to s. 19(1) of the Payday Loans Regulation and s. 112.08(1)(m) of the BPCPA; and discounted the amount in the payday loan agreement to be the loan amount borrowed, by deducting and withholding from the loan advance an amount representing a portion of the total costs of credit, contrary to s.112.08(1)(e) of the BPCPA.

The Class members seek an order, pursuant to s.112.10(2) and s. 172(3)(a) of the BPCPA, requiring that the Company refund all monies paid in excess of the Loan principal of each payday loan, including the Cash Card Fee Amounts, the Loan Fees, and any other fees or charges collected by the Company in relation to the payday loan, damages for conspiracy, and interest pursuant to the Court Order Interest Act at the rate of 30% compounded annually, as set out in the payday loan agreements or such other rate as the Court considers appropriate.

Note 20 - Litigation, Claims and Contingencies (continued)

(a) Litigation and Claims (continued)

(i) British Columbia (continued)

September 11, 2012 Claim (continued)

The Company is vigorously defending this action and the likelihood and amount of liability, if any, is not determinable at this time.

(ii) Alberta

January 19, 2010 Claim

A statement of claim was served in Alberta by Shaynee Tschritter and Lynn Armstrong alleging that the Company was in breach of s. 347 of the Code (the interest rate provision) and certain provincial consumer protection statutes.

On January 19, 2010, the plaintiffs in the Alberta action brought forward an application to have a related subsidiary, as well as certain of the Company's customers' third-party lenders, directors and officers added to the claim.

The Company agreed to a motion to certify the class proceeding if the third party lenders, officers and directors were removed as defendants. Class counsel agreed to the Company's proposal. Consequently, the certification motion was granted in November of 2011.

The Company believes that it conducted its business in accordance with applicable laws and is defending the action vigorously. The likelihood of loss, if any, is not determinable at this time.

September 18, 2012 Claim

On September 18, 2012, an action under the Alberta Class Proceedings Act was commenced in the Alberta Court of Queen's Bench by Kostas Efthimiou against The Cash Store Inc., Instaloans Inc., and The Cash Store Financial Services Inc. on behalf of all persons who, on or after March 1, 2010, borrowed a loan from the Cash Store or Instaloans that met the definition of a "payday loan" proposing that the Company has violated s. 11 and 12 of the Payday Loan Regulations in that all amounts charged to and collected from the Plaintiff and Class members by the Company in relation to the payday loans advanced to the Plaintiff and Class members in excess of the loan principal are Unlawful Charges under the Payday Loan Regulation and therefore seek restitution of or damages for the Unlawful Charges paid by the Plaintiff and Class members, repayment of the Unlawful Charges paid by the Plaintiff and Class members, damages for conspiracy, interest on all amounts found to be owing and any such associated legal costs.

The Company is vigorously defending this action and the likelihood and amount of liability, if any, is not determinable at this time.

Note 20 - Litigation, Claims and Contingencies (continued)

(a) Litigation and Claims (continued)

(ii) Alberta (continued)

June 3, 2013 Claim

On June 3, 2013, a statement of claim brought under the Alberta Class Proceedings Act was commenced in the Alberta Court of Queen's Bench by Darren Hughes against The Cash Store Financial Services Inc. and certain of its present and former directors and officers. The plaintiff alleges, among other things, that the Company made misrepresentations during the period from November 24, 2010 to May 24, 2013 regarding the Company's internal controls over financial reporting and the value of the loan portfolio acquired from third-party lenders, losses on its internal consumer loan portfolio, and its liability associated with the settlement of the March 5, 2004 British Columbia Class Action (Note 20(a)(i)).

On September 16, 2013, the Court of Queen's bench of Alberta granted a consent order staying this claim in favour of pursuing the Ontario June 4, 2013 Claim (Note 20(a)(v)).

September 18, 2013 Claim

On September 18, 2013, an action in the Court of Queen’s Bench of Alberta was commenced against the Company, certain of its officers and affiliates, including The Cash Store Inc., certain of its associated companies, including The Cash Store Australia Holdings Inc. and RTF Financial Holdings Inc., and other corporate defendants, seeking repayment of certain funds advanced to the Company, its affiliates and the associated companies by Assistive Financial Corp.("Assistive"), a former related party third-party lender. An application for interim relief, including the appointment of an inspector, was brought by the plaintiffs and is currently scheduled to be heard by the Court of Queen’s Bench of Alberta on December 12, 2013. The action by Assistive also seeks damages equivalent to $110,000 together with interest thereon at the rate of 17.5% per year.

The Company believes the action is wholly without merit and intends to vigorously defend itself. The likelihood and amount of liability, if any, is not determinable at this time.

(iii) Saskatchewan

On October 9, 2012, an action under the Saskatchewan Class Actions Act was commenced in the Saskatchewan Court of Queen’s Bench by John Ironbow against The Cash Store Financial Services Inc., The Cash Store Inc. and Instaloans Inc. on behalf of all persons who, on or after January 1, 2012, borrowed a loan from the Company that met the definition of a “payday loan” proposing that the Company has made payday loans contingent on the supply of other goods or services contrary to s. 29 of the Payday Loans Act, charged or received amounts which are not provided for in the Payday Loans Act or Payday Loans Regulation, contrary to s. 23(5) of the Act, deducting or withholding from the initial advance an amount representing a portion of the cost of borrowing or other charges, contrary to s. 25 of the Payday Loans Act and charging or receiving an amount in excess of 23% of the loan principal, contrary to s. 23(1) and (4) of the Act and s. 14 (1) of the Regulation. The plaintiff seeks restitution of damages for unlawful charges paid by the plaintiff and class members, repayment of unlawful charges paid by the plaintiff and class members, damages, interest on all amounts found to be owing and any such associated legal costs.

The Company is vigorously defending this action and the likelihood and amount of liability, if any, is not determinable at this time.

Note 20 - Litigation, Claims and Contingencies (continued)

(a) Litigation and Claims (continued)

(iv) Manitoba

April 23, 2010 Claim

On April 23, 2010, an action under the Manitoba Class Proceedings Act was commenced in the Manitoba Court of Queen's Bench ("Manitoba Court") by Scott Meeking against The Cash Store Financial Services Inc., The Cash Store Inc. and 1152919 Alberta Ltd o/a Instaloans, proposing that a class action be certified on his own behalf and on behalf of all persons in Manitoba and others outside the province who obtained a payday loan from Cash Store or Instaloans. The action stems from the allegations that all payday loan fees collected by the defendants constitute interest and therefore violate s. 347 of the Criminal Code.

A class proceeding in Ontario in McCutcheon v. The Cash Store Inc. et al. was certified in 2006 and settled in 2008. That decision affected Manitoba residents, and presumptively resolved claims with respect to loans borrowed by Mr. Meeking, and other Manitoba residents, on or before December 2, 2008.

The Company asked the Manitoba court to enforce the Ontario settlement against Mr. Meeking. On September 9, 2013, the Manitoba Court of Appeal agreed that the Ontario Superior Court of Justice had properly exercised jurisdiction over Manitoba residents, including Mr. Meeking and his prospective class members, and enforced the Ontario settlement relating to borrowers of payday loans from the Company. However, it concluded that the Ontario judgment is not enforceable in Manitoba against Instaloans customers and for signature and title loans (as opposed to payday loans), as the Manitoba court determine Ontario had not given proper notice to Manitoba residents.

On September 12, 2013, the Manitoba Court certified Mr. Meeking's claim as a class proceeding. On October 11, 2013, the Company applied for leave to appeal the certification decision.

On November 8, 2013, the Company filed an application for leave to appeal to the Supreme Court of Canada, seeking to appeal the Manitoba Court of Appeal decision that declined to enforce the Ontario settlement against Instaloans customers. The plaintiffs have also filed an application for leave to appeal to the Supreme Court of Canada, seeking to set aside the portion of the Manitoba Court of Appeal decision that enforced the Ontario settlement.

The Company is vigorously defending this action and the likelihood and amount of liability, if any, is not determinable at this time.

November 1, 2012 Claim

On November 1, 2012, an action was commenced in Manitoba under The Class Proceedings Act by Sheri Rehill against The Cash Store Financial Services Inc., The Cash Store Inc., Instaloans Inc. and other defendants, on behalf of all persons who, on or after October 18, 2010, borrowed a loan from the Company in Manitoba where that loan met the definition of a "payday loan" as defined by the Payday Loans Act, S.S. 2007, c. P-4.3. The action alleges that the Company made loans contingent on the purchase of another product or service, contrary to s. 154.2 of the Consumer Protection Act, R.S.M. 1987, c. C-200, as am. (CPA), discounted the principal amount of loans by deducting or withholding an amount representing a portion of the cost of credit from the initial advance, contrary to s. 154.1 of the CPA and charging, requiring and accepting amounts in excess of the 17% total cost of credit limit contrary to s. 147(1) of the CPA and s. 13.1 of the Payday Loan Regulation, Man. Reg. 99/2007, as am. The plaintiff pleads for restitution and repayment of all amounts paid by borrowers as a cost of credit for their payday loans, damages for an alleged conspiracy, and interest on all amounts alleged to be owing.

Note 20 - Litigation, Claims and Contingencies (continued)

(a) Litigation and Claims (continued)

(iv) Manitoba (continued)

November 1, 2012 Claim (continued)

The Company is vigorously defending this action and the likelihood and amount of liability, if any, is not determinable at this time.

(v) Ontario

October 1, 2010 Claim

The Cash Store Financial Services Inc., The Cash Store Inc. and Instaloans Inc. commenced an action in the Superior Court of Ontario against National Money Mart Company (“Money Mart”) on October 1, 2010 for trade-mark infringement under sections 7, 19, 20 and 22 of the Trade-Marks Act, misrepresentation in the form of false and misleading advertising contrary to sections 52 and 74.01 of the Competition Act and the common law tort of passing off. The action relates to a national negative advertising campaign launched by Money Mart featuring the use of the Company’s registered trade-marks alongside negative statements comparing the Company's payday loan products to Money Mart’s loan products. Statements made in the Money Mart advertising campaign include, among other things, that the Company’s loan products are more expensive and less convenient than Money Mart’s and involve more forms and hassle. The Company seeks injunctive relief as well as $60,000 in damages in its Statement of Claim. Money Mart filed its statement of defense on May 2, 2011. The parties have settled a discovery plan and the next step in the action is to proceed to discoveries.

The likelihood and amount of gain (or loss), if any, is not determinable at this time.

August 31, 2011 Application

On August 31, 2011, in response to regulatory amendments to come into force on September 1, 2011, The Cash Store Financial Services Inc., The Cash Store Inc. and Instaloans Inc. commenced an Application for Judicial Review in the Ontario Superior Court of Justice. The Application sought an order declaring that certain of the new amended regulations are outside the scope of the regulation-making authority under the Payday Loans Act, 2008, and were made without due process. The hearing was held on October 2, 2013. On November 5, 2013 the Court dismissed the Company’s application. The Company filed a notice of motion for leave to appeal to the Court of Appeal on November 22, 2013.

August 1, 2012 Claim

On August 1, 2012, an action under the Ontario Class Proceedings Act was commenced in the Ontario Supreme Court of Justice by Timothy Yeoman against The Cash Store Financial Services Inc., The Cash Store Inc. and Instaloans Inc. and other defendants, claiming on behalf of the plaintiff and class members who entered into payday loan transactions with the Company in Ontario between September 1, 2011 and the date of judgment, that the Company operated an unlawful business model as the Company did not provide borrowers with the option to take their payday loan in an immediate liquid form and thereby misrepresenting the total cost of borrowing as the cost of additional services and devices should have been included.

Note 20 - Litigation, Claims and Contingencies (continued)

(a) Litigation and Claims (continued)

(v) Ontario (continued)

August 1, 2012 Claim (continued)

The class members plead entitlement to damages and costs of investigation and prosecution pursuant to s. 36 of the Competition Act inclusive of the fees, interest and other amounts that the Company charged to the class members.

By Court order dated August 27, 2013, the plaintiff was permitted to amend the claim to add additional defendants. This amendment further claims that the Company's lines of credit, offered since February 1, 2013, are payday loans subject to the Payday Loans Act, and are being offered without a payday loans license. The amendment claims that the Company acted in an unlawful conspiracy with the additional defendants.

The Company is vigorously defending this action and the likelihood and amount of liability, if any, is not determinable at this time.

July 5, 2012

On July 5, 2012, The Cash Store Inc. and Instaloans Inc. were charged with the offence of acting as a lender without being licensed as a lender and without having received notice in writing from the Registrar of the licence, contrary to section 6(1) of the Payday Loans Act, 2008, c.9 in Guelph (The Cash Store Inc.), Brantford, and Sarnia, Ontario (Instaloans Inc.). The charges were laid in each of the three jurisdictions on July 5, 2012 as a result of investigations made by the Ministry of Consumer Services relating to consumer complaints made by three consumers.

On November 18, 2013, Instaloans Inc. and The Cash Store Inc. pleaded guilty and were convicted of the offence of acting as a lender without being licensed as a lender and without having received notice in writing from the Registrar of the licence, contrary to section 6(1) of the Payday Loans Act, 2008, c.9 in Brantford, Sarnia, and Guelph, Ontario, respectively. As a result of this plea, The Cash Store and Instaloans Inc. agreed to pay $50 per conviction, in addition to a victim fee surcharge of 25%, for a total fine of $188.

June 4, 2013 Claim

On June 4, 2013, a statement of claim brought under the Ontario Class Proceedings Act was commenced in the Ontario Superior Court of Justice by David Fortier against The Cash Store Financial Services Inc. and certain of its present and former directors and officers. The plaintiff alleges, among other things, that the Company made misrepresentations during the period from November 24, 2010 to May 24, 2013 regarding the Company's internal controls over financial reporting and the value of the loan portfolio acquired from third-party lenders, losses on its internal consumer loan portfolio, and its liability associated with the settlement of the March 5, 2004 British Columbia Class Action (Note 20(a)(i)).

Following the stay of the related Alberta claim, an amended statement of claim was issued on October 17, 2013, which, among other things, adds a statutory claim under the Alberta Securities Act. The plaintiffs' motion seeking leave to pursue a secondary market liability claim under Part XXIII.1 of the Ontario Securities Act and to certify the claim as a class action under the Ontario Class Proceedings Act is currently scheduled to be heard by the Ontario Superior Court of Justice on May 20 and 21, 2014.

Note 20 - Litigation, Claims and Contingencies (continued)

(a) Litigation and Claims (continued)

(v) Ontario (continued)

June 4, 2013 Claim (continued)

The Company is vigorously defending this action and the likelihood and amount of liability, if any, is not determinable at this time.

June 7, 2013 Application

On June 7, 2013, an application was commenced in the Ontario Superior Court of Justice pursuant to section 54(1) of the Payday Loans Act, 2008, by the Director designated under the Ministry of Consumer and Business Services Act, naming The Cash Store Financial Services Inc., The Cash Store Inc. and Instaloans Inc. as respondents. The application seeks a declaration that the basic line of credit product offered constitutes a 'payday loan' under subsection 1(1) of the Payday Loans Act, and seeks orders requiring the Company to obtain a payday loan broker license and restraining the Company from acting as a loan broker of the basic line of credit without a broker's license. The Application was heard by the Ontario Superior Court of Justice on November 29, 2013. It is unknown when a decision on this matter will be been rendered.

The Company has vigorously defended this application and the likelihood and amount of liability, if any, is not determinable at this time.

(vi) Quebec

On July 11, 2013, a statement of claim brought under the Quebec Class Proceedings Act was commenced in the Quebec Superior Court of Justice by Marianne Dessis and Jean-Jacques Fournier against The Cash Store Financial Services Inc. and certain of its present and former directors and officers. The plaintiff alleges, among other things, that the Company made misrepresentations during the period from November 24, 2010 to May 24, 2013 regarding the Company's internal controls over financial reporting and the value of the loan portfolio acquired from third-party lenders, losses on its internal consumer loan portfolio, and its liability associated with the settlement of the March 5, 2004 British Columbia Class Action (Note 20(a)(i)).

As at September 30, 2013, the Company reached an agreement with the plaintiffs' counsel whereby the plaintiffs will proceed with the Ontario June 4, 2013 claim (Note 20(a)(v)) and seek a stay of the Quebec claim.

(vii) New York

May 20, 2013 Claim

On May 20, 2013, Globis Capital Partners, L.P. filed a civil claim against the Company and Gordon J. Reykdal, Chief Executive Officer, in the United States District Court of the Southern District of New York for alleged violations of Sections 10(a) and 20(a) of the Securities Exchange Act of 1934 claiming unspecified damages.

As at September 30, 2013, this claim has been combined with the June 27, 2013 claim below, given the similarity of the claims.

Note 20 - Litigation, Claims and Contingencies (continued)

(a) Litigation and Claims (continued)

(vii) New York

June 27, 2013 Claim

On June 27, 2013, proposed class action proceedings for violation of U.S. federal securities laws were commenced by lead plaintiff Charles Nutsch in the United States District Court of the Southern District of New York against the The Cash Store Financial Services Inc. and certain of its present and former officers on behalf of purchasers of the common stock of The Cash Store Financial Services Inc. during the period between November 24, 2010 and May 13, 2013, inclusive. The proposed class actions concern alleged misrepresentations made in the Company's quarterly and annual financial statements between November 24, 2010 and May 13, 2013. In particular, the complaints allege that the Company overvalued the consumer loan portfolio acquired from third-party lenders, overstated its net income, understated losses on its internal consumer loans portfolio, and understated its liabilities associated with the settlement of the British Columbia class action.

By order dated July 9, 2013, the court consolidated the May 20, 2013 and June 27, 2013 actions for pretrial purposes. On September 17, 2013, the Court issued an order appointing Globis Capital Partners L.P. and Globis Overseas Funds Ltd. as lead plaintiffs in the class action. The Company is vigorously defending this action and the likelihood and amount of liability, if any, is not determinable at this time.

(viii) Other Matters

The Company is also currently involved in ordinary, routine litigation and administrative proceedings incidental to its business, including regulatory enforcement matters, contractual disputes, individual consumer claims, and employment related matters from time to time. The Company believes the likely outcome of any other pending cases and proceedings will not be material to its business or its financial condition.

(b) Contingencies

(i) Third-Party Lenders

In addition to direct lending, the Company acts as a broker on behalf of consumers seeking short-term advances. The funding for those advances is provided directly to the customers by the third-party lenders. The Company has entered into business arrangements with a number of third-party lenders that are prepared to consider lending to customers. Pursuant to these agreements, services related to the collection of documents and information, as well as loan collection services are provided to the third-party lenders. The agreements also provide that the third party lenders are responsible for losses suffered as a result of uncollectible loans provided the required duties under the terms of the agreements have been properly performed by the Company. In the event the duties are not properly performed and the lenders make a claim as required under the agreement, the Company may be liable to the lenders for losses they have incurred. The Company’s contingent risk is the balance of the third-party lenders' loan portfolio which totaled $29,865 as at September 30, 2013 (2012- $27,792).

To date, no claims have been made by the third-party lenders under the terms of the agreements and no payments have been made or accrued by the Company pursuant to this clause in the agreements. Risk is managed through compliance with the loan limits, procedures and selection criteria established by the lenders.

Note 20 - Litigation, Claims and Contingencies (continued)

(b) Contingencies (continued)

(ii) British Columbia Compliance Order

On March 23, 2012, the Company was issued a compliance order (the "Order") and administrative penalty from Consumer Protection BC. The Order directs the Company to refund to all borrowers with loan agreements negotiated with the Company or its subsidiaries between November 1, 2009 and the date of the order, the amount of any issuance fee charged, required or accepted for or in relation to the issuance of a cash card. The Order also directed the Company to pay an administrative penalty of $25 in addition to costs. On November 30, 2012, Consumer Protection BC issued a supplementary compliance order directing that unclaimed refund amounts, to a maximum of $1,100 be deposited into a consumer protection fund. On December 14, 2012, the Company filed a Petition for Judicial Review in the British Columbia Supreme Court seeking an order quashing or setting aside the Order and Supplemental Order, and seeking declarations that it had not contravened sections 112.04(1)(f) of the Business Practices and Consumer Protection Act, or section 17 and 19 of the Payday Loan Regulation. The Petition was heard by the Court on June 26, 27, and 28, 2013. A decision has not yet been released. The estimated exposure with respect to this order is between $248 and $1,100 including penalties, legal costs and additional costs. The balance of the accrued liability related to this order as at September 30, 2013 is $187 (2012 - $248).

(iii) Special Investigation

The Company's Audit Committee was made aware of written communications that contained questions about the acquisition of the consumer loan portfolio from third-party lenders in late January 2012 (the "Transaction") and included allegations regarding the existence of undisclosed related party transactions in connection with the Transaction. In response to this allegation, legal counsel to a special committee of independent directors of the Company (the "Special Committee") retained an independent accounting firm to conduct a special investigation. The investigation followed a review conducted by the Company's internal auditor under the direction of the Audit Committee of the Board, and the restatement by the Company in December 2012 of its unaudited interim quarterly financial statements and MD&A for periods ended March 31, 2012 and June 30, 2012.

The investigation covered the period from December 1, 2010 to January 15, 2013 and was carried out over four months. It involved interviews of current and former officers, directors, employees and advisors of the Company and a review of relevant documents and agreements as well as electronically stored information obtained from Company computers and those of employees, former employees and directors most likely to have information relevant to the investigation.

The Special Committee has reported its findings on the allegations to the Board of Directors and, consistent with the recommendation made to the Board of Directors by the Special Committee, the Board of Directors has determined that no further corrections or restatements of previously reported financial statements and other public disclosures are required in relation to the Transaction.

(c) Regulatory Requirements

The Company's business is regulated by various provincial and federal laws and regulations, which are subject to change and which may impose significant costs or limitations on the way the Company conducts or expands its business. The payday loan industry has seen increased regulation in recent years. While the Company has worked closely with regulators, its business is still significantly impacted by these regulations. Management has been actively planning an upstream transition in both product offerings and services, however this process takes time. Furthermore, its regulatory environment is changing at different paces in different provinces, making it more difficult to plan and implement this transition.

Note 20 - Litigation, Claims and Contingencies (continued)

(c) Regulatory Requirements (continued)

The Company is closely working with the regulatory bodies to manage the impact any regulatory changes will have on its business.

Note 21 – Related Party and Other Transactions

(a) The Cash Store Australia Holdings Inc. ("AUC")

The Company owns 3,000,000 shares, or approximately 18.3% of the outstanding common shares of AUC, acquired at a price of $0.06 per share. The carrying amount of this investment is $nil as at September 30, 2013 (September 30, 2012 - $nil). At September 30, 2013, the aggregate quoted market value of the Company's investment in AUC was $nil (September 30, 2012 - $570). In December of 2012 the Alberta, Ontario and British Columbia Securities Commissions issued cease trade orders in respect of the shares of AUC for failure to file financial statements. On September 13, 2013, AUC's operating subsidiary appointed a voluntary administrator pursuant to Section 436A of the Australian Corporations Act 2001. In the opinion of the directors of AUC, AUC is insolvent. The Administrator has taken control of the operations and assets and the application to have the cease trade orders revoked have been withdrawn by AUC.

The Company previously provided administrative services to AUC. The Company had a services agreement with AUC to provide ongoing services such as financial and accounting support, administrative services, and the use of the Company's information technology and telecommunication systems.

Included in corporate expenses is a recovery of $nil (2012 - $284, 2011 - $363) relating to these services. These transactions were subject to normal trade terms and were measured at the transaction amount. As at September 30, 2013, the Company has a $nil (September 30, 2012 - $3) receivable from AUC. Amounts due are non-interest bearing, unsecured and have no specified terms of repayment.

(b) RTF Financial Holdings Inc. ("RTF")

The Company owns 6,000,000 shares, or approximately 15.7%, of RTF acquired at a price of $0.06 per share. The carrying amount of this investment is $nil as at September 30, 2013 (September 30, 2012 - $nil). No aggregate quoted market value of the Company's investment in RTF exists as the company is not publicly traded.

The Company had a services agreement with RTF to provide ongoing services such as financial and accounting support and contracts administrative services.

Included in corporate expenses is a recovery of $nil (2012- $140, 2011- $240) relating to these services. These transactions were subject to normal trade terms and were measured at the transaction amount.

As at September 30, 2013, the Company has a $1 (September 30, 2012 - $nil) receivable from RTF. Amounts due are non-interest bearing, unsecured and have no specified terms of repayment.

(c) Third-party Lenders

(i) Assistive Financial Corp. ("Assistive"), a privately held entity that raised capital and provided advances to the Company's customers is controlled by the father of Cameron Schiffner, the former Senior Vice President of Operations of the Company. In addition, Cameron Schiffner's brother was a member of management of AUC and is a member of management of Assistive.

On September 11, 2013, Cameron Schiffner's employment with the Company was terminated and Assistive is no longer considered a related party. On September 18, 2013, Assistive commenced an action in the Court of Queen's Bench of Alberta against the Company (Note 20(a)(ii)).

Included in retention payments are $993 (2012- $4,185, 2011- $11,674) of amounts paid or payable directly to Assistive. As at September 30, 2013, included in accrued liabilities is $485 (September 30, 2012- $659) due to Assistive. This amount has also been included in the Company's restricted cash balance. During the year ended September 30, 2012, the Company transferred consumer advances receivable, net of the provision for loan losses, of $3,914 to Assistive for consideration of $3,914. The Company's contingent risk in Assistive's loan portfolio totaled $84 as at September 30, 2013 (September 30, 2012- $7,240).

As part of the acquisition of the consumer advances portfolio on January 31, 2012 as described in Note 3, $45,520 of the total purchase consideration was paid to Assistive, of which $14,407 is an estimate of Assistive's proportionate share of the expense to settle pre-existing relationships, which was approximated based on the proportion of the consideration paid to each third-party lender. The acquisition agreement was signed on behalf of Assistive by Cameron Schiffner's brother.

(ii) An immediate family member of Michael Shaw, a former director of the Company, advanced funds to a privately held entity that raised capital and provided advances to the Company's customers (third-party lender) and acted as a third-party lender prior to the acquisition of the consumer advances portfolio on January 31, 2012.

On July 31, 2013, Michael Shaw resigned from the Board of Directors and is no longer a related party.

There have been no transactions between the Company and this third-party lender subsequent to January 31, 2012. Included in retention payments are $nil (2012- $1,377, 2011- $4,801) of amounts paid or payable directly to this third-party lender. As at September 30, 2013, included in accrued liabilities is $nil (September 30, 2012- $nil) due to this third-party lender. The Company's contingent risk in this third-party lender's consumer advances portfolio totaled $nil as at September 30, 2013 (September 30, 2012- $nil).

As part of the acquisition of the short-term advances portfolio on January 31, 2012 as described in Note 3, $23,944 of the total purchase consideration was paid to this third-party lender of which $7,578 is an estimate of this third-party lender's proportionate share in the expense to settle pre-existing relationships which was approximated based on the proportion of the consideration paid to each third-party lender.

(iii) A privately held entity that began acting as a third-party lender after January 31, 2012 is controlled by Bruce Hull, who is a former director of AUC.

On June 18, 2013, Bruce Hull resigned from the Board of Directors of AUC and is no longer a related party.

(in thousands, except share and per share amounts)

Note 21 – Related Party and Other Transactions (continued)

(a) Third-party Lenders (continued)

Included in retention payments are $24 (2012 - $36, 2011 - $nil) of amounts paid or payable directly to this third third-party lender. As at September 30, 2013, included in accrued liabilities is $183 (September 30, 2012 - $166) due to this third-party lender. This amount has been included in the Company's restricted cash balance. The Company's contingent risk in this third-party lender's consumer advances portfolio totaled $104 as at September 30, 2013 (September 30, 2012 - $171).

All transactions with third-party lenders have been measured at the transaction amount, which is the amount of consideration agreed to by the Company and the third-party lenders.

Note 22 – Financial Instruments and Risk Management

(a) Fair Values

The Company's financial instruments consist of cash, consumer advances receivables, net, other receivables, net, and accounts payable and accrued liabilities, all of which are short-term in nature and their fair value approximates their carrying value. The fair value of obligations under capital leases and secured senior notes are determined by estimating future cash flows on a borrowing-by-borrowing basis, and discounting these future cash flows using a rate which takes into account the Company's spread for credit risk with similar terms and types of debt arrangements.

The following table presents the carrying amounts and estimated fair values of the Company's financial instruments:

	September 30, 2012		**September 30, 2013**	
	Carrying Value	Fair Value	**Carrying Value**	**Fair Value**
Financial Assets				
Cash	$ 19,139	$ 19,139	**$ 11,458**	**$ 11,458**
Other receivables	19,481	19,481	**8,104**	**8,104**
Consumer advances receivable	32,440	32,440	**25,592**	**25,592**
Long term receivable	$ 460	$ 460	**$ 836**	**$ 836**
Financial Liabilities				
Accounts payable and accrued liabilities	$ 28,937	$ 28,937	**$ 26,226**	**$ 26,226**
Obligations under capital leases and other obligations	4,788	4,788	**4,626**	**4,626**
Senior secured notes	$ 126,033	$ 131,906	**$ 127,182**	**$ 121,370**

(b) Risk Management

The Company is exposed to a number of financial risks in the normal course of its business operations, including market risks, as well as credit and liquidity risks. The nature of the financial risks and the Company's strategy for managing these risks has not changed significantly from the prior year.

Market risk is the risk of loss that results from changes in market factors such as foreign currency exchange rates and interest rates. The level of market risk to which the Company is exposed at any point in time varies depending on market conditions, expectations of future price or market rate movements and composition of the Company's financial assets and liabilities held, non-trading physical assets, and contract portfolios.

(in thousands, except share and per share amounts)

(b) Risk Management (continued)

Overall, the Company's Board of Directors has responsibility for the establishment and approval of the Company's risk management policies. To manage the exposure to changes in market risk, management performs a risk assessment on a continual basis to help ensure that all significant risks related to the Company and its operations have been reviewed and assessed to reflect changes in market conditions and the Company's operating activities. The following summarizes the types of risks to which the Company is exposed, and the risk management instruments used to mitigate them. The sensitivities provided below are hypothetical and should not be considered to be predictive of future performance or indicative of earnings on these contracts. The Company does not currently use derivative financial instruments to manage its market risks and does not hold or issue derivative financial instruments for trading or speculative purposes.

(i) Currency Risk

Currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As the Company has operations in the United Kingdom, it is exposed to risk from changes in the exchange rates between the Canadian dollar and the British pound. While the Company attempts to match cash outlays with cash inflows in the same currency, fluctuations in exchange rates creates volatility with cash flows and reported amounts for revenues and expenses on a period-to-period basis, however, this is not considered significant to the Company.

(ii) Interest Rate Risk

The fair value of financial instruments with fixed interest rates, such as the Company's Senior Secured Notes, fluctuate with changes in market interest rates. However, these fluctuations do not affect earnings, as the Company's debt is carried at amortized cost and the carrying value does not change as interest rates change.

(iii) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party to a financial instrument fails to meet its contractual obligations and arises principally from the Company's cash, other receivables, consumer advances receivable, and long-term receivable. The maximum amount of credit risk exposure is limited to the carrying amount of the balances disclosed in these financial statements.

The best representation of the Company's maximum exposure (excluding tax effects) to credit risk, which is a worst case scenario and does not reflect results expected by the Company, is as set out in the following table:

	September 30, 2012	**September 30, 2013**
Cash - Note 4	$ 19,139	**$ 11,458**
Consumer advances receivable, net - Note 5	32,440	**25,592**
Other receivables, net - Note 6	19,481	**8,104**
Long-term receivable - Note 6	460	**836**
	$ 71,520	**$ 45,990**

Cash: Credit risk associated with cash is minimized substantially by ensuring that these financial assets are placed with reputable financial institutions that have been accorded strong investment grade ratings by a primary rating agency.

Note 22 – Financial Instruments and Risk Management (continued)

(b) Risk Management (continued)

(iii) Credit Risk (continued)

Other receivables, net and Long-term receivables: Other receivables, net and Long-term receivables include amounts owing to the Company from various parties. Included in this amount are gross receivables of $9,802 (September 30, 2012 - $11,316) due from a vendor. The Company has recorded an allowance of $4,357 against a portion of the overdue receivables for specific amounts in dispute or where collection is otherwise considered doubtful. These balances represent a concentration of credit risk to the Company. For these entities, the Company performs an ongoing review of their credit status.

Consumer advances receivable: The Company also directly lends to its customers and has no significant concentration of credit risk with any particular individual related to short-term advances.

Credit risk relates to the possibility of default of payment on the Company's consumer advances receivable. The Company performs ongoing credit evaluations, and reviews the aging of the receivable, payment history and other factors, and it establishes a provision for loan losses when it is determined that a loan is impaired.

Refer to Note 5 for an analysis of the age of consumer advances receivable originated by the Company as of September 30, 2013 and the activity related to the Company's allowance for credit losses.

The Company makes significant estimates in respect of the allowance for credit losses. Historical information is considered when determining whether past-due accounts should be provided for and the same factors are considered when determining whether to write off amounts charged to the allowance against the consumer advances receivable.

(iv) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due or will not receive sufficient funds from its third-party lenders to advance to the Company's customers. The Company manages all liquidity risk through maintaining a sufficient working capital amount through daily monitoring of cash balances and operating results.

The Company's principal sources of cash are third-party lender funds and cash generated from operating activities. The Company is able to both purchase and sell consumer advances with third-party lenders in order to manage its working capital requirements.

In addition to cash from operations, the Company plans to fund working capital by securing credit facilities as permitted under the terms of the indenture governing the Senior Secured Notes, secure new third-party lenders and additional capital from existing third-party lenders.

In the absence of securing additional funding, the Company could face substantial liquidity problems and might be required to sell material assets or operations to attempt to meet its debt service and other obligations. If the Company is unable to make the required payments on its debt obligations, the Company would be in default under the terms of its indebtedness which could result in an acceleration of the repayment obligations. Any such default, or any attempt to alter the business plans and operations to satisfy the obligations under the Company's indebtedness, could materially adversely affect the Company's business, prospects, results of operations and financial condition.

(in thousands, except share and per share amounts)

Note 22 – Financial Instruments and Risk Management (continued)

(b) Risk Management (continued)

(iv) Liquidity Risk (continued)

The maximum exposures to liquidity risk are represented by the carrying amount of accounts payable and accrued liabilities, as well as payment obligations under capital leases and senior secured notes, which are made up of the following:

	Carrying Amount	Contractual Cash Flows	Less Than 1 Year	1-3 Years
Accounts payable and accrued liabilities	$ 26,226	$ 26,226	$ 26,226	$ —
Obligations under capital leases (including interest)	4,626	6,946	1,612	2,334
Senior secured notes	127,182	183,291	15,238	168,053
	$ 158,034	**$ 216,463**	**$ 43,076**	**$ 170,387**

Note 23 - Segmented Information

The following is a summary of revenue and long-lived assets for the Company's geographical segments:

	September 30, 2011	September 30, 2012	**September 30, 2013**
REVENUE			
Canada	$ 187,356	$ 177,186	**$ 180,412**
United Kingdom	2,543	10,226	**10,353**
	$ 189,899	$ 187,412	**$ 190,765**

	September 30, 2012	**September 30, 2013**
LONG-LIVED ASSETS		
Canada	$ 99,972	**$ 88,210**
United Kingdom	2,630	**3,289**
	$ 102,602	**$ 91,499**

Long-lived assets include property and equipment, intangible assets and goodwill.

Note 24 – Comparative Figures

Certain comparative figures have been reclassified to conform to the presentation adopted for the current period. Specifically, certain amounts previously recorded in restricted cash have been reclassified to cash and certain amounts previously recorded in long term receivable have been reclassified to other receivables, net. Additionally, certain amounts on the consolidated statements of cash flows have been reclassified to conform to the presentation of the current year.

Note 25 - Subsequent Event

On November 29, 2013 the Company entered into a credit agreement (the "Credit Agreement") with Coliseum Capital Management, LLC ("Coliseum"), 8028702 Canada Inc. and 424187 Alberta Ltd. ("Alberta Ltd.") (collectively, the "Lenders"), pursuant to which the Lenders have provided $12,000 of loans.

Pursuant to the Credit Agreement, 424187 Alberta Ltd. (the "Agent") acts as agent for the Lenders. The loans made under the credit facility bear interest at 12.5% per annum, payable monthly in arrears, on the 29th day of each month. If an event of default occurs under the Credit Agreement, the interest rate is increased by 2% for so long as the event of default remains. The Credit Agreement provides that an additional $20,500 may be advanced for a total maximum loan amount of $32,500. The Lenders have a right of first refusal in respect of any additional advances. If the Lenders do not exercise their right of first refusal, the Company is free to obtain loan advances from other lenders who agree to become party to the Credit Agreement. The loans outstanding at any time are subject to the requirement that the maximum amount outstanding cannot exceed 75% of the unrestricted cash of the Company plus 75% of the net consumer advances receivable of the Company not more than 90 days in arrears (the "Borrowing Base"). If the total amount outstanding under the loan at any time exceeds the Borrowing Base, the Company must repay to the Initial Lenders, on a pro rata basis, an amount which will result in the loans not being in excess of the Borrowing Base. Such payment must be made within 20 days of the month end in which the Borrowing Base was exceeded.

Loans made under the Credit Facility mature on November 29, 2016 (the "Maturity Date") or on such earlier date as the principal amount of all loans owing from time to time plus accrued and unpaid interest and all other amounts due under the Credit Agreement may become payable under the Credit Agreement. The Company may repay the loans at any time subject to payment of a prepayment fee as follows:

(a) If the prepayment is on or before November 29, 2014, the greater of (A) the interest that would accrue if the amount were to remain outstanding until November 29, 2014 and (B) 4% of the amount;

(b) If the prepayment is after November 29, 2014 but on or prior to November 29, 2015, 3% of the amount; and

(c) If the prepayment is after November 29, 2015, no fee.

The Company has agreed to designate the loans made under the Credit Agreement as priority lien debt and obtain the benefit of the security granted by the Company pursuant to the Collateral Trust and Intercreditor Agreement entered into in connection with the Company's 11.5% senior secured notes.

The Company believes this Credit Agreement to be important in achieving the Company's long-term strategic plans and will fund operations and growth in key business areas.

In addition to certain covenants relating to the payment of the loans and the authority of the Company to enter into the Credit Agreement, the Company has covenanted in favour of the Lenders:

(a) to comply with the covenants granted to the holders of the 11.5% senior secured notes;

(b) not to designate any additional debt under the Collateral Trust Agreement; and

(c) to meet the following Adjusted EBITDA targets on a quarterly basis over the term of the Credit Agreement:

i) $4,000 for the first 3 months of the 2014 fiscal year
ii) $10,000 for the first 6 months of the 2014 fiscal year
iii) $17,000 for the for the first 9 months of the 2014 fiscal year
iv) $25,000 for the 2014 fiscal year
v) $23,625 on a rolling four quarter basis at the end of the first quarter of fiscal year 2015
vi) $26,250 on a rolling four quarter basis at the end of the second quarter of fiscal year 2015

Note 25 - Subsequent Event (continued)

vii) $26,875 on a rolling four quarter basis at the end of the third quarter of fiscal year 2015
viii) $27,500 for the 2015 fiscal year
ix) $28,125 on a rolling four quarter basis at the end of the first quarter of fiscal year 2016
x) $28,750 on a rolling four quarter basis at the end of the second quarter of fiscal year 2016
xi) $29,375 on a rolling four quarter basis at the end of the third quarter of fiscal year 2016
xii) $30,000 for the 2016 fiscal year

Under the credit agreement, Adjusted EBITDA means the net income (or loss) of the Company, on a consolidated basis, before interest expense, income tax expense, depreciation of property and equipment, and amortization of intangible assets and before the deduction or addition of extraordinary and/or non-recurring expenses as reported in the Borrower's quarterly and annual Management's Discussion and Analysis in the section entitled "EBITDA and Adjusted EBITDA reconciliation".

In addition to the rights of the Lenders to demand payment and instruct the Agent to begin the process to realize on the security under the Collateral Trust and Intercreditor Agreement, upon the occurrence and during the continuance of an event of default, the Lenders have the right, but not the obligation, to appoint a financial advisor to review the affairs of the Company and to appoint a director to the Board.

424187 Alberta Ltd., which has committed to loan $2,000 of the initial $12,000 drawn, is controlled by the Company's CEO and a director, Gordon Reykdal. Coliseum, which has committed to loan $5,000 of the initial $12,000 drawn, owns 17.8% of the common shares of the Company.

THIS IS EXHIBIT "B" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

Interim Consolidated Financial Statements

For the three months ended December 31, 2013

(unaudited)

THE CASH STORE FINANCIAL SERVICES INC.
INTERIM CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share amounts)
(unaudited)

	Three Months Ended	
	December 31 2012	**December 31 2013**
REVENUE		
Loan fees	$ 38,018	**$ 36,861**
Other income - Note 5	11,485	**8,385**
	49,503	**45,246**
BRANCH OPERATING EXPENSES		
Salaries and benefits	14,462	**15,167**
Provision for credit losses - Note 4	9,254	**5,499**
Retention payments	1,769	**4,365**
Selling, general and administrative	4,971	**4,879**
Rent	4,433	**4,473**
Advertising and promotion	1,368	**1,537**
Depreciation of property and equipment	1,560	**1,583**
	37,817	**37,503**
BRANCH OPERATING MARGIN	11,686	**7,743**
CORPORATE AND OTHER EXPENSES		
Corporate expenses	6,745	**8,375**
Interest expense	4,603	**4,787**
Depreciation of property and equipment	310	**108**
Amortization of intangible assets	1,862	**2,018**
LOSS BEFORE INCOME TAXES	(1,834)	**(7,545)**
INCOME TAXES - Note 6		
Current expense (recovery)	(1,347)	**—**
Deferred expense (recovery)	1,215	**(75)**
	(132)	**(75)**
NET LOSS AND COMPREHENSIVE LOSS	(1,702)	**(7,470)**
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING - Note 9		
Basic	17,541,976	**17,571,813**
Diluted	17,541,976	**17,571,813**
BASIC LOSS PER SHARE	(0.10)	**(0.43)**
DILUTED LOSS PER SHARE	(0.10)	**(0.43)**

See accompanying notes to the interim consolidated financial statements

THE CASH STORE FINANCIAL SERVICES INC.
INTERIM CONSOLIDATED BALANCE SHEETS
(in thousands of Canadian Dollars)
(unaudited)

	September 30 2013	**December 31 2013**
ASSETS		
Current Assets		
Cash	$ 6,216	**$ 10,553**
Restricted cash - Note 3	5,242	**6,408**
Consumer advances receivable, net - Note 4	25,592	**34,804**
Other receivables, net - Note 5	8,104	**8,332**
Prepaid expenses and other assets	3,471	**2,584**
Income taxes receivable	15,683	**15,683**
	64,308	**78,364**
Long term receivable - Note 5	836	**—**
Deposits and other assets	1,740	**2,792**
Deferred financing costs	6,203	**5,836**
Property and equipment, net of accumulated depreciation of $39,424 and $41,033	17,460	**16,735**
Intangible assets, net of accumulated amortization of $13,506 and $15,482	34,353	**32,843**
Goodwill	39,685	**39,685**
	$ 164,585	**$ 176,255**
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	$ 1,511	**$ 2,242**
Accrued liabilities	24,715	**31,263**
Current portion of deferred revenue	1,000	**1,000**
Current portion of deferred lease inducements	333	**355**
Current portion of obligations under capital leases and other obligations	1,185	**1,119**
	28,744	**35,979**
Deferred revenue	2,918	**2,668**
Deferred lease inducements	686	**596**
Obligations under capital leases and other obligations	3,441	**3,386**
Long-term debt - Note 7	127,182	**139,496**
Deferred income taxes	2,934	**2,859**
	165,905	**184,984**
SHAREHOLDERS' EQUITY		
Share capital, number of voting common shares, issued and outstanding - 17,571,813 and 17,571,813 - Note 8	47,091	**47,091**
Additional paid-in capital	4,957	**5,018**
Deficit	(53,368)	**(60,838)**
	(1,320)	**(8,729)**
	$ 164,585	**$ 176,255**

Litigations, Claims and Contingencies - Note 10

Approved by the Board:

Signed "Gordon J. Reykdal"
Director

Signed "Eugene Davis"
Director

See accompanying notes to the interim consolidated financial statements

THE CASH STORE FINANCIAL SERVICES INC.
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
(in thousands of Canadian Dollars)
(unaudited)

	Common Shares	Additional Paid-in Capital	Deficit	Total Shareholders' Equity
Balance, September 30, 2012	**46,652**	**4,700**	**(17,836)**	**33,516**
Net loss and comprehensive loss	—	—	(35,532)	(35,532)
Dividends to common shareholders	—	—	—	—
Issuance of common shares	439	(182)	—	257
Stock-based compensation expense	—	439	—	439
Total of other equity movements	439	257	—	696
Balance, September 30, 2013	**47,091**	**4,957**	**(53,368)**	**(1,320)**
Net loss and comprehensive loss	—	—	(7,470)	(7,470)
Issuance of common shares	—	—	—	—
Stock option based compensation expense	—	61	—	61
Total of other equity movements	—	61	—	61
Balance, December 31, 2013	**47,091**	**5,018**	**(60,838)**	**(8,729)**

See accompanying notes to the interim consolidated financial statements

THE CASH STORE FINANCIAL SERVICES INC.
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands of Canadian Dollars)
(unaudited)

	Three Months Ended	
	December 31, 2012	**December 31, 2013**
Cash provided by (used in):		
OPERATING ACTIVITIES		
Net income (loss)	(1,702)	**(7,470)**
Items not affecting cash:		
Depreciation of property and equipment	1,870	**1,691**
Amortization of intangible assets	1,862	**2,018**
Provision for credit losses - Note 4	9,254	**5,499**
Stock-based compensation	145	**423**
Accretion of long-term debt discount and amortization of deferred financing costs	588	**681**
Deferred income taxes	1,215	**(75)**
Change in non-cash working capital:		
Consumer advances receivable, net - Note 4	(15,942)	**(14,711)**
Other receivables and long-term receivables	6,654	**608**
Prepaid expenses, deposits and other assets	(423)	**(165)**
Income taxes receivable	(1,349)	**—**
Accounts payable and accrued liabilities	2,960	**6,185**
Deferred revenue	(250)	**(250)**
Deferred lease inducements	(104)	**(68)**
	4,778	**(5,634)**
INVESTING ACTIVITIES		
Purchase of intangible assets	(269)	**(508)**
Purchase of property and equipment	(1,113)	**(1,209)**
	(1,382)	**(1,717)**
FINANCING ACTIVITIES		
Repayment of obligations under capital leases and other obligations	(410)	**(274)**
Restricted Cash - Note 3	(7,210)	**(1,166)**
Funding from (paid to) third-party lenders	—	**1,128**
Deferred financing costs	(28)	**—**
Proceeds from credit facility - Note 7	—	**12,000**
Issuance of common shares	257	**—**
	(7,390)	**11,688**
INCREASE (DECREASE) IN UNRESTRICTED CASH	(3,995)	**4,337**
UNRESTRICTED CASH, BEGINNING OF PERIOD	13,598	**6,216**
UNRESTRICTED CASH, END OF PERIOD	9,603	**10,553**
Supplemental cash flow information:		
Interest paid	114	**123**
Interest received	1	**1**
Income taxes paid (received)	—	**—**
Non-cash investing and financing activities:		
Addition of capital lease obligations and other obligations	107	**153**
Addition of property and equipment and intangible assets included in accounts payable and accrued liabilities	(399)	**(391)**
Issuance of deferred share units	—	**362**

See accompanying notes to the interim consolidated financial statements

Nature of Business

The Cash Store Financial Services Inc. (TSX: CSF, NYSE: CSFS) (the “Company” or “The Cash Store Financial”) operates primarily under three branch banners: The Cash Store Financial, Instaloans and The Title Store. The Company acts as a lender and broker to facilitate short-term advances and provides other financial services to income-earning consumers. As at December 31, 2013, the Company operated 537 (September 30, 2013 - 537) branches. The Company has operations in Canada and in the United Kingdom.

Although the Company’s business is not significantly affected by seasonality, the Company typically experiences its strongest revenues in the third and fourth quarters (which correspond with tax season and the summer months) followed by the first quarter (Christmas/holiday season). The second quarter is typically the weakest. In addition to seasonal demand, quarterly results are impacted by the number and timing of new branch openings and new product lines offered.

The Cash Store Financial is a Canadian corporation that is not affiliated with Cottonwood Financial Ltd. or the outlets Cottonwood Financial Ltd. operate in the United States under the name "Cash Store". The Cash Store Financial does not do business under the name "Cash Store" in the United States and does not own or provide any consumer lending services in the United States.

Note 1 – Summary of Significant Accounting Policies and Other Matters

Basis of Presentation

These interim consolidated financial statements have been prepared by management in accordance with United States Generally Accepted Accounting Principles (“U.S. GAAP”) and include the accounts of the Company and its wholly-owned subsidiaries. All significant inter-company balances and transactions have been eliminated upon consolidation.

These interim consolidated financial statements do not include all information and footnotes required by U.S. GAAP for annual financial statements and should be read in conjunction with the Company’s audited consolidated financial statements for the year ended September 30, 2013 filed with Canadian securities regulators and the Company’s Annual Report on Form 20-F for the fiscal year ended September 30, 2013 filed with the United States Securities and Exchange Commission.

In the opinion of management, all adjustments considered necessary for a fair presentation have been included. The results of operations for the three months ended December 31, 2013 are not necessarily indicative of the results that may be expected for a full fiscal year.

All figures are presented in Canadian dollars, unless otherwise disclosed.

(in thousands, except share and per share amounts)

Note 2 – Changes in Accounting Policies and Practices

Accounting Pronouncements Not Yet Adopted:

In February 2013, FASB issued ASU No. 2013-04 “Liabilities – Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation is Fixed at the Reporting Date - (Topic 405)”. This ASU provides guidance for the recognition, measurement, and disclosure of obligations resulting from joint and several liability arrangements for which the total amount of the obligation is fixed at the reporting date except for obligations addressed within existing guidance in U.S. GAAP. ASU No. 2013-04 is effective for fiscal years and interim periods within those fiscal years, beginning after December 15, 2013. The Company is currently evaluating the impact of the adoption of the provisions of ASU No. 2013-04 on its consolidated financial statements.

In July 2013, FASB issued ASU No. 2013-11 “Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists - (Topic 740).” This ASU provides guidance on the financial statement presentation of unrecognized tax benefits when an operating loss carryforward, a similar tax loss, or a tax credit carryforward exists. ASU No. 2013-11 is effective for fiscal years and interim periods within those fiscal years, beginning after December 15, 2013. The Company is currently evaluating the impact of the adoption of the provisions of ASU No. 2013-11 on its consolidated financial statements.

Note 3 – Cash

The significant components of cash are as follows:

	September 30, 2013	**December 31, 2013**
Cash	6,216	**10,553**
Restricted cash	5,242	**6,408**
	$ 11,458	**$ 16,961**

As at December 31, 2013, restricted cash includes $706 (September 30, 2013 - $666) of funds held by a financial institution as security related to banking arrangements and $5,702 (September 30, 2013 - $4,575) advanced from third-party lenders in excess of consumer loans written to customers.

(in thousands, except share and per share amounts)

Note 4 – Consumer Advances Receivable, net

	September 30, 2013	**December 31, 2013**
Short-term advances receivable	$ 25,428	**$ 29,635**
Lines of credit advances receivable	3,751	**3,905**
Allowance for credit losses	(9,835)	**(7,937)**
Consumer advances originated by the Company	19,344	**25,603**
Acquired short-term advances and line of credit advances	6,248	**9,201**
	$ 25,592	**$ 34,804**

a) Consumer Advances Receivable Originated by the Company:

Age analysis of Consumer Advances Receivable:

	September 30, 2013	**December 31, 2013**
Current	$ 14,606	**$ 21,286**
1-30 days past due date	6,502	**6,202**
31-60 days past due date	4,179	**3,828**
61-90 days past due date	3,892	**2,224**
	29,179	**33,540**
Allowance for credit losses	(9,835)	**(7,937)**
	$ 19,344	**$ 25,603**

Analysis of Allowance for Credit Losses:

	Twelve Months Ended September 30, 2013	**Three Months Ended December 31, 2013**
Balance, beginning of period	$ 26,397	**$ 9,835**
Provisions made for credit losses	35,072	**5,179**
Write-offs	(52,320)	**(7,392)**
Effect of foreign exchange translation	686	**315**
Balance, end of period	$ 9,835	**$ 7,937**

Analysis of Provisions made for Credit Losses:

	Twelve Months Ended September 30, 2013	Three Months Ended December 31, 2012	**Three Months Ended December 31, 2013**
Provisions made for credit losses	$ 35,072	$ 9,254	**$ 5,179**
Impairment of January 31, 2012 acquisition (Note 4 (b)(i))	1,011	—	**—**
Impairment of purchased lines of credit advances (Note 4 (b)(ii))	524	—	**320**
Balance, end of period	$ 36,607	$ 9,254	**$ 5,499**

(in thousands, except share and per share amounts)

Note 4 – Consumer Advances Receivable, net (continued)

Transfer of Short Term Advances

During the three months ended December 31, 2013, the Company transferred $nil (three months ended December 31, 2012 - $11,009) of gross short-term advances to third-party lenders in exchange for cash. The gross advances were transferred at fair value and no gain or loss was recorded. The fair value of the transferred advances of $nil (three months ended December 31, 2012 - $9,236) was determined using the contractual loan value less a provision for credit losses of $nil (three months ended December 31, 2012 - $1,773).

b) Acquired Short-Term Advances and Line of Credit Advances

	September 30, 2013	**December 31, 2013**
January 31, 2012 short-term advances acquisition (Note 4b(i))	$ 1,715	**$ 1,254**
Fiscal 2013 Q2 acquired line of credit advances (Note 4b(ii))	47	**24**
Fiscal 2013 Q3 acquired line of credit advances (Note 4b(ii))	1,173	**526**
Fiscal 2013 Q4 acquired line of credit advances (Note 4b(ii))	3,313	**1,027**
Fiscal 2014 Q1 acquired line of credit advances (Note 4b(ii))	—	**6,370**
	$ 6,248	**$ 9,201**

(i) January 31, 2012 Acquisition

On January 31, 2012, the Company acquired a portfolio of short-term advances from various third-party lenders. At the date of purchase, the undiscounted contractual cash flows of the acquired short-term advances portfolio totaled $319,906 and the expected cash flows at acquisition totaled $51,491. The Company recorded the fair value of the advances acquired of $50,014 as the carrying value of the acquired short-term advances as of the acquisition date. During the twelve months ended September 30, 2013, based on current collection trends, the Company revised its forecast of future cash flows related to this acquired portfolio and included in the provision for credit losses expense for the twelve months ended September 30, 2013 was an impairment charge of $1,011 related to this acquired portfolio.

After accretion and collections of $47,749 and cumulative impairments of $1,011, the remaining carrying value of the acquired short-term advances balance as at December 31, 2013 was $1,254 (September 30, 2013 - $1,715).

(ii) Purchase of Line of Credit Advances

Commencing in February 2013, the Company purchased lines of credit advances from the third-party lenders for consideration equal to the contractually required payments of the line of credit advances. The following table summarizes acquisition date information for purchased line of credit advances acquired quarterly:

Line of Credit Advances acquired in the Quarter Ended:	**Fiscal 2013 Q2**	**Fiscal 2013 Q3**	**Fiscal 2013 Q4**	**Fiscal 2014 Q1**	**Total**
Contractually required payments	$ 7,298	$ 11,650	$ 21,031	$ 18,042	$ 58,021
Loss recorded as retention payments	756	2,171	4,183	3,945	11,055
Initial carrying amount at acquisition date	$ 6,542	$ 9,479	$ 16,848	$ 14,097	$ 46,966
Collections and accretion to December 31, 2013	6,393	8,234	15,821	7,727	38,175
Impairment recorded in provision for credit losses	125	719	—	—	844
Carrying amount at December 31, 2013	$ 24	$ 526	$ 1,027	$ 6,370	$ 7,947

(in thousands, except share and per share amounts)
(unaudited)

Note 5 – Other Receivables and Other Income

(a) Other Receivables

	September 30 2013	**December 31 2013**
Due from vendors for agency services	$ 10,812	**$ 9,719**
Other	2,485	**2,455**
Allowance for doubtful accounts	(4,357)	**(3,842)**
	$ 8,940	**$ 8,332**
Long term portion:		
Other	836	**—**
	$ 8,104	**$ 8,332**

Age Analysis of Other Receivables, net:

	September 30, 2013	**December 31, 2013**
Current	5,847	5,839
Current to 3 months past due	1,639	1,209
3 months to 6 months past due	629	406
6 months to one year past due	2,403	2,399
Greater than one year past due	1,943	2,321
Total other receivables gross	12,461	12,174
Allowance for doubtful accounts	(4,357)	(3,842)
Total other receivables, net	8,104	8,332

Due from Vendors

Due from vendors includes $9,719 (September 30, 2013 - $10,812) of short term receivables from our vendors, with which the Company has agency arrangements to provide bank accounts, debit and prepaid Mastercard and insurance products to our customers. Included in this amount is $8,602 (September 30, 2013 - $9,802) due from one vendor. The Company has recorded an allowance of $3,842 (September 30, 2013 - $4,357) to provide for a portion of those overdue receivables for specific amounts in dispute or where collection is otherwise considered doubtful.

Other

Amounts included in Other are amounts to the third party administration of the British Columbia class actions settlement fund as at December 31, 2013 (Note 10 (a)(i)) and other amounts due in the normal course of business.

(in thousands, except share and per share amounts)

Note 5 – Other Receivables and Other Income (continued)

(b) Other Income

	Three Months Ended	
	December 31 2012	December 31 2013
Agency fee income	$ 8,235	**$ 5,048**
Other income	3,250	**3,337**
	$ 11,485	**$ 8,385**

Note 6 – Income Taxes

The income tax provision differs from the amount that would be computed by applying the statutory income tax rates of 25.0% for the three months ended ended December 31, 2013 (for the three months ended December 31, 2012 – 25.3%) to income as a result of the following:

	Three months ended December 31, 2012	**Three months ended December 31, 2013**
Income (loss) before income taxes	$ (1,834)	**$ (7,545)**
Computed tax expense (recovery) at statutory income tax rates	(464)	**(1,885)**
Change in enacted tax rates	(3)	**35**
Change in valuation allowance	333	**1,732**
Stock-based compensation	36	**15**
Permanent differences and other	(34)	**28**
Total income tax provision (recovery)	$ (132)	**$ (75)**

The Company recorded a valuation allowance against a portion of its Canadian and United Kingdom net deferred tax assets as at December 31, 2013 which amounted to $13,878 (September 30, 2013 - $12,146). In assessing the realizability of deferred tax assets, management considers whether it is more-likely-than-not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities (including the impact of available carry back and carry forward periods), projected future taxable income, and tax-planning strategies in making this assessment. Due to cumulative pre-tax losses, realization is not considered more likely than not and the Company has not recorded the benefit of the majority of its deferred tax assets.

As at December 31, 2013, the Company has a tax loss carry forward in the amount of $26,276 (September 30, 2013 - $21,365). The net operating loss carry forwards related to Canadian operations, which are available to offset future taxable income, will begin to expire in 2033, if not utilized. The net operating loss carry forwards related to the United Kingdom do not have an expiry date.

The Company's tax filings for 2008 to present in Canada remain subject to examination by Canadian tax authorities. The Company's tax filings for 2008 to present in the United Kingdom remains subject to examination by United Kingdom tax authorities.

(in thousands, except share and per share amounts)

Note 7 – Long Term Debt

	September 30 2013	December 31 2013
Credit facility	$ —	**$ 12,000**
Senior secured notes	127,182	**127,496**
	$ 127,182	**$ 139,496**

Credit Facility

On November 29, 2013 the Company entered into a credit agreement (the "Credit Agreement") with Coliseum Capital Management, LLC ("Coliseum"), 8028702 Canada Inc. and 424187 Alberta Ltd. ("Alberta Ltd.") (collectively, the "Lenders"), pursuant to which the Lenders have provided $12,000 of loans.

Pursuant to the Credit Agreement, 424187 Alberta Ltd. (the "Agent") acts as agent for the Lenders. The loans made under the credit facility bear interest at 12.5% per annum, payable monthly in arrears, on the 29th day of each month. If an event of default occurs under the Credit Agreement, the interest rate is increased by 2% for so long as the event of default remains. The Credit Agreement provides that an additional $20,500 may be advanced for a total maximum loan amount of $32,500. The Lenders have a right of first refusal in respect of any additional advances. If the Lenders do not exercise their right of first refusal, the Company is free to obtain loan advances from other lenders who agree to become party to the Credit Agreement. The loans outstanding at any time are subject to the requirement that the maximum amount outstanding cannot exceed 75% of the unrestricted cash of the Company plus 75% of the net consumer advances receivable of the Company not more than 90 days in arrears (the "Borrowing Base"). If the total amount outstanding under the loan at any time exceeds the Borrowing Base, the Company must repay to the Initial Lenders, on a pro rata basis, an amount which will result in the loans not being in excess of the Borrowing Base. Such payment must be made within 20 days of the month end in which the Borrowing Base was exceeded.

Loans made under the Credit Facility mature on November 29, 2016 (the "Maturity Date") or on such earlier date as the principal amount of all loans owing from time to time plus accrued and unpaid interest and all other amounts due under the Credit Agreement may become payable under the Credit Agreement. The Company may repay the loans at any time subject to payment of a prepayment fee as follows:

(a) If the prepayment is on or before November 29, 2014, the greater of (A) the interest that would accrue if the amount were to remain outstanding until November 29, 2014 and (B) 4% of the amount;

(b) If the prepayment is after November 29, 2014 but on or prior to November 29, 2015, 3% of the amount; and

(c) If the prepayment is after November 29, 2015, no fee.

The Company has agreed to designate the loans made under the Credit Agreement as priority lien debt and obtain the benefit of the security granted by the Company pursuant to the Collateral Trust and Intercreditor Agreement entered into in connection with the Company's 11.5% senior secured notes.

The Company believes this Credit Agreement to be important in achieving the Company's long-term strategic plans and will fund operations and growth in key business areas.

Note 7 – Long Term Debt (continued)

In addition to certain covenants relating to the payment of the loans and the authority of the Company to enter into the Credit Agreement, the Company has covenanted in favour of the Lenders:

(a) to comply with the covenants granted to the holders of the 11.5% senior secured notes;

(b) not to designate any additional debt under the Collateral Trust Agreement; and

(c) to meet the following Adjusted EBITDA targets on a quarterly basis over the term of the Credit Agreement:

i) $4,000 for the first 3 months of the 2014 fiscal year
ii) $10,000 for the first 6 months of the 2014 fiscal year
iii) $17,000 for the for the first 9 months of the 2014 fiscal year
iv) $25,000 for the 2014 fiscal year
v) $23,625 on a rolling four quarter basis at the end of the first quarter of fiscal year 2015
vi) $26,250 on a rolling four quarter basis at the end of the second quarter of fiscal year 2015
vii) $26,875 on a rolling four quarter basis at the end of the third quarter of fiscal year 2015
viii) $27,500 for the 2015 fiscal year
ix) $28,125 on a rolling four quarter basis at the end of the first quarter of fiscal year 2016
x) $28,750 on a rolling four quarter basis at the end of the second quarter of fiscal year 2016
xi) $29,375 on a rolling four quarter basis at the end of the third quarter of fiscal year 2016
xii) $30,000 for the 2016 fiscal year

Under the credit agreement, Adjusted EBITDA means the net income (or loss) of the Company, on a consolidated basis, before interest expense, income tax expense, depreciation of property and equipment, and amortization of intangible assets and before the deduction or addition of extraordinary and/or non-recurring expenses as reported in the Borrower's quarterly and annual Management's Discussion and Analysis in the section entitled "EBITDA and Adjusted EBITDA reconciliation".

In addition to the rights of the Lenders to demand payment and instruct the Agent to begin the process to realize on the security under the Collateral Trust and Intercreditor Agreement, upon the occurrence and during the continuance of an event of default, the Lenders have the right, but not the obligation, to appoint a financial advisor to review the affairs of the Company and to appoint a director to the Board.

The Company was in compliance with the financial covenants of the Credit Facility as at December 31, 2013 and therefore, the amounts drawn have been classified as long-term. Based on its current forecasts, the Company expects to be in compliance with its financial covenants under the Credit Facility over the next year. However, continued compliance with these financial covenants in future periods is dependent on the Company achieving revenue forecasts, cost reductions and other assumptions inherent in the forecast. Market conditions, including the changing regulatory environment, have been difficult to predict and there is no assurance that the Company will meet its forecasts and its Adjusted EBITDA covenants in each quarter over the next fiscal year. If these covenants are not met, the Company's creditors would be in a position to demand immediate repayment of the amounts drawn under the Company's Credit Facility or pursue other remedies if the Company cannot reach an agreement with its lenders to amend or waive the financial covenants.

424187 Alberta Ltd., which has committed to loan $2,000 of the initial $12,000 drawn, is controlled by the Company's CEO and a director, Gordon Reykdal. Coliseum, which has committed to loan $5,000 of the initial $12,000 drawn, owns 17.8% of the common shares of the Company.

(in thousands, except share and per share amounts)
(unaudited)

Note 8 – Share Capital

(a) Issued Share Capital

	Twelve Months Ended September 30, 2013		**Three Months Ended December 31, 2013**	
	Number of Shares	Amount	**Number of Shares**	**Amount**
Authorized:				
Unlimited common shares with no par value				
Issued:				
Balance, beginning of period	17,496,646	$ 46,652	**17,571,813**	**$ 47,091**
Transfer from contributed surplus for stock options exercised	—	182	**—**	**—**
Options exercised	75,167	257	**—**	**—**
Balance, end of period	17,571,813	$ 47,091	**17,571,813**	**$ 47,091**

(b) Deferred Share Units to Directors

The Company approved a Deferred Share Unit ("DSU") Plan, which became effective December 11, 2013. The DSU plan enables directors to receive all or a portion of their fee in the form of Deferred Share Units ("DSU's"). The DSU's are settled in cash and are classified as a liability on the Company's consolidated balance sheet. The measurement of the liability and compensation costs for these awards is based on the fair value of the unit and is recorded as a charge to stock-based compensation expense when issued. Subsequent changes in the Company's payment obligation after issuing the unit and prior to the settlement date are recorded as a charge or recovery to stock-based compensation expense in the period such changes occur.

The Company issued 219,073 DSU'sto Directors with a fair value of $383 on December 11, 2013. The number of DSU's to be credited to the participant's DSU Plan is determined by dividing the amount of the participant's deferred remuneration by the fair market value of the Company's common shares, calculated as the volume weighted average trading price of the Company's common shares for the five trading days immediately preceding the date that the participant's renumeration becomes payable. The DSU's vest immediately upon issuance and are only redeemable upon death or retirement (the "Separation Date") of the participant for cash determined by the market price of the Company's common shares for the five trading days immediately preceding the Separation Date. The DSU payment (net of any required source deductions or withholdings) is to be paid to the Director within 60 days of the Separation Date.

During the quarter ended December 31, 2013, the Company recognized stock-based compensation expense of $362 (September 30, 2013 - $nil), with a corresponding increase to accrued liabilities. There is no unrecognized compensation expense related to the DSU's, since these awards vest immediately when issued.

Note 9 – Per Share Amounts

For the three months ended December 31, 2013, there were 891,668 of stock options which were anti-dilutive and therefore were not considered in computing diluted earnings per share.

Note 10 – Litigation, Claims and Contingencies

(a) Litigation and Claims

In view of the inherent difficulty of predicting the outcome of litigation and regulatory matters, particularly where the claimants seek very large or indeterminate damages or where the matters present novel legal theories or involve a large number of parties, the Company cannot state with confidence what the eventual outcome of pending matters will be, what the timing of the ultimate resolution of these matters will be, what the eventual loss, fines, or penalties related to each pending matter may be, or the extent to which such amounts may be recoverable under the Company's insurance policies.

In accordance with applicable accounting guidance, the Company establishes reserves for litigation and regulatory matters when those matters present loss contingencies which are both probable and estimable. When loss contingencies are not both probable and estimable, the Company does not establish reserves. In the matters described in this note, loss contingencies are not both probable and estimable in the view of management, and accordingly, reserves have not been established for those matters. Based on current knowledge, management does not believe that loss contingencies, if any, arising from pending litigation and regulatory matters, including the litigation and regulatory matters described in this note, will have a material adverse effect on the consolidated financial position or liquidity of the Company, but may be material to the Company's result of operations for any particular reporting period.

The Company is subject to various asserted and unasserted claims during the course of business of which the outcome of many of these matters is currently not determinable. Due to the uncertainty surrounding the litigation process, unless otherwise stated below, the Company is unable to reasonably estimate the range of loss, if any, in connection with the asserted and unasserted legal actions against it. The Company believes that it has conducted business in accordance with applicable laws and is defending each claim vigorously. In addition to the litigation and claims discussed below, the Company is involved in routine litigation and administrative proceedings arising in the normal course of business.

(i) British Columbia

March 5, 2004 Claim

On March 5, 2004, an action under the Class Proceedings Act was commenced in the Supreme Court of British Columbia by Andrew Bodnar and others proposing that a class action be certified on his own behalf and on behalf of all persons who have borrowed money from the defendants, The Cash Store Financial and All Trans Credit Union Ltd. The action stems from the allegations that all payday loan fees collected by the defendants constitute interest and therefore violate s. 347 of the Criminal Code of Canada (the “Code”). On May 25, 2006, the claim in British Columbia was affirmed as a certified class proceeding of Canada by the B.C. Court of Appeal. In fiscal 2007, the plaintiffs in the British Columbia action brought forward an application to have certain of the Company’s customers’ third-party lenders added to the claim. On March 18, 2008, another action commenced in the Supreme Court of British Columbia by David Wournell and others against The Cash Store Financial, Instaloans Inc., and others in respect of the business carried out under the name Instaloans since April 2005. Collectively, the above actions are referred to as the “British Columbia Related Actions”.

Note 10 – Litigation, Claims and Contingencies (continued)

(a) Litigation and Claims (continued)

(i) British Columbia

March 5, 2004 Claim (continued)

On May 12, 2009, the Company settled the British Columbia Related Actions in principle and on February 28, 2010 the settlement was approved by the Court. Under the terms of the court approved settlement, the Company is to pay to the eligible class members who were advanced funds under a loan agreement and who repaid the payday loan plus brokerage fees and interest in full, or who met certain other eligibility criteria, a maximum estimated amount including legal expenses of $18,800, consisting of $9,400 in cash and $9,400 in credit vouchers. The credit vouchers can be used to pay existing outstanding brokerage fees and interest, to pay a portion of brokerage fees and interest which may arise in the future through new loans advanced, or can be redeemed for cash from January 1, 2014 to June 30, 2014. The credit vouchers are not transferable and have no expiry date. After approved legal expenses of $6,438 were paid in March 2010, the balance of the settlement amount remaining to be disbursed was $12,362, consisting of $6,181 of cash and $6,181 of vouchers.

By September 30, 2010, the Company received approximately 6,300 individual claims representing total valid claims in excess of the settlement fund. As the valid claims exceed the balance of the remaining settlement fund, under the terms of the settlement agreement, the entire settlement fund of $12,362 was mailed to claimants in November 2012 in the form of cash and vouchers on a pro-rata basis. As at December 31, 2013, approximately $5,399 of the $6,181 cheques issued had been cashed and approximately $726 of vouchers had been redeemed.

In arriving at the liability recorded at the balance sheet date, the voucher portion of the settlement fund of $6,181 has been discounted using a discount rate of 16.2%. During the three month period ended December 31, 2013, the Company recorded accretion expense of $206 (three months ended December 31, 2012 - $203) in interest expense. The total liability related to the settlement at December 31, 2013 is $6,237 (September 30, 2013 - $6,162).

September 11, 2012 Claim

On September 11, 2012, an action under the British Columbia Class Proceedings Act was commenced in the Supreme Court of British Columbia by Roberta Stewart against The Cash Store Financial and Instaloans Inc. claiming on behalf of the plaintiff and class members who, on or after November 1, 2009 borrowed a loan from the Company, and that the Company charged, required or accepted an amount that is in excess of 23% of the amount loaned of the principal which is contrary to s. 17(1) of the Payday Loans Regulation and s. 112.02(2) of the Business Practices Consumer Protection Act (“BPCPA”) and charged, required or accepted an amount in relation to each cash card issued to a class member which is contrary to s. 112.04(1)(f) of the BPCPA; made the provision of each payday loan contingent on class members purchasing a cash card and services related thereto, contrary to s. 19(1) of the Payday Loans Regulation and s. 112.08(1)(m) of the BPCPA; and discounted the amount in the payday loan agreement to be the loan amount borrowed, by deducting and withholding from the loan advance an amount representing a portion of the total costs of credit, contrary to s.112.08(1)(e) of the BPCPA.

Note 10 – Litigation, Claims and Contingencies (continued)

(a) Litigation and Claims (continued)

(i) British Columbia (continued)

September 11, 2012 Claim (continued)

The Class members seek an order, pursuant to s. 112.10(2) and s. 172(3)(a) of the BPCPA, requiring that the Company refund all monies paid in excess of the Loan principal of each payday loan, including the Cash Card Fee Amounts, the Loan Fees, and any other fees or charges collected by the Company in relation to the payday loan, damages for conspiracy, and interest pursuant to the Court Order Interest Act at the rate of 30% compounded annually, as set out in the payday loan agreements or such other rate as the Court considers appropriate.

The Company is vigorously defending this action and the likelihood and amount of liability, if any, is not determinable at this time.

(ii) Alberta

January 19, 2010 Claim

A statement of claim was served in Alberta by Shaynee Tschritter and Lynn Armstrong alleging that the Company was in breach of s. 347 of the Code (the interest rate provision) and certain provincial consumer protection statutes.

On January 19, 2010, the plaintiffs in the Alberta action brought forward an application to have a related subsidiary, as well as certain of our customers' third-party lenders, directors and officers added to the claim.

The Company agreed to a motion to certify the class proceeding if the third party lenders, officers and directors were removed as defendants. Class counsel agreed to the Company's proposal. Consequently, the certification motion was granted in November of 2011.

The Company believes that it conducted its business in accordance with applicable laws and is defending the action vigorously. The likelihood of loss, if any, is not determinable at this time.

September 18, 2012 Claim

On September 18, 2012, an action under the Alberta Class Proceedings Act was commenced in the Alberta Court of Queen's Bench by Kostas Efthimiou against The Cash Store Inc., Instaloans Inc., and The Cash Store Financial Services Inc. on behalf of all persons who, on or after March 1, 2010, borrowed a loan from the Cash Store or Instaloans that met the definition of a "payday loan" proposing that the Company has violated s. 11 and 12 of the Payday Loan Regulations in that all amounts charged to and collected from the Plaintiff and Class members by the Company in relation to the payday loans advanced to the Plaintiff and Class members in excess of the loan principal are Unlawful Charges under the Payday Loan Regulation and therefore seek restitution of or damages for the Unlawful Charges paid by the Plaintiff and Class members, repayment of Unlawful Charges paid by the Plaintiff and Class members, damages for conspiracy, interest on all amounts found to be owing and any such associated legal costs.

The Company is vigorously defending this action and the likelihood and amount of liability, if any, is not determinable at this time.

Note 10 – Litigation, Claims and Contingencies (continued)

(a) Litigation and Claims (continued)

(ii) Alberta (continued)

June 3, 2013 Claim

On June 3, 2013, a statement of claim brought under the Alberta Class Proceedings Act was commenced in the Alberta Court of Queen's Bench by Darren Hughes against The Cash Store Financial Services Inc. and certain of its present and former directors and officers. The plaintiff alleges, among other things, that the Company made misrepresentations during the period from November 24, 2010 to May 24, 2013 regarding the Company's internal controls over financial reporting and the value of the loan portfolio acquired from third-party lenders, losses on its internal consumer loan portfolio, and its liability associated with the settlement of the March 5, 2004 British Columbia Class Action (Note 10(a)(i)).

On September 16, 2013, the Court of Queen's bench of Alberta granted a consent order staying this claim in favour of pursuing the Ontario June 4, 2013 Claim (Note 10(a)(v)).

September 18, 2013 Claim

On September 18, 2013, an action in the Court of Queen's Bench of Alberta was commenced against the Company, certain of its officers and affiliates, including The Cash Store Inc., certain of its associated companies, including The Cash Store Australia Holdings Inc. and RTF Financial Holdings Inc., and other corporate defendants, seeking repayment of certain funds advanced to the Company, its affiliates and the associated companies by Assistive Financial Corp. ("Assistive"), a former related party third-party lender. An application for interim relief, including the appointment of an inspector, was brought by the Plaintiffs and was heard by the Court of Queen's Bench of Alberta on December 12, 2013 and a decision has not yet been rendered. The action by Assistive also seeks damages equivalent to $110,000 together with interest thereon at the rate of 17.5% per year.

The Company believes the action is wholly without merit and intends to vigorously defend itself. The likelihood and amount of liability, if any, is not determinable at this time.

(iii) Saskatchewan

On October 9, 2012, an action under the Saskatchewan Class Actions Act was commenced in the Saskatchewan Court of Queen’s Bench by John Ironbow against The Cash Store Financial Inc., The Cash Store Inc. and Instaloans Inc. on behalf of all persons who, on or after January 1, 2012, borrowed a loan from the Company that met the definition of a “payday loan” proposing that the Company has made payday loans contingent on the supply of other goods or services contrary to s. 29 of the Payday Act, charged or received amounts which are not provided for in the Payday Loans Act or Payday Loans Regulation, contrary to s. 25 (5) of the Act, deducting or withholding from the initial advance an amount representing a portion of the cost of borrowing or other charges, contrary to s. 25 of the Payday Loans Act and charging or receiving an amount in excess of 23% of the loan principal, contrary to s. 23(1) and (4) of the Act and s. 14(1) of the Regulation. The Plaintiff seeks restitution of damages for unlawful charges paid by the Plaintiff and Class members, repayment of unlawful charges paid by the Plaintiff and Class members, damages, interest on all amounts found to be owing and any such associated legal costs.

The Company is vigorously defending this action and the likelihood and amount of liability, if any, is not determinable at this time.

Note 10 – Litigation, Claims and Contingencies (continued)

(a) Litigation and Claims (continued)

(iv) Manitoba

April 23, 2010 Claim

On April 23, 2010, an action under the Manitoba Class Proceedings Act was commenced in the Manitoba Court of Queen's Bench ("Manitoba Court") by Scott Meeking against The Cash Store Financial Services Inc., The Cash Store Inc. and 1152919 Alberta Ltd. o/a Instaloans Inc. proposing that a class action be certified on his own behalf and on behalf of all persons in Manitoba and others outside the province who obtained a payday loan from The Cash Store Inc. or Instaloans Inc. The action stems from the allegations that all payday loan fees collected by the defendants constitute interest and therefore violate s. 347 of the Criminal Code.

A class proceeding in Ontario in McCutcheon v. The Cash Store Inc. et al. was certified in 2006 and settled in 2008. That decision affected Manitoba residents, and presumptively resolved claims with respect to loans borrowed by Mr. Meeking. and other Manitoba residents, on or before December 2, 2008.

The Company asked the Manitoba court to enforce the Ontario settlement against Mr. Meeking. On September 9, 2013, the Manitoba Court of Appeal agreed that the Ontario Superior Court of Justice had properly exercised jurisdiction over Manitoba residents, including Mr. Meeking and his prospective class members, and enforced the Ontario settlement relating to borrowers of payday loans from the Company. However, it concluded that the Ontario judgment is not enforceable in Manitoba against Instaloans customers and for signature and title loans (as opposed to payday loans), as the Manitoba court determine Ontario had not given proper notice to Manitoba residents.

On September 12, 2013, the Manitoba Court certified Mr. Meeking's claim as a class proceeding. On October 11, 2013, the Company applied for leave to appeal the certification decision.

On November 8, 2013, the Company filed an application for leave to appeal to the Supreme Court of Canada, seeking to appeal the Manitoba Court of Appeal decision that declined to enforce the Ontario settlement against Instaloans customers. The plaintiffs have also filed an application for leave to appeal to the Supreme Court of Canada, seeking to set aside the portion of the Manitoba Court of Appeal decision that enforced the Ontario settlement.

The Company is vigorously defending this action and the likelihood and amount of liability, if any, is not determinable at this time.

November 1, 2012 Claim

On November 1, 2012, an action was commenced in Manitoba under The Class Proceedings Act by Sheri Rehill against The Cash Store Financial Services Inc., The Cash Store Inc., Instaloans Inc. and other defendants, on behalf of all persons who, on or after October 18, 2010, borrowed a loan from the Company in Manitoba where that loan met the definition of a "payday loan" as defined by the Payday Loans Act, S.S. 2007, c. P-4.3. The action alleges that the Company made loans contingent on the purchase of another product or service, contrary to s. 154.2 of the Consumer Protection Act, R.S.M. 1987, c. C-200, as am. (CPA), discounted the principal amount of loans by deducting or withholding an amount representing a portion of the cost of credit from the initial advance, contrary to s. 154.1 of the CPA and charging, requiring and accepting amounts in excess of the 17% total cost of credit limit contrary to s. 147(1) of the CPA and s. 13.1 of the Payday Loan Regulation, Man. Reg. 99/2007, as am. The plaintiff pleads for restitution and repayment of all amounts paid by borrowers as a cost of credit for their payday loans, damages for an alleged conspiracy, and interest on all amounts alleged to be owing.

Note 10 – Litigation, Claims and Contingencies (continued)

(a) Litigation and Claims (continued)

(iv) Manitoba (continued)

November 1, 2012 Claim

The Company is vigorously defending this action and the likelihood and amount of liability, if any, is not determinable at this time.

(v) Ontario

October 1, 2010 Claim

The Cash Store Financial Services Inc., The Cash Store Inc. and Instaloans Inc. commenced an action in the Superior Court of Ontario against National Money Mart Company ("Money Mart") on October 1, 2010 for trade-mark infringement under sections 7, 19, 20 and 22 of the Trade-Marks Act, misrepresentation in the form of false and misleading advertising contrary to sections 52 and 74.01 of the Competition Act and the common law tort of passing off. The action relates to a national negative advertising campaign launched by Money Mart featuring the use of the Company's registered trade-marks alongside negative statements comparing the Company's payday loan products to Money Mart's loan products. Statements made in the Money Mart advertising campaign include, among other things, that the Company's loan products are more expensive and less convenient than Money Mart's and involve more forms and hassle. The Company seeks injunctive relief as well as $60,000 in damages in its Statement of Claim. Money Mart filed its statement of defense on May 2, 2011. The parties have settled a discovery plan and the next step in the action is to proceed to discoveries.

The likelihood and amount of gain (or loss), if any, is not determinable at this time.

August 31, 2011 Application

On August 31, 2011, in response to regulatory amendments to come into force on September 1, 2011, The Cash Store Financial Services Inc., The Cash Store Inc. and Instaloans Inc. commenced an Application for Judicial Review in the Ontario Superior Court of Justice. The Application sought an order declaring that certain of the new amended regulations are outside the scope of the regulation-making authority under the Payday Loans Act, 2008, and were made without due process. The hearing was held on October 2, 2013. On November 5, 2013 the Court dismissed the Company's application. The Company has not appealed this decision.

July 5, 2012

On July 5, 2012, The Cash Store Inc. and Instaloans Inc. were charged with the offence of acting as a lender without being licensed as a lender and without having received notice in writing from the Registrar of the licence, contrary to section 6(1) of the Payday Loans Act, 2008, c.9 in Guelph (The Cash Store Inc.), Brantford, and Sarnia, Ontario (Instaloans Inc.). The charges were laid in each of the three jurisdictions on July 5, 2012 as a result of investigations made by the Ministry of Consumer Services relating to consumer complaints made by three consumers.

On November 18, 2013, Instaloans Inc. and The Cash Store Inc. pleaded guilty and were convicted of the offence of acting as a lender without being licensed as a lender and without having notice in writing from the Registrar of the licence, contrary to section 6(1) of the Payday Loans Act, 2008, c.9 in Brantford, Sarnia, and Guelph, Ontario, respectively. As a result of this plea, The Cash Store and Instaloans Inc. agreed to pay $50 per conviction, in addition to a victim fee surcharge of 25%, for a total fine of $188.

Note 10 – Litigation, Claims and Contingencies (continued)

(a) Litigation and Claims (continued)

(v) Ontario (continued)

August 1, 2012 Claim

On August 1, 2012, an action under the Ontario Class Proceedings Act was commenced in the Ontario Supreme Court of Justice by Timothy Yeoman against The Cash Store Financial Services Inc., The Cash Store Inc. and Instaloans Inc. and other defendants, claiming on behalf of the plaintiff and class members who entered into payday loan transactions with the Company in Ontario between September 1, 2011 and the date of judgment, that the Company operated an unlawful business model as the Company did not provide borrowers with the option to take their payday loan in an immediate liquid form and thereby misrepresenting the total cost of borrowing as the cost of additional services and devices should have been included.

The Class members plead entitlement to damages and costs of investigation and prosecution pursuant to s. 36 of the Competition Act inclusive of the fees, interest and other amounts that the Company charged to the Class members.

The Company is vigorously defending this action and the likelihood and amount of liability, if any, is not determinable at this time.

June 4, 2013 Claim

On June 4, 2013, a statement of claim brought under the Ontario Class Proceedings Act was commenced in the Ontario Superior Court of Justice by David Fortier against The Cash Store Financial Services Inc. and certain of its present and former directors and officers. The plaintiff alleges, among other things, that the Company made misrepresentations during the period from November 24, 2010 to May 24, 2013 regarding the Company's internal controls over financial reporting and the value of the loan portfolio acquired from third-party lenders, losses on its internal consumer loan portfolio, and its liability associated with the settlement of the March 5, 2004 British Columbia Class Action (Note 10(a)(i)).

Following the stay of the related Alberta claim, an amended statement of claim was issued on October 17, 2013, which, among other things, adds a statutory claim under the Alberta Securities Act. The plaintiffs' motion seeking leave to pursue a secondary market liability claim under Part XXIII.1 of the Ontario Securities Act and to certify the claim as a class action under the Ontario Class Proceedings Act is currently scheduled to be heard by the Ontario Superior Court of Justice on May 20 and 21, 2014.

The Company is vigorously defending this action and the likelihood and amount of liability, if any, is not determinable at this time.

June 7, 2013 Application

On June 7, 2013, an application was commenced in the Ontario Superior Court of Justice pursuant to section 54(1) of the Payday Loans Act, 2008, by the Director designated under the Ministry of Consumer and Business Services Act, naming The Cash Store Financial Services Inc., The Cash Store Inc. and Instaloans Inc. as respondents. The application seeks a declaration that the basic line of credit product offered constitutes a 'payday loan' under subsection 1(1) of the Payday Loans Act, and seeks orders requiring the Company to obtain a payday loan broker license and restraining the Company from acting as a loan broker of the basic line of credit without a broker's license. The Application was heard by the Ontario Superior Court of Justice on November 29, 2013. It is unknown when a decision on this matter will be been rendered.

Note 10 – Litigation, Claims and Contingencies (continued)

(a) Litigation and Claims (continued)

(v) Ontario (continued)

June 7, 2013 Application (continued)

Subsequent to the hearing of the application, the Government of Ontario filed Regulation 351/13 on December 17, 2013, made under the Payday Loans Act, which prescribes that the Payday Loans Act will apply to lines of credit products offered through the Company's retail banners once the new regulations come into force on February 15, 2014. The Company intends to comply with these regulatory requirements and intends to apply for a licence under the new regulations.

(vi) Quebec

On July 11, 2013, a statement of claim brought under the Quebec Class Proceedings Act was commenced in the Quebec Superior Court of Justice by Marianne Dessis and Jean-Jacques Fournier against The Cash Store Financial Services Inc. and certain of its present and former directors and officers. The plaintiff alleges, among other things, that the Company made misrepresentations during the period from November 24, 2010 to May 24, 2013 regarding the Company's internal controls over financial reporting and the value of the loan portfolio acquired from third-party lenders, losses on its internal consumer loan portfolio, and its liability associated with the settlement of the March 5, 2004 British Columbia Class Action (Note 10(a)(i)).

As at September 30, 2013, the Company reached an agreement with the plaintiffs' counsel whereby the plaintiffs will proceed with the Ontario June 4, 2013 claim (Note 10(a)(v)) and seek a stay of the Quebec claim.

(vii) New York

May 20, 2013 Claim

On May 20, 2013, Globis Capital Partners, L.P. filed a civil claim against the Company and Gordon J. Reykdal, Chief Executive Officer, in the United States District Court of the Southern District of New York for alleged violations of Sections 10(a) and 20(a) of the Securities Exchange Act of 1934 claiming unspecified damages.

As at December 31, 2013, this claim has been combined with the June 27, 2013 claim below, given the similarity of the claims.

June 27, 2013 Claim

On June 27, 2013, proposed class action proceedings for violation of U.S. federal securities laws were commenced by lead plaintiff Charles Nutsch in the United States District Court of the Southern District of New York against the The Cash Store Financial Services Inc. and certain of its present and former officers on behalf of purchasers of the common stock of The Cash Store Financial Services Inc. during the period between November 24, 2010 and May 13, 2013, inclusive. The proposed class action concerns alleged misrepresentations made in the Company's quarterly and annual financial statements between November 24, 2010 and May 13, 2013. In particular, the complaints allege that the Company overvalued the consumer loan portfolio acquired from third-party lenders, overstated its net income, understated losses on its internal consumer loans portfolio, and understated its liabilities associated with the settlement of the British Columbia class action.

Note 10 – Litigation, Claims and Contingencies (continued)

(a) Litigation and Claims (continued)

(vii) New York

June 27, 2013 Claim (continued)

By order dated July 9, 2013, the court consolidated the May 20, 2013 and June 27, 2013 actions for pretrial purposes. On September 17, 2013, the Court issued an order appointing Globis Capital Partners L.P. and Globis Overseas Funds Ltd. as lead plaintiffs in the class action. The Company is vigorously defending this action and the likelihood and amount of liability, if any, is not determinable at this time.

(viii) Other Matters

The Company is also currently involved in ordinary, routine litigation and administrative proceedings incidental to its business, including regulatory enforcement matters, contractual disputes, individual consumer claims, and employment related matters from time to time. The Company believes the likely outcome of any other pending cases and proceedings will not be material to its business or its financial condition.

(b) Contingencies

(i) Third-Party Lenders

In addition to direct lending, the Company acts as a broker on behalf of consumers seeking short-term advances. The funding for those advances is provided directly to the customers by the third-party lenders. The Company has entered into business arrangements with a number of third-party lenders that are prepared to consider lending to customers. Pursuant to these agreements, services related to the collection of documents and information, as well as loan collection services are provided to the third-party lenders. The agreements also provide that the third party lenders are responsible for losses suffered as a result of uncollectible loans provided the required duties under the terms of the agreements have been properly performed by the Company. In the event the duties are not properly performed and the lenders make a claim as required under the agreement, the Company may be liable to the lenders for losses they have incurred. The Company's contingent risk is the balance of the third-party lenders' loan portfolio which totaled $27,634 as at December 31, 2013 (September 30, 2013 - $29,865).

To date, no claims have been made by the third-party lenders under the terms of the agreements and no payments have been made or accrued by the Company pursuant to this clause in the agreements. Risk is managed through compliance with the loan limits, procedures and selection criteria established by the lenders.

(ii) British Columbia Compliance Order

On March 23, 2012, the Company was issued a compliance order (the "Order") and administrative penalty from Consumer Protection BC. The Order directs the Company to refund to all borrowers with loan agreements negotiated with the Company or its subsidiaries between November 1, 2009 and the date of the order, the amount of any issuance fee charged, required or accepted for or in relation to the issuance of a cash card. The Order also directed the Company to pay an administrative penalty of $25 in addition to costs. On November 30, 2012, Consumer Protection BC issued a supplementary compliance order directing that unclaimed refund amounts, to a maximum of $1,100 be deposited into a consumer protection fund. On December 14, 2012, the Company filed a Petition for Judicial Review in the British Columbia Supreme Court seeking an order quashing or setting aside the Order and Supplemental Order, and seeking declarations that it had not contravened sections 112.04(1)(f) of the Business Practices and Consumer Protection Act, or section 17 and 19 of the

Note 10 – Litigation, Claims and Contingencies (continued)

(b) Contingencies (continued)

(ii) British Columbia Compliance Order (continued)

Payday Loan Regulation. The Petition was heard by the Court on June 26, 27, and 28, 2013 and dismissed in a decision released on January 30, 2014. As at December 31, 2013, the total amount of the supplemental order of $1,100 has been paid and expensed by the Company.

(c) Regulatory Requirements

The Company's business is regulated by various provincial and federal laws and regulations, which are subject to change and which may impose significant costs or limitations on the way the Company conducts or expands its business. The payday loan industry has seen increased regulation in recent years. While the Company has worked closely with regulators, its business is still significantly impacted by these regulations. Management has been actively planning an upstream transition in both product offerings and services, however this process takes time. Furthermore, its regulatory environment is changing at different paces in different provinces, making it more difficult to plan and implement this transition.

The Company is closely working with the regulatory bodies to manage the impact any regulatory changes will have on its business.

Note 11 – Related Party and Other Transactions

(a) 424187 Alberta Ltd. ("424187") and Coliseum Capital Management, LLC ("Coliseum")

Of the $12,000 initially drawn on the credit facility that the Company entered into on November 29, 2013 (Note 7), $2,000 was lent from 424187, a company controlled by the Company's CEO and a director, Gordon Reykdal and $5,000 was lent from Coliseum, a company which owns 17.8% of the common shares of the Company and has a member on the Company's board of directors.

In the three months ended December 31, 2013, interest on the credit facility paid to 424187 and Coliseum respectively was $20 and $35 (three months ended December 31, 2012 - $nil and $nil).

(b) Third-party Lenders

(i) Assistive Financial Corp. ("Assistive), a privately held entity that raised capital and provided advances to the Company’s customers is controlled by the father of Cameron Schiffner, the former Senior Vice President of Operations of the Company. In addition, Cameron Schiffner’s brother was a member of management of AUC and is a member of management of Assistive.

On September 11, 2013, Cameron Schiffner's employment with the Company was terminated and Assistive was no longer considered a related party. On September 18, 2013, Assistive commenced an action in the Court of Queen's Bench of Alberta against the Company (Note 10(a)(ii)).

(in thousands, except share and per share amounts)

Note 11 – Related Party and Other Transactions (continued)

(c) Third-party Lenders (continued)

Included in retention payments are $nil for the three months ended December 31, 2013 (three months ended December 31, 2012 - $566) of amounts paid or payable directly to Assistive. As at December 31, 2013 included in accrued liabilities is $nil (September 30, 2013 - $485) due to Assistive. This amount had been included in the Company's restricted cash balance as at September 30, 2013. The Company's contingent risk in Assistive's loan portfolio totaled $nil as at December 31, 2013 (September 30, 2013 - $84).

(ii) A privately held entity that began acting as a third-party lender after January 31, 2012 is controlled by Bruce Hull, who is a former director of AUC.

On June 18, 2013, Bruce Hull resigned from the board of Directors of AUC and is no longer a related party.

Included in retention payments are $2 for the three months ended December 31, 2013 (three months ended December 31, 2012 - $3) paid or payable directly to this third-party lender. As at December 31, 2013, included in accrued liabilities is $190 (September 30, 2013 - $183) due to this third-party lender. The Company's contingent risk in this third-party lender's consumer advances portfolio totaled $116 as at December 31, 2013 (September 30, 2013 - $104).

All transactions with third-party lenders have been measured at the transaction amount, which is the amount of consideration agreed to by the Company and the third-party lenders.

Note 12 – Financial Instruments

Fair Values

The Company's financial instruments consist of cash, consumer advances receivables, net, other receivables, net, and accounts payable and accrued liabilities, all of which are short-term in nature and their fair value approximates their carrying value. The fair value of obligations under capital leases, the senior secured notes and the credit facility are determined by estimating future cash flows on a borrowing-by-borrowing basis, and discounting these future cash flows using a rate which takes into account the Company's spread for credit risk with similar terms and types of debt arrangements.

The following table presents the carrying amounts and estimated fair values of the Company's financial instruments:

		September 30, 2013		**December 30, 2013**	
	Level of Hierarchy	Carrying Value	Fair Value	**Carrying Value**	**Fair Value**
Financial Assets					
Cash		$ 11,458	$ 11,458	**$ 16,961**	**$ 16,961**
Other receivables		8,104	8,104	**8,332**	**8,332**
Consumer advances receivable		25,592	25,592	**34,804**	**34,804**
Long term receivable	2	$ 836	$ 836	**$ —**	**$ —**
Financial Liabilities					
Accounts payable and accrued liabilities		$ 26,226	$ 26,226	**$ 33,505**	**$ 33,505**
Obligations under capital leases and other obligations	2	4,626	4,626	**4,505**	**4,505**
Long term debt	2	$ 127,182	$ 121,370	**$ 139,496**	**$ 133,429**

(in thousands, except share and per share amounts)

Note 13 – Segmented Information

The Company conducts business through two operating segments; Canada and the United Kingdom. The segments were determined based on information that the Chief Executive Officer and Chief Operating Officer review. For certain disclosure requirements the Company's two operating segments have been aggregated together based on the similar nature of the operations, customers and regulatory environment.

	Three Months Ended	
	December 31, 2012	December 31, 2013
REVENUE		
Canada	$ 46,749	**$ 42,326**
United Kingdom	2,754	**2,920**
	$ 49,503	**$ 45,246**

	September 30, 2013	December 31, 2013
LONG-LIVED ASSETS		
Canada	$ 88,210	**$ 85,753**
United Kingdom	3,289	**3,510**
	$ 91,499	**$ 89,263**

Long-lived assets include property and equipment, intangible assets and goodwill.

THIS IS EXHIBIT "C" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

CREDIT AGREEMENT

THIS AGREEMENT made as of the 29th day of November, 2013.

BETWEEN:

THE CASH STORE FINANCIAL SERVICES INC., as borrower

(hereinafter called the "Borrower")

OF THE FIRST PART

A N D :

THOSE CORPORATIONS WHICH HAVE SIGNED THE EXECUTION PAGES HEREOF AS GUARANTORS

(hereinafter called the "Guarantors")

OF THE SECOND PART

A N D :

THOSE ENTITIES WHICH ARE PARTY HERETO FROM TIME TO TIME AS LENDERS

(hereinafter jointly called the "Lenders" and individually a "Lender")

OF THE THIRD PART

A N D :

424187 ALBERTA LTD., in its capacity as agent for the Lenders

(hereinafter called the "Agent")

OF THE FOURTH PART

WHEREAS the Lenders have agreed to provide certain credit facilities to the Borrower on the terms and conditions contained herein;

AND WHEREAS the Guarantors have agreed to guarantee the obligations of the Borrower to the Lenders and the Agent pursuant to the terms and conditions contained herein;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the agreements herein contained and for other good and valuable consideration (the receipt and adequacy whereof is hereby acknowledged) the parties hereto agree as follows:

1. For value received the Borrower hereby acknowledges itself indebted and promises to pay to the Lenders an amount of up to Thirty-Two Million Five Hundred Thousand Dollars ($32,500,000) (all advances by the Lenders hereunder being the "Loan") in lawful money of Canada ("Cdn Dollars"), and interest thereon at the rate, dates and places as hereinafter provided. Each Lender acknowledges that its commitment is that set out next to its signature to this Agreement or on a joinder agreement entered into pursuant to Section 14 hereof. No Lender will be obligated to advance more than its commitment and no Lender will be liable for the failure of any other Lender to advance any of its commitment. Notwithstanding the foregoing, at no time shall the aggregate of all advances hereunder exceed 75% of the unrestricted cash of the Borrower (being the cash of the Borrower less any deposits held as security by a financial institution, as set out on its monthly financial statements) plus 75% of the net consumer advances receivable of the Borrower not more than 90 days in arrears (as set out on its monthly financial statements) (collectively, the "**Borrowing Base**") To the extent the aggregate amount of all advances does exceed the Borrowing Base, the Borrower shall repay the Lenders without premium, within 20 days of the relevant month end, pro rata according to their respective advances, an amount sufficient to ensure that the aggregate amount of all advances is no greater than the Borrowing Base. Any amounts paid pursuant to this provision will not be subject to the pre-payment fees set out in Section 9 hereof. Any amount paid pursuant to this provision will be available for further advances pursuant to the provisions of this Agreement.

2. The principal amount of the Loan owing hereunder, together with accrued and unpaid interest thereon and all other amounts owing hereunder, shall become due and payable on November 29, 2016 (the "Maturity Date"). All payments to be made hereunder shall be made to each individual Lender at its offices set out on the execution page hereof or in any joinder agreement entered into pursuant to Section 14 hereof.

3. The principal amount outstanding from time to time shall bear interest at a rate per annum of twelve and a half percent (12.5%), calculated and payable monthly, in arrears, as well after as before maturity and both before and after default and after judgment. The interest is payable to each Lender on outstanding amounts from each of the Lenders on the 29th day of each month from November 29, 2013 to and including the Maturity Date unless the Loan is

repaid in full on an earlier date in which case all accrued and unpaid interest shall be due and payable upon such date. Unless otherwise stated, wherever in this Agreement reference is made to a rate of interest or rate of fees "per annum" or a similar expression is used, such interest or fees will be calculated on the basis of a calendar year of 365 days or 366 days, as the case may be, and using the effective rate method of calculation, and will not be calculated using the nominal rate method of calculation. Notwithstanding the foregoing, during the period where a Default (as defined below) has occurred and is continuing, the interest rate payable hereunder shall be increased by two percent (2%) per annum. Any payments and amounts due to the Lenders under or in connection with this Section shall be paid to the Lenders free and clear of any and all Foreign Taxes (as hereinafter defined). If any Foreign Taxes must be deducted or withheld from any amounts payable to a Lender, the amount payable shall be increased to yield to such Lender (after payment of all Foreign Taxes) the full dollar amount projected for payment. Whenever the Borrower pays any Foreign Tax on behalf of a Lender, the Borrower will promptly send to such Lender such documentary evidence of payment as such Lender may reasonably require. If the Lender is allowed a credit against its state, federal or municipal United States income taxes in respect of such Foreign Tax, such Lender will make annual refunds to the Borrower of the maximum amount of such credits which such Lender may reasonably have applied against income taxes for the applicable year. For the purposes of this paragraph, Foreign Taxes means any and all taxes, levies, imposts, duties, fees, charges, deductions, withholdings, restrictions or conditions of any nature other than those imposed by Canada or any of its political subdivisions.

4. Subject to Section 16, on the closing hereof, the amount of $12,000,000 shall be advanced. The initial Loan will represent the full commitment of the Lenders signing this Agreement on closing. Any additional Loan hereunder shall be advanced at such times as, and upon fulfillment of such conditions in form and substance satisfactory to, the Lender making such Loan shall agree to.

5. The Lenders initially signing this Agreement shall have a right of first refusal to participate in any additional Loans to be made hereunder on a pro rata basis. The Lenders shall have a period of ten (10) days after delivery of a request from the Borrower for an additional Loan hereunder to confirm whether or not they wish to participate. If no response is received within such ten (10) day period it shall be deemed to be a confirmation that such Lender does not wish to participate in such advance. If, after the end of the ten (10) day period some, but not all, of the Lenders have agreed to participate in such Loan, the Lenders participating shall have a further period of five (5) days to confirm whether or not they wish to

take on the portion of the Loan which was not taken up by the Lenders, pro rata according to the share of the Lenders participating. Notwithstanding anything to the contrary set forth herein, if such Loan could not be made within the exemptions set forth in Sections 5.5(a) and 5.7(a) of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (the "Market Cap Exemption") the Borrower shall seek to obtain such approvals as are necessary to permit such Lender to make the Loan. If such approvals are not obtained, no additional Loans will be made under this Agreement without the prior written consent of all of the Lenders, except that with the consent of all of the Lenders, such consent not to be unreasonably withheld, the Borrower may obtain financing which, subject to the conditions, of the Indenture, would become Priority Lien Debt, and provided that the holder of any such Priority Lien Debt agrees to be fully subordinated to the existing Lenders under this Agreement.

6. This Agreement shall be construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein. The Parties submit to the exclusive jurisdiction of the Courts of Alberta.

7. The Borrower hereby represents and warrants in favour of the Agent and the Lenders as follows:

(a) it has been duly incorporated and is validly subsisting as a corporation under the laws of its jurisdiction of incorporation, is duly qualified (except where the failure to so qualify would not result in a material adverse effect) to carry on its business in each jurisdiction in which it carries on business and has the power and authority to enter into and perform its obligations under this Agreement, to own and operate its business as currently conducted;

(b) the execution, delivery and performance by it of this Agreement has been duly authorized by all requisite corporate action and this Agreement constitutes a legal, valid and binding obligation of it enforceable against it in accordance with its terms subject to the usual exceptions to bankruptcy and the availability of equitable remedies;

(c) it is not in default under any guarantee, bond, debenture, note or other instrument evidencing any indebtedness including, without limitation, the

Indenture (as defined below) or under the terms of any instrument pursuant to which any of the foregoing has been issued or made and delivered, or under the terms of any other material agreement which could reasonably be expected to result in a material adverse effect on the assets or undertaking of the Borrower, taken as a whole;

(d) it has filed all tax returns and paid all taxes owing for all prior fiscal years;

(e) it owns its assets and undertaking clear of all liens other than liens created pursuant to the Collateral Trust Agreement and such liens as would not have a material adverse effect on the Borrower's assets or undertaking, taken as a whole;

(f) it has not designated and there is no Priority Lien Debt or Priority Lien Representative (both as defined under the Collateral Trust Agreement) under the Collateral Trust Agreement;

(g) it has achieved Adjusted EBITDA (as defined below) for the fiscal quarter of the Borrower ending September 30, 2013 of not less than $2,000,000;

(h) the Borrowing Base as of October 31, 2013 is not less than $21,750,000.

8. The Borrower hereby covenants and agrees with the Agent and the Lenders that so long as the Loan remains unpaid:

(a) The Borrower will pay the Loan, including interest, at the dates, time and places, and in the manner mentioned herein.

(b) The Borrower will at all times maintain its corporate existence.

(c) The Borrower shall pay all obligations when due, including without limitation, payment on all loan facilities and taxes.

(d) The Borrower shall carry on and conduct its business in a proper and efficient manner so as to preserve and protect its assets, property and undertaking, and without limiting the generality of the foregoing, shall hold, maintain, use and

operate its assets, property and undertaking in accordance with all governmental rules, regulations and laws and the terms and requirements of all insurance policies, licenses, permits and agreements relating thereto.

(e) The Borrower shall promptly provide notice to the Agent and the Lenders of any Default hereunder or the occurrence of any event which with the giving of notice or passage of time could reasonably be expected to constitute a Default.

(f) The Borrower shall comply with all covenants and conditions contained in the Indenture governing the Borrower's 11.5% Senior Secured Notes dated January 31, 2012, and as thereafter amended or supplemented from time to time (the "**Indenture**") among Computershare Trust Company, N.A. and Computershare Trust Company of Canada (collectively, the "**Indenture Trustees**"), the Borrower and the Guarantors.

(g) The Borrower and the Guarantors agree to provide security over their assets to the Agent on behalf of the Lenders by way of delivering the required certificates under the Collateral Trust and Intercreditor Agreement dated as of January 31, 2012, and as thereafter amended or supplemented from time to time (the "**Collateral Trust Agreement**") among the Borrower, the Guarantors, Canadian Imperial Bank of Commerce (since removed as a party to the Collateral Trust Agreement by resignation), the Indenture Trustees and Computershare Trust Company of Canada, as Collateral Trustee (the "**Collateral Trustee**") to designate the Agent on behalf of the Lenders a Priority Debt Representative. The security has been delivered to the Collateral Trustee for the benefit of the Priority Lien Secured Parties and the Parity Lien Security Parties (as defined in the Collateral Trust Agreement). In order to confirm the rights of the Agent on behalf of the Lenders to such security the Agent will be required to deliver to the Collateral Trustee a joinder agreement in the form set out in the Collateral Trust Agreement. The Lenders hereby agree that the Loan is a Priority Lien Debt as defined in the Collateral Trust Agreement, the Collateral Agent holds all security for the benefit of all holders of Priority Lien Debt including existing and future holders of Priority Lien Debt, all Priority Lien Obligations (as defined in the Collateral Trust Agreement) will be secured equally and ratably and all such liens will be enforceable by the Collateral Trustee for the benefit of all holders of Priority Lien Obligations equally and ratably and all holders of Priority Lien

Obligations are bound by the provisions of the Collateral Trust Agreement relating to the order of application of proceeds from enforcement of such lines and consent to and direction to the Collateral Trustee thereunder. The Borrower agrees that the maximum amount of all Priority Lien Obligations (including the Loan) shall not exceed $32,500,000. Provided that the Priority Lien Obligations would not exceed $32,500,000 the Agent and the Lenders hereby consent to any additional Priority Lien Debt provided such incurrence does not violate the terms of this Agreement or the Indenture.

(h) The covenants of the Borrower contained in Article 4 of the Indenture, as such Indenture exists as of November 29, 2013, are hereby incorporated by reference into this Agreement. The Borrower hereby agrees to abide by such covenants in favour of the Lenders.

(i) The Borrower covenants and agrees with the Lenders that (A) Adjusted EBITDA for the first 3 months of the 2014 fiscal year of the Borrower shall be $4,000,000 or greater, (B) Adjusted EBITDA for the first 6 months of the 2014 fiscal year of the Borrower shall be $10,000,000, or greater (C) Adjusted EBITDA for the first 9 months of the 2014 fiscal year of the Borrower shall be $17,000,000 or greater, (D) Adjusted EBITDA for the 2014 fiscal year of the Borrower shall be $25,000,000 or greater, (E) Adjusted EBITDA, on a rolling four quarter basis, at the end of the first quarter of fiscal year 2015 of the Borrower shall be $23,625,000 or greater, (F) Adjusted EBITDA, on a rolling four quarter basis, at the end of the second quarter of fiscal year 2015 of the Borrower shall be $26,250,000 or greater, (G) Adjusted EBITDA, on a rolling four quarter basis, at the end of the third quarter of fiscal year 2015 of the Borrower shall be $26,875,000 or greater, (H) Adjusted EBITDA for the 2015 fiscal year of the Borrower shall be $27,500,00 or greater, (I) Adjusted EBITDA, on a rolling four quarter basis, at the end of the first quarter of fiscal year 2016 of the Borrower shall be $28,125,000 or greater, (J) Adjusted EBITDA, on a rolling four quarter basis, at the end of the second quarter of fiscal year 2016 of the Borrower shall be $28,750,000 or greater, (K) Adjusted EBITDA, on a rolling four quarter basis, at the end of the third quarter of fiscal year 2016 of the Borrower shall be $29,375,000 or greater, and (L) Adjusted EBITDA for the 2016 fiscal year of the Borrower shall be $30,000,000 or greater. Adjusted EBITDA shall be calculated and delivered to the Lenders not more than 30 days after the end of each fiscal

quarter. For the purposes of this subsection Adjusted EBITDA means the net income (or loss) of the Borrower, on a consolidated basis, before interest expense, income tax expense, depreciation of property and equipment, and amortization of intangible assets and before the deduction or addition of extraordinary and/or non-recurring expenses as reported in the Borrower's quarterly and annual Management's Discussion and Analysis in the section entitled "EBITDA and Adjusted EBITDA reconciliation".

(j) The Borrower covenants and agrees to provide a calculation of the Borrowing Base as at the end of each month not less than 15 days after the end of each month;

(k) The Borrower covenants and agrees to provide the monthly financial statements of the Borrower, on a consolidated basis, not less than 30 days after the end of each month.

(l) The Borrower covenants and agrees that it will not buy any third party loans out of the ordinary course of business.

(m) The Borrower covenants and agrees that if it is contemplating entering into any debtor in possession financing it will immediately notify and engage with the Lenders, and provide Lenders with a first right of refusal to participate in whole or in part in such financing, on the same terms as set out in Section 5 of this Agreement.

9. The Loan may be prepaid, in whole or, when no Default has occurred and is continuing, in part (and if payment is in part such payment shall be applied to the Loan pro rata as to each Lenders advances hereunder), at any time subject to the payment of the following fee, which is a genuine estimate of the liquidated damages which would be suffered by the Lenders due to such prepayment:

(a) If on or before November 29, 2014 (first anniversary of Loan date), the greater of (A) the interest that would accrue if the outstanding amount of the Loan were to remain outstanding until the first anniversary of the closing date and (B) 4% of the outstanding principal amount of the Loan;

(b) If after November 29, 2014 (first anniversary of Loan date) but on or before November 29, 2015 (second anniversary of Loan date), 3% of the outstanding principal amount of the Loan; or

(c) If after November 29, 2015 (second anniversary of Loan date), no fee.

10. The Borrower shall not be permitted to make any pre-payments under the Indenture or make any distributions to shareholders of the Borrower unless the Borrower shall have first repaid in full all amounts owing hereunder. In addition the Borrower shall make a mandatory prepayment of the Loans, on a pro rata basis, of the net proceeds in connection with any of the following:

(a) any Asset Sale (as defined in the Indenture) in excess of $7,500,000;

(b) any issuance of equity securities in the capital of the Borrower or any of its subsidiaries;

(c) any additional indebtedness of the Borrower or any of its subsidiaries out of the ordinary course of business; and

(d) the receipt of any insurance proceeds paid on account of any loss of any property or assets of the Borrower or any of its subsidiaries in excess of $1,000,000.

11. Each and every of the following shall be a default under this Agreement ("**Default**"):

(a) The Borrower makes default in payment of the Loan, or interest thereon, as and when the same becomes due under any provision hereof.

(b) If there should occur a breach of any term or condition of this Agreement (other than as set out in subsection (a) hereof) and such breach is not remedied within 10 days of the Borrower actually becoming aware, or should reasonably have become aware, of such breach.

(c) If the Borrower shall become insolvent or shall make a bulk sale of substantially all of its assets or a general assignment for the benefit of its creditors or a proposal under any bankruptcy or insolvency legislation or if a bankruptcy petition shall be filed or presented or if a custodian or a receiver and manager or any other officer with similar powers shall be appointed under applicable bankruptcy and insolvency law over its property, or any substantial part thereof.

(d) If an encumbrancer shall lawfully take possession of the property of the Borrower or any substantial part thereof or shall commence taking steps to lawfully take possession of the property of the Borrower or any substantial part thereof.

(e) if the Borrower shall fail to make any payment when due under the Indenture.

Upon the occurrence of Default and for so long as it continues, the Lenders may and the Agent shall, if directed by the Lenders, in addition to any other rights or remedies provided for herein, or at law or in equity, declare the Loan to be immediately due and payable, together with interest thereon and take whatever rights and actions are available to the Lenders under the Collateral Trust Agreement. In addition to the foregoing, upon the occurrence of a Default and for so long as it continues,

(i) together the Lenders, shall be permitted, but not obligated (and acting reasonably in their election) to appoint one member of the board of directors of the Borrower with full voting rights; and

(ii) the Lenders may, but are not obligated to, appoint an advisor (the "Advisor") to investigate any or a particular aspect of the Borrower or its business and affairs for the purpose of reporting to the Lender, the Borrower shall give the Advisor its full co-operation, including full access to facilities, assets and records of the Borrower and to its creditors, customers, contractors, officers, directors, employees, auditors, legal counsel and agents.

12. The Borrower and the Guarantors covenant and agree to indemnify and save harmless the Agent and the Lenders against any loss or expense incurred by the Agent or the Lenders, as the case may be, as a result of the Borrower's or any Guarantor's failure to fulfill any obligation hereunder, including without limitation, the failure to make any payment, repayment

or prepayment on the date required hereunder or specified by it in any notice given hereunder and any failure by the Borrower to give any notice required to be given hereunder.

13. The Borrower and the Guarantors covenant and agree to pay all reasonable out of pocket expenses of the Agent and the Lenders, including, without limitation, legal fees, in connection with the negotiation, drafting and entering into of this Agreement and the enforcement of any rights and obligations hereunder. The Lenders agree to give the Borrower notice when the legal fees exceed $50,000 in the aggregate.

14. A new lender may at any time become a party to this Agreement as a Lender with all rights and obligations arising therefrom, subject to the consent of the Borrower and to executing a joinder agreement in favour of the Borrower, the Agent and the Lenders. Such new Lender will agree to commit such amount of the Loan as is set out beside its signature on the joinder agreement. Any existing Lender may assign all or any part of its advance provided that the assignee of such portion of the Loan agrees to be party hereto and delivers a joinder agreement in favour of the Borrower, the Agent and the Lenders. The form of the joinder agreement is attached hereto as Annex 1.

15. This Agreement and the obligations hereunder may not be assigned or transferred in any manner by the Borrower or the Guarantors without the prior written consent of the Lenders. The Lenders may assign or transfer in any manner their rights hereunder without the consent of, but with notice to, the Borrower and the Guarantors, except that the Lenders may not make any such assignment or transfer if it would result in the Market Cap Exemption becoming unavailable to the Borrower, in which case no Lenders may make any assignments. Any Lender hereunder who wishes to assign its rights hereunder, other than to an Affiliate (as defined in the *Canada Business Corporations Act*) of such Lender, shall give the remaining Lenders a right of first refusal to take an assignment of such rights and such other Lenders shall have a period of ten (10) days to accept such offer. If such offer is not accepted the assigning Lender is free to assign its rights hereunder as it so chooses, subject to the limitations set forth above, provided that any assignee agrees to be bound by the terms and conditions of this Agreement as if and to the same extent as if, it were originally a party hereto. If any of the Lenders are not capable of accepting such assignment without causing the Market Cap Exemption to become unavailable to the Borrower then no assignments may take place (other than to Affiliates) until such time as the Market Cap Exemption is available to the Borrower.

16. No Lender shall be obligated to advance the Loan until the Borrower has delivered to the Agent on behalf of the Lenders, the following documents each of which are in form and substance satisfactory to the Lenders:

(a) an officer's certificate of the Borrower and each of the Guarantors attaching the articles, by-laws and authorizing resolutions of such corporation, all in form and substance satisfactory to the Lenders, acting reasonably;

(b) confirmation that Canadian Imperial Bank of Commerce has resigned as a party to the Collateral Trust Agreement; and

(c) such documents as any one or more of the Lenders may request, acting reasonably, to evidence the representations and warranties of the Borrower contained herein are true and correct and that a Default has not occurred, or would occur, as a result of the making of the first Loan hereunder.

17. To the extent there are any actual conflicts with the provisions of the Indenture which are incorporated herein by reference and the terms of this Agreement the terms of this Agreement shall apply.

18. Any notice which is required or may be given hereunder shall be sent to the address shown next to the signature line of each of the Borrower, the Guarantors, the Agent and the Lenders. Such address may be changed by like notice.

19. Each Lender hereby appoints and authorizes, and hereby agrees that it will require any assignee of any of its interests in the Loan to appoint and authorize, the Agent to take such actions as agent on its behalf and to exercise such powers and discretions under this Agreement, the Loan and the Collateral Trust Agreement as are delegated to the Agent by such Lender by the terms hereof, together with such powers as are reasonably incidental thereto. Neither the Agent nor any of its directors, officers, employees or agents shall be liable to any of the Lenders for any action taken or omitted to be taken by it or them thereunder or in connection therewith, except for its own gross negligence or wilful misconduct and each Lender hereby acknowledges that the Agent is entering into the provisions of this Section 14 on its own behalf and as agent and trustee for its directors, officers, employees and agents. The Agent shall have no obligation to take any action or refrain from taking any action without the prior authorization of Lenders representing not less than 66% of the principal amount of the Loan

then outstanding. Each of the Lenders hereby acknowledges that the Agent is acting solely as agent for the Lenders hereunder and shall have no liability of any kind to the Lenders. Each of the Lenders has made its own independent credit analysis of the Borrower and has not relied on the Agent for its determination to become a Lender hereunder. Each of the Lenders acknowledges and agrees that the Agent may also be a Lender hereunder and in such capacity has all of the rights and obligations of a Lender hereunder.

The Agent shall promptly forward to each Lender any document or notification of default that it receives.

The Obligations of each Lender and the Agent are several. Failure by one party to perform its obligations does not affect the obligations of any other party. The rights of each Lender and the Agent under this Agreement are separate and independent rights and any debt arising under this Agreement to a Lender or the Agent shall be a separate and independent debt.

Any decisions of the Lenders or instructions of the Lenders to the Agent shall be made on the vote of the Lenders holding not less than 66% of the Loans outstanding at the time such vote is taken.

20. Each of the Guarantors hereby absolutely, unconditionally and irrevocably guarantees the prompt and complete observance and performance of all the terms, covenants, conditions and provisions to be observed or performed by Borrower pursuant to this Agreement (the "**Guaranteed Obligations**"). The obligations of Guarantors under this section are continuing, unconditional and absolute and without limitation, will not be released, discharged, limited or otherwise affected by (and each of the Guarantors hereby consents to or waives, as applicable, to the fullest extent permitted by applicable law):

(a) any extension, other indulgence, renewal, settlement, discharge, compromise, waiver, subordination or release in respect of any of the Guaranteed Obligations, security, person or otherwise;

(b) any modification or amendment of or supplement to the Guaranteed Obligations, including any increase or decrease in the amounts payable thereunder;

(c) any release, non-perfection or invalidity of any direct or indirect security for any of the Guaranteed Obligations;

(d) any winding-up, dissolution, insolvency, bankruptcy, reorganization or other similar proceeding affecting the Borrower;

(e) any invalidity, illegality or unenforceability relating to or against the Borrower or any provision of applicable law or regulation purporting to prohibit the payment by the Borrower of any amount in respect of the Guaranteed Obligations;

(f) any defence arising by reason of any failure of the Agent or the Lenders to make any presentment, demand for performance, notice of non-performance, protest or any other notice, including notice of acceptance of this Agreement, partial payment or non-payment of any of the Guaranteed Obligations or the existence, creation or incurring of new or additional Guaranteed Obligations;

(g) any defence arising by reason of any incapacity, lack of authority or other defence of the Borrower or any other person, or by reason of the cessation from any cause whatsoever of the liability of the Borrower or any other person in respect of any of the Guaranteed Obligations except as a result of the payment in full of the Guaranteed Obligations;

(h) any other act or omission to act or delay of any kind by the Borrower or any other circumstance whatsoever, whether similar or dissimilar to the foregoing, which might, but for the provisions of this subsection, constitute a legal or equitable discharge, limitation or reduction of the obligations of the Borrower (other than the payment or performance in full of all of the Guaranteed Obligations).

21. This Agreement may be executed in one or more counterparts, and may be executed and delivered by facsimile or other electronic means which allows the electronic storage of such signature and the printing of a written copy, each of which shall be deemed to be an original without further delivery and which together shall constitute one and the same agreement.

[SIGNATURES APPEAR ON THE NEXT PAGE]

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first written above.

THE CASH STORE FINANCIAL SERVICES INC.

Per: _____
Name: Craig Warnock
Title: Chief Financial Officer

7252331 CANADA INC.

Per: _____
Name: Gordon Reykdal
Title: President

5515433 MANITOBA INC.

Per: _____
Name: Gordon Reykdal
Title: President

INSTALOANS INC.

Per: _____
Name: Craig Warnock
Title: Chief Financial Officer

THE CASH STORE FINANCIAL LIMITED

Per: _____
Name: Gordon Reykdal
Title: President

CSF INSURANCE SERVICES LIMITED

Per: _____
Name: Gordon Reykdal
Title: President

Address for Notices to the Borrower and each Guarantor

15511 – 123rd Avenue
Edmonton, Alberta, T5V 0C3

Fax No.: (780) 408-5110
Attention: Gordon J. Reykdal
With a copy to:
Cassels Brock & Blackwell LLP
40 King Street West, Suite 2100
Toronto, Ontario, M5H 3C2

Fax No. (416) 360-8877
Attention: Paul M. Stein

THE CASH STORE INC.

Per: _____
Name: Craig Warnock
Title: Chief Financial Officer

TCS CASH STORE INC.

Per: _____
Name: Gordon Reykdal
Title: President

THE CASH STORE LIMITED

Per: _____
Name: Gordon Reykdal
Title: President

AGENT:

424187 ALBERTA LTD

Per: _____
Name: Gordon J. Reykdal
Title President

Digitally signed by Gordon Reykdal
DN: cn=Gordon Reykdal, o=Cash Store Financial, ou, email=sandy.timmer@csfinancial.ca, c=CA
Date: 2013.11.29 10:35:34 -07'00'

Address for Notices to the Agent:

Cash Store Financial Services Inc.
15511 – 123 Avenue
Edmonton, AB
T5V 0C3

Fax No.: 780-443-2653
Attention: Carrie Reykdal n

LENDERS:

8028702 CANADA INC.

Per: _____
Name:
Title

Commitment – Cdn$5,000,000

Address for Notices:

80287092 Canada Inc.
#1130, 396 11th Avenue SW
Calgary, AB
T2R 0C5

Fax No.: 1-866-825-8267
Attention: J. Murray McCann

424187 ALBERTA LTD.

Per: _____
Name: Gordon J. Reykdal
Title President

Digitally signed by Gordon Reykdal
DN: cn=Gordon Reykdal, o=Cash Store Financial, ou, email=sandy.timmer@csfinancial.ca, c=CA
Date: 2013.11.29 10:35:52 -07'00'

Commitment – Cdn$2,000,000

Address for Notices:

Cash Store Financial Services Inc.
15511 – 123 Avenue
Edmonton, AB
T5V 0C3

Fax No.: 780-443-2653
Attention: Carrie Reykdal

COLISEUM CAPITAL MANAGEMENT, LLC

Per: _____
Name:
Title

Commitment – Cdn$5,000,000

Address for Notices:

Coliseum Capital Management, LLC
Metro Centre
One Station Place, 7th Floor South
Stamford, CT, USA, 06902

Fax No.: 203-286-1111
Attention: Chris Shackelton

AGENT:

424187 ALBERTA LTD

Per:_____
Name:
Title

Address for Notices to the Agent:

Cash Store Financial Services Inc.
15511 – 123 Avenue
Edmonton, AB
T5V 0C3

Fax No.: 780-443-2653
Attention: Carrie Reykdal n

LENDERS:

8028702 CANADA INC.

Per:_____
Name: J. Murray McCann
Title President

Commitment – Cdn$5,000,000

Address for Notices:

80287092 Canada Inc.
#1130, 396 11th Avenue SW
Calgary, AB
T2R 0C5

Fax No.: 1-866-825-8267
Attention: J. Murray McCann

424187 ALBERTA LTD.

Per:_____
Name:
Title

Commitment – Cdn$2,000,000

Address for Notices:

Cash Store Financial Services Inc.
15511 – 123 Avenue
Edmonton, AB
T5V 0C3

Fax No.: 780-443-2653
Attention: Carrie Reykdal

COLISEUM CAPITAL MANAGEMENT, LLC

Per:_____
Name:
Title

Commitment – Cdn$5,000,000

Address for Notices:

Coliseum Capital Management, LLC
Metro Centre
One Station Place, 7th Floor South
Stamford, CT, USA, 06902

Fax No.: 203-286-1111
Attention: Chris Shackelton

AGENT:

424187 ALBERTA LTD

Per:_____
Name:
Title

Address for Notices to the Agent:

Cash Store Financial Services Inc.
15511 – 123 Avenue
Edmonton, AB
T5V 0C3

Fax No.: 780-443-2653
Attention: Carrie Reykdal n

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8028702 CANADA INC.

Per:_____
Name:
Title

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80287092 Canada Inc.
#1130, 396 11th Avenue SW
Calgary, AB
T2R 0C5

Fax No.: 1-866-825-8267
Attention: J. Murray McCann

424187 ALBERTA LTD.

Per:_____
Name:
Title

Commitment – Cdn$2,000,000

Address for Notices:

Cash Store Financial Services Inc.
15511 – 123 Avenue
Edmonton, AB
T5V 0C3

Fax No.: 780-443-2653
Attention: Carrie Reykdal

COLISEUM CAPITAL MANAGEMENT, LLC

Per:_____
Name: Christopher S. Shackelton
Title Managing Director

Commitment – Cdn$5,000,000

Address for Notices:

Coliseum Capital Management, LLC
Metro Centre
One Station Place, 7th Floor South
Stamford, CT, USA, 06902

Fax No.: 203-286-1111
Attention: Chris Shackelton

ANNEX 1

FORM OF JOINDER AGREEMENT

Reference is made to the credit agreement dated as of November 29, 2013 (as such agreement may be amended, supplemented, amended and restated, novated or otherwise modified and in effect from time to time, the "**Credit Agreement**") between The Cash Store Financial Services Inc., as Borrower, the Guarantors named therein, the Lenders named therein and 424187 Alberta Ltd., as Agent. Capitalized terms used but not otherwise defined herein shall have the respective meanings assigned in the Credit Agreement.

RECITALS:

Pursuant to Section 14 of the Credit Agreement, the Borrower wishes to designate the New Lender (as defined below) as a Lender under the Credit Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Borrower, the Lenders, the Agent and <*> (the "**New Lender**"), hereby agree as follows:

1. The Credit Agreement shall, henceforth from the date of the execution and delivery of this Joinder Agreement be read and construed as if the New Lender were party to the Credit Agreement having all the rights and obligations of a Lender under the Credit Agreement having the Commitment set out next to its signature below.

2. The New Lender represents and warrants to each of the other parties to the Credit Agreement that it has been provided with a copy of the Credit Agreement.

3. The New Lender hereby appoints and authorizes, and hereby agrees that it will require any assignee of any of its interests in the Loan to appoint and authorize, the Agent to take such actions as agent on its behalf and to exercise such powers under the Credit Agreement, the Loan and the Collateral Trust Agreement as are delegated to the Agent by such Lender by the terms of the Credit Agreement, together with such powers as are reasonably incidental thereto.

4. This Joinder Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Transmission of an executed signature page of this Joinder Agreement by facsimile transmission or by e-mail in pdf format shall be effected as delivery of a manually executed counterpart hereof.

5. This Joinder Agreement shall be governed by, and interpreted in accordance with, the laws of the Province of Alberta and the federal laws of Canada applicable therein.

IN WITNESS WHEREOF, the parties hereto have caused this Joinder Agreement to be executed and delivered by their respective officers thereunto duly authorized as of the _____day of _____, _____.

THE CASH STORE FINANCIAL SERVICES INC.

By: _____
Name:
Title:

424187 ALBERTA LTD.
as Agent

By: _____
Name:
Title:

[NAME OF NEW LENDER]

By: _____
Name:
Title:

Commitment - $_____

THIS IS EXHIBIT "D" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

News Release

December 5, 2013

The Cash Store Financial Services Inc. announces Credit Facility

EDMONTON, December 5, 2013 /CNW/ - The Cash Store Financial Services Inc. ("Cash Store Financial" or the "Company") (TSX: CSF; NYSE: CSFS) today announced that it has entered into a credit agreement (the "Credit Agreement") with Coliseum Capital Management, LLC ("Coliseum"), 8028702 Canada Inc. and 424187 Alberta Ltd. ("Alberta Ltd.") (collectively, the "Lenders") pursuant to which the Lenders have agreed to provide $12.0 million of loans in the aggregate. The loans will be guaranteed by the Company's subsidiaries. The Credit Agreement provides that a total of up to $32.5 million may be advanced, but the Lenders, at this time, have made no commitment to provide additional loans. The $32.5 million facility falls within the first lien carve-out provisions of the Company's January 2012 Indenture governing the Company's 11.5% senior secured notes due 2017.

The Credit Agreement is instrumental to the Company's long-term strategic plans, and the first advance of $12.0 million will fund operations and growth in key business areas.

The loans made under the Credit Agreement will mature on November 29, 2016 and bear interest at a rate of 12.5% per annum, paid monthly.

The Credit Agreement incorporates the covenants contained in the Indenture governing the Company's 11.5% senior secured notes due 2017. The Credit Agreement also contains additional covenants relating to minimum Adjusted EBITDA and Cash/Accounts Receivable thresholds to be met on a quarterly basis as well as prepayment premiums in each of the first two years of the Credit Agreement in respect of repaying the loans prior to maturity. The loans are secured by a first priority lien on all assets under the Company's existing Collateral Trust and Intercreditor Agreement.

The Company's board of directors, after considering, among other things, a recommendation from the independent audit committee of the board of directors, determined that the funding under the Credit Agreement provides more flexibility than

the other funding alternatives considered by the Company. The board approved the Credit Agreement, with Gordon Reykdal abstaining.

Alberta Ltd., which has committed to loan $2.0 million to the Company, is controlled by the Company's CEO and a director, Gordon Reykdal. Coliseum, which has committed to loan $5.0 million to the Company, holds 17.8% of the common shares of the Company.

Cash Store Financial relied on the exemption from the minority approval requirement provided for in Multilateral Instrument 61-101 based on the fact that the transaction involves the creation of a credit facility that has been obtained by the Company on reasonable commercial terms that are no less advantageous to the Company than those that could have been obtained from a person dealing at arm's length with the Company.

About Cash Store Financial

Cash Store Financial is the only lender and broker of short-term advances and provider of other financial services in Canada that is listed on the Toronto Stock Exchange (TSX: CSF). Cash Store Financial also trades on the New York Stock Exchange (NYSE: CSFS). Cash Store Financial operates 512 branches across Canada under the banners "Cash Store Financial" and "Instaloans" and "The Title Store". Cash Store Financial also operates 27 branches in the United Kingdom.

Cash Store Financial and Instaloans primarily act as lenders and brokers to facilitate short-term advances and provide other financial services to income-earning consumers who may not be able to obtain them from traditional banks. Cash Store Financial also provides a private-label debit card (the "Freedom" card) and a prepaid credit card (the "Freedom MasterCard") as well as other financial services, including bank accounts.

Cash Store Financial employs approximately 1,900 associates and is headquartered in Edmonton, Alberta.

Cash Store Financial is a Canadian corporation that is not affiliated with Cottonwood Financial Ltd. or the outlets Cottonwood Financial Ltd. operates in the United States under the name "Cash Store". Cash Store Financial does not do business under the name "Cash Store" in the United States and does not own or provide any consumer lending services in the United States.

For further information, please contact:

Gordon Reykdal, CEO, at 780-408-5118, or

Craig Warnock, CFO, at 780-732-5683

Investor Relations are provided by Peter Block, NATIONAL Public Relations, at 416-848-1431

Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of United States federal securities legislation, which we refer to herein, collectively, as "forward-looking information". Generally, forward-looking information can be identified by the use of forward-looking terminology such as "estimates", "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". In particular, this news release contains forward-looking information with respect to the Credit Agreement, credit facilities being advanced under the Credit Agreement and the Company's ability to meet payment and interest obligations. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Cash Store Financial, to be materially different from those expressed or implied by such forward-looking information, including, but not limited to, changes in economic and political conditions, legislative or regulatory developments, technological developments, third-party arrangements, competition, litigation, risks associated with but not limited to, market conditions, and other factors described under the heading "Risk Factors" in our Annual MD&A, which is on file with Canadian provincial securities regulatory authorities, and in our Annual Report on Form 20-F/A filed with the U.S. Securities and Exchange Commission. All material assumptions used in providing forward-looking information are based on management's knowledge of current business conditions and expectations of future business conditions and trends, including our knowledge of the current credit, interest rate and liquidity conditions affecting us and the general economic conditions in Canada, the United Kingdom and elsewhere. Although we believe the assumptions used to make such statements are reasonable at this time and have attempted to identify in our continuous disclosure documents important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Certain material factors or assumptions are applied by us in making forward-looking information, including without limitation, factors and assumptions regarding our continued ability to fund our payday loan business, rates of customer defaults, relationships with, and payments to, third party lenders, demand for our products, our operating cost structure, current consumer protection regulations, as well as the ability to meet payments and interest obligations under the Credit Agreement, relationships with the Lenders and ability to abide by the terms of the Credit Agreement. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. We do not undertake to update any forward-looking information, except in accordance with applicable securities laws.

THIS IS EXHIBIT "E" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

THE CASH STORE FINANCIAL SERVICES INC., as Borrower and Issuer

- and -

THE INITIAL GUARANTORS, as Guarantors

- and -

CANADIAN IMPERIAL BANK OF COMMERCE, as Administrative Agent

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA and
COMPUTERSHARE TRUST COMPANY, NA, collectively as Indenture Trustee

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA, as Collateral Trustee

COLLATERAL TRUST AND INTERCREDITOR AGREEMENT

January 31, 2012

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COLLATERAL TRUST AND INTERCREDITOR AGREEMENT

THIS COLLATERAL TRUST AND INTERCREDITOR AGREEMENT (this "**Agreement**") is made effective as of the 31st day of January, 2012,

AMONG:

THE CASH STORE FINANCIAL SERVICES INC., as Borrower

- and -

THE INITIAL GUARANTORS, as Guarantors

- and -

CANADIAN IMPERIAL BANK OF COMMERCE, as Administrative Agent

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA and **COMPUTERSHARE TRUST COMPANY, NA**, collectively as Indenture Trustee

- and -

COMPUTERSHARE TRUST COMPANY OF CANADA, as Collateral Trustee

RECITALS:

(A) The Cash Store Financial Services Inc. (the "**Borrower**"), a corporation under the laws of Ontario, has entered into a letter agreement dated as of September 1, 2011, as amended by that certain amending letter dated December 30, 2011, (as further amended, supplemented, amended and restated or otherwise modified and in effect from time to time, the "**Credit Agreement**") among the Borrower, each of the guarantors named therein (the "**Initial Guarantors**"), the lenders party thereto providing the first lien secured revolving facilities (the "**Lenders**") and Canadian Imperial Bank of Commerce, as administrative agent for the Lenders (in such capacity and together with its successors, the "**Administrative Agent**"), which Credit Agreement will provide for a CDN $25,000,000 revolving credit facility, including a CDN $5,000,000 letter of credit sub-facility (the "**Canadian Loan Facility**").

(B) The Borrower intends to issue 11½% senior secured notes due 2017 (the "**Notes**") in an aggregate principal amount of CDN $132,500,000 pursuant to an Indenture dated as of the date hereof (as amended, supplemented, amended and restated or otherwise modified and in effect from time to time, the "**Indenture**") among the Borrower, as issuer, each of the guarantors named therein and Computershare Trust Company of Canada and Computershare Trust Company, NA, as trustee (in such capacity and together with its successors in such capacity, the "**Indenture Trustee**").

(C) The Obligors may from time to time hereafter enter into Hedge Agreements with the Hedge Providers.

(D) The Obligors intend to secure the Obligations under the Credit Agreement Documents, the Hedge Obligations and the holders of Priority Lien Debt on a priority basis and, subject to such priority, Obligations under the Indenture and any future Parity Lien Debt, with Liens in all present and future Collateral to the extent that such Liens have been provided for in the applicable Security Documents.

(E) This Agreement sets forth the terms on which each Secured Party has appointed the Collateral Trustee to act as the trustee for the present and future holders of the Secured Obligations to receive, hold, maintain, administer and distribute the Collateral at any time delivered to the Collateral Trustee or the subject of the Security Documents, and to enforce the Security Documents and all interests, rights, powers and remedies of the Collateral Trustee with respect thereto or thereunder and the proceeds thereof.

NOW THEREFORE, in consideration of the premises and the mutual agreements herein set forth, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE 1
DEFINITIONS; PRINCIPLES OF CONSTRUCTION

1.1 **Defined Terms**. The following terms will have the following meanings:

"**Act of Instructing Debtholders**" means, as to any matter at any time:

(a) prior to the Discharge of Priority Lien Obligations, a direction in writing delivered to the Collateral Trustee by or with the written consent of the holders of more than 50% of the sum of:

(i) the aggregate outstanding principal amount of Priority Lien Debt (including the undrawn amount of outstanding letters of credit whether or not then available to be drawn and Hedge Obligations owed to Lender Hedge Providers); and

(ii) other than in connection with the exercise of remedies, the aggregate unfunded commitments to extend credit which, when funded, would constitute Priority Lien Debt; and

(b) at any time after the Discharge of Priority Lien Obligations, a direction in writing delivered to the Collateral Trustee by or with the written consent of the Parity Debt Representatives representing the Required Parity Debtholders.

For purposes of this definition, neither Hedge Obligations owed to Non-Lender Hedge Providers nor Secured Debt registered in the name of, or beneficially owned by, the Borrower or any Affiliate of the Borrower will be deemed to be outstanding and votes will be determined in accordance with Section 10.2.

"**Actionable Default**" means:

(a) prior to the Discharge of Priority Lien Obligations, the occurrence of any event of default under any Priority Lien Document, the result of which is that:

(i) the holders of Priority Lien Debt under such Priority Lien Document have the right to declare all of the Secured Obligations thereunder to be due and payable prior to the stated maturity thereof; or

(ii) such Secured Obligations automatically become due and payable prior to the stated maturity thereof; and

(b) at any time after the Discharge of Priority Lien Obligations, the occurrence of any event of default under any Parity Lien Document, the result of which is that:

(i) the holders of Parity Lien Debt under such Parity Lien Document have the right to declare all of the Secured Obligations thereunder to be due and payable prior to the stated maturity thereof; or

(ii) such Secured Obligations automatically become due and payable prior to the stated maturity thereof.

"**Administrative Agent**" means Canadian Imperial Bank of Commerce or any successor agent appointed under the Credit Agreement.

"**Affiliate**" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "control," as used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise. For purposes of this definition, the terms "controlling," "controlled by" and "common control with" have correlative meanings.

"**Board of Directors**" means (a) with respect to a corporation, the board of directors of the corporation, (b) with respect to a partnership, the general partners or the management committee of the partnership, (c) with respect to a limited liability company, the board of managers of the limited liability company or (d) with respect to any other Person, the board or committee of such Person serving a similar function.

"**Business Day**" means any day that is neither a Saturday or Sunday nor a legal holiday on which the commercial banks are authorized or required to be closed in Calgary, Alberta, Toronto, Ontario or New York, New York.

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

and the stated maturity thereof shall be the date of the last payment of rent or any other amount due under such lease or other arrangement prior to the first date upon which such lease or other arrangement may be terminated by the lessee without payment of a penalty; provided that any obligations of the Borrower and its Subsidiaries either existing on the date of this Agreement or created prior to the recharacterization described below (i) that were not included on the consolidated balance sheet of the Borrower as capital lease obligations and (ii) that are subsequently recharacterized as capital lease obligations due to a change in accounting treatment or otherwise, shall for all purposes of this Agreement not be treated as Capital Lease Obligations or Indebtedness.

"**Capital Stock**" means:

(a) in the case of a corporation, corporate stock or shares;

(b) in the case of an association or business entity other than a corporation, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(c) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited);

(d) in the case of a trust, trust units; and

(e) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of, the issuing Person,

but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with such Capital Stock.

"**Class**" means (a) in the case of Parity Lien Debt, every Series of Parity Lien Debt, taken together, and (b) in the case of Priority Lien Debt, every Series of Priority Lien Debt, taken together.

"**Collateral**" means, in the case of each Series of Secured Debt, any and all property and assets of the Borrower and the Guarantors now owned or hereafter acquired in which Liens have been granted to the Collateral Trustee under any of the Security Documents to secure the Secured Obligations in respect of such Series of Secured Debt.

"**Collateral Records**" means books, records, ledgers, files, correspondence, customer lists, supplier lists, blueprints, technical specifications, manuals, computer software and related documentation, computer printouts, tapes, disks and other electronic storage media and related data processing software and similar items that at any time evidence or contain information relating to any of the Collateral or are otherwise necessary or helpful in the collection or use thereof or realization thereupon.

"**Collateral Trustee**" means Computershare Trust Company of Canada and its successors appointed in accordance herewith from time to time as the Collateral Trustee and in whose name Liens in the Collateral will be granted for the benefit of the Secured Parties under and pursuant

to this Agreement and the other Security Documents, and including any Affiliate of the Collateral Trustee which carries on business in a jurisdiction outside of Canada where the Collateral is located for the purpose of holding the Liens in the Collateral on behalf of the Secured Parties.

"**Collateral Trust Joinder**" means an agreement substantially in the form of Exhibit A.

"**Credit Agreement**" has the meaning set forth in Recital A.

"**Credit Agreement Documents**" means the Credit Agreement, the Guarantees of the Credit Agreement, each Priority Debt Sharing Confirmation and the Security Documents (other than any Security Documents, if any, solely for the benefit of the holders of Parity Lien Obligations).

"**Credit Facilities**" means one or more debt facilities, including the Credit Agreement, or other financing arrangements (including, without limitation, commercial paper facilities or indentures) in favour of an Obligor providing for revolving credit loans, term loans, letters of credit or other long term indebtedness, including any note, mortgages, guarantees, collateral documents, instruments and agreements executed in connection therewith, and any amendments, supplements, modifications, extensions, renewals, restatements or refundings thereof and any indentures or credit facilities or commercial paper facilities that replace, refund or refinance any part of the loans, notes, other credit facilities or commitments thereunder, including any such replacement, refunding or refinancing facility or indenture that increases the amount permitted to be borrowed thereunder or alters the maturity thereof (provided that such increase in borrowings is permitted pursuant to the Indenture) or adds Guarantors as additional Borrower.

"**Discharge of Priority Lien Obligations**" means the occurrence of all of the following:

(a) termination of all commitments to extend credit that would constitute Priority Lien Debt;

(b) payment in full in cash of the principal of and interest, fees and premium (if any) on all Priority Lien Debt (other than any undrawn letters of credit);

(c) discharge or cash collateralization (at the lower of (i) 105% of the aggregate undrawn amount and (ii) the percentage of the aggregate undrawn amount required for release of liens under the terms of the applicable Priority Lien Document) of all outstanding letters of credit and bankers' acceptances constituting Priority Lien Debt; and

(d) payment in full in cash of all other Priority Lien Obligations that are outstanding and unpaid at the time the Priority Lien Debt is paid in full in cash (other than any obligations for taxes, costs, indemnifications, reimbursements, damages and other liabilities in respect of which no claim or demand for payment has been made at such time).

"**Disqualified Stock**" means, with respect to any Person, any Capital Stock which by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder) or upon the happening of any event:

(a) matures or is mandatorily redeemable pursuant to a sinking fund obligation or otherwise;

(b) is convertible or exchangeable for Indebtedness or Disqualified Stock (excluding Capital Stock convertible or exchangeable solely at the option of the Borrower or a Subsidiary of the Borrower; provided that any such conversion or exchange will be deemed an Incurrence of Indebtedness or Disqualified Stock, as applicable); or

(c) is redeemable at the option of the holder thereof, in whole or in part,

in the case of each of clauses (a), (b) and (c) on or prior to the 91st day after the stated maturity of the Notes; provided that any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof the right to require such Person to repurchase or redeem such Capital Stock upon the occurrence of an "asset sale" or "change of control" occurring on or prior to the 91st day after the stated maturity of the Notes will not constitute Disqualified Stock if the terms of such Capital Stock provide that such Person may not repurchase or redeem any such Capital Stock pursuant to such provisions prior to the Borrower's purchase of the Notes as are required to be purchased pursuant to the provisions of the Indenture.

"**equally and ratably**" means, in reference to sharing of Liens or proceeds thereof as between Secured Parties of the same Class, that such Liens or proceeds:

(a) will be allocated and distributed first to the Secured Debt Representative for each outstanding Series of Secured Debt within that Class, for the account of the holders of such Series of Secured Debt, ratably in proportion to the principal of, and interest, fees and premium (if any) and reimbursement obligations (contingent or otherwise) with respect to letters of credit, if any, outstanding (whether or not drawings have been made under such letters of credit) on each outstanding Series of Secured Debt within that Class when the allocation or distribution is made, and thereafter

(b) will be allocated and distributed (if any remain after payment in full of all of the principal of, and interest, fees and premium (if any) and reimbursement obligations (contingent or otherwise) with respect to letters of credit, if any, outstanding (whether or not drawings have been made on such letters of credit) on, all outstanding Secured Obligations within that Class) to the Secured Debt Representative for each outstanding Series of Secured Obligations within that Class, for the account of the holders of any remaining Secured Obligations within that Class, ratably in proportion to the aggregate unpaid amount of such remaining Secured Obligations within that Class due and demanded (with written notice to the applicable Secured Debt Representative and the Collateral Trustee) prior to the date such distribution is made.

"**equity interests**" means, with respect to any Person, shares of Capital Stock of such Person, warrants, options or other rights for the purchase or other acquisition from such Person of shares of Capital Stock of such Person, securities convertible into or exchangeable for shares of Capital Stock of such Person or warrants, rights or options for the purchase or other acquisition from

such Person of such shares of Capital Stock, whether voting or non-voting, and whether or not such shares of Capital Stock, warrants, options, rights or other interests are authorized or otherwise existing on any date of determination.

"**GAAP**" means generally accepted accounting principles in the United States of America in effect on the date of the Indenture.

"**Guarantee**" means a guarantee other than by endorsement of negotiable instruments for collection in the ordinary course of business, direct or indirect, in any manner including, by way of a pledge of assets or through letters of credit or reimbursement agreements in respect thereof, of all or any part of any Indebtedness (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take or pay or to maintain financial statement conditions or otherwise).

"**Guarantors**" means the Initial Guarantors and each other Person (if any) that at any time provides a guarantee and security in respect of any of the Secured Obligations and their respective successors and assigns.

"**Hedge Agreements**" means any commodity swap, future or option contracts, interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts, and other hedging agreements or swap contracts with respect to the management of risks related to commodities, interest rate or currency fluctuations which is permitted under each applicable Secured Debt Document.

"**Hedge Obligations**" means the actual Indebtedness of the Borrower or any other Obligor to a Hedge Provider under or pursuant to a Hedge Agreement to which it is a party.

"**Hedge Providers**" means any Person who enters into a Hedge Agreement with the Borrower or any other Obligor to the extent permitted under each applicable Secured Debt Document and who has complied with Section 3.8 or is a Lender Hedge Provider.

"**Incur**" means, with respect to any indebtedness or other obligation of any Person, to create, issue, incur (by conversion, exchange or otherwise), assume (pursuant to an amalgamation, arrangement, merger, consolidation, acquisition or other transaction), Guarantee or otherwise become liable in respect of such Indebtedness or other obligation or the recording, as required pursuant to GAAP or otherwise, of any such Indebtedness or other obligation on the balance sheet of such Person (and "incurrence" and "incurred" shall have meanings correlative to the foregoing); provided, however, that a change in GAAP that results in an obligation of such Person that exists at such time becoming Indebtedness shall not be deemed an Incurrence of such Indebtedness. Indebtedness otherwise incurred by a Person before it becomes a Subsidiary of the Borrower shall be deemed to have been Incurred at the time it becomes such a Subsidiary.

"**Indebtedness**" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(a) obligations of such Person in respect of principal for money borrowed;

(b) obligations of such Person in respect of principal evidenced by bonds, debentures, notes or other similar instruments;

(c) every reimbursement obligation of such Person with respect to letters of credit, banker's acceptances or similar facilities issued for the account of such Person, other than obligations with respect to letters of credit securing obligations, other than obligations referred to in clauses (a), (b) and (e) entered into in the ordinary course of business of such Person to the extent such letters of credit are not drawn upon or, if and to the extent drawn upon, such drawing is reimbursed no later than the 10th day following payment on the letter of credit;

(d) every obligation of such Person issued or assumed as the deferred purchase price of property or services that is recorded as a liability under GAAP (but excluding trade payables, credit on open account, provisional credit, accrued liabilities or similar terms arising in the ordinary course of business which are not overdue by more than 30 days or which are being contested in good faith);

(e) every Capital Lease Obligation of such Person;

(f) the maximum fixed redemption or repurchase price of Disqualified Stock, of such Person at the time of determination plus accrued but unpaid dividends;

(g) every net payment obligation of such Person under Hedge Agreements; and

(h) every obligation of the type referred to in clauses (a) through (g) of another Person the payment of which, in either case, such Person has Guaranteed or is liable, directly or indirectly, as obligor, guarantor or otherwise, to the extent of such Guarantee or other liability,

provided, that obligations in respect of any payments due in connection with the termination or expiration of a lease that is not a Capital Lease Obligation pursuant to the terms of such lease shall not be deemed to be Indebtedness.

"**Indemnified Liabilities**" means any and all liabilities (including all environmental liabilities), obligations, losses, damages, penalties, actions, judgments, suits, costs, taxes, expenses or disbursements of any kind or nature whatsoever with respect to the execution, delivery, performance, administration or enforcement of this Agreement or any of the other Security Documents, including any of the foregoing relating to the use of proceeds of any Secured Debt or the violation of, non-compliance with or liability under, any law (including environmental laws) applicable to or enforceable against the Borrower or any of their Subsidiaries or any of the Collateral and all reasonable costs and expenses (including reasonable fees and expenses of legal counsel selected by the Indemnitee (on a solicitor and his own client full indemnity basis)) incurred by any Indemnitee in connection with any claim, action, investigation or proceeding in any respect relating to any of the foregoing, whether or not suit is brought.

"**Indemnitee**" has the meaning set forth in Section 10.12(a).

"**Indenture**" has the meaning set forth in Recital B.

"**Indenture Trustee**" has the meaning set forth in Recital B.

"**Initial Guarantors**" has the meaning set forth in Recital A.

"**Insolvency Proceeding**" means:

(a) any proceeding for the reorganization, recapitalization or adjustment or marshalling of the assets or liabilities of the Borrower or any other Obligor, any bankruptcy, insolvency, plan of arrangement, receivership or assignment for the benefit of creditors relating to the Borrower or any other Obligor or any similar case or proceeding relative to the Borrower or any other Obligor including any case proceeding under the Bankruptcy and Insolvency Act (Canada), the *Companies' Creditors Arrangements Act* (Canada), the *Winding-up and Restructuring Act* (Canada), the *Insolvency Act 1986* (England, UK), Title 11 of the United States Code entitled "**Bankruptcy**" or any comparable law, or any successor bankruptcy law, in each case whether or not voluntary;

(b) any liquidation, dissolution, marshalling of assets or liabilities or other winding up of or relating to the Borrower or any other Obligor, in each case whether or not voluntary and whether or not involving bankruptcy or insolvency; or

(c) any other proceeding of any type or nature in which substantially all claims of creditors of the Borrower or any other Obligor are determined and any payment or distribution is or may be made on account of such claims.

"**Junior Trust Estate**" has the meaning set forth in Section 2.2.

"**Lender Hedge Provider**" means a Hedge Provider who enters into a Hedge Agreement that is permitted under the Secured Debt Documents and who at the time of entering into such Hedge Agreement is either (a) a lender under a Credit Facility, or (b) an Affiliate of a lender under a Credit Facility.

"**Lien**" means with respect to any assets, any mortgage, lien (statutory or otherwise) pledge, charge, security interest or encumbrance upon with respect to any property of any kind, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement (but excluding a title retention agreement to the extent it constitutes an operating lease under Canadian law), any lease in the nature thereof, any option or other agreement to sell or give a security interest in and any filing of or agreement to give any financing statement under the PPSA of any jurisdiction.

"**Moody's**" means Moody's Investors Service and its successors and assigns.

"**Non-Lender Hedge Provider**" means any Hedge Provider that is not a Lender Hedge Provider where the Hedge Agreement to which it is a party is permitted under the Secured Debt Documents at the time it is entered into.

"**Note Documents**" means the Indenture (including the Guarantee contained therein and any related Guarantee), the Notes, the Guarantee of Notes, each Parity Debt Sharing Confirmation

and the Security Documents (other than any Security Documents, if any, solely for the benefit of the holders of Priority Lien Obligations).

"**Notes**" has the meaning set forth in Recital B.

"**Notice of Actionable Default**" means a written notice given to the Collateral Trustee stating that an Actionable Default has occurred and is continuing, delivered by:

(a) prior to the Discharge of Priority Lien Obligations, the Secured Debt Representative for the holders of Priority Lien Obligations that are governed by the Secured Debt Document pursuant to which the Actionable Default has occurred; and

(b) following the Discharge of Priority Lien Obligations, the Secured Debt Representative for the holders of Parity Lien Obligations that are governed by the Secured Debt Document pursuant to which the Actionable Default has occurred.

"**Obligations**" means with respect to any Indebtedness of any Person (collectively, without duplication):

(a) all debt, financial liabilities and obligations of such Person of whatsoever nature and howsoever evidenced (including principal, interest, fees, reimbursement obligations, cash cover obligations, penalties, indemnities and legal and other expenses, whether due after acceleration or otherwise) to the providers or holders of such Indebtedness or to any agent, trustee or other representative of such providers or holders of such Indebtedness under or pursuant to each agreement, document or instrument evidencing, securing, guaranteeing or relating to such Indebtedness, financial liabilities or obligations relating to such Indebtedness (including Secured Debt Documents applicable to such Indebtedness (if any)), in each case, direct or indirect, primary or secondary, fixed or contingent, now or hereafter arising out of or relating to any such agreement, document or instrument;

(b) any and all sums advanced by the Collateral Trustee or any other Person in order to preserve the Collateral or any other collateral securing such Indebtedness or to preserve the Liens and security interests in the Collateral or any other collateral, securing such Indebtedness; and

(c) the costs and expenses of collection and enforcement of the obligations referred to in clauses (a) and (b) of this definition, including: (i) the costs and expenses of retaking, holding, preparing for sale or lease, selling or otherwise disposing of or realizing on any Collateral or any other collateral; (ii) the costs and expenses of any exercise by the Collateral Trustee or any other Person of its rights under the Security Documents or any other security documents; and (iii) reasonable legal fees and court costs.

"**Obligor**" means the Borrower, the Guarantors and each other Person (if any) that at any time provides collateral security for any Secured Obligations.

"**Officers' Certificate**" means a certificate with respect to compliance with a condition or covenant provided for in this Agreement, signed on behalf of the Borrower by a Responsible Officer, including:

(a) a statement referencing the condition or covenant in question;

(b) a statement that the Person making such certificate has read such covenant or condition;

(c) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate are based;

(d) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been satisfied; and

(e) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been satisfied.

"**Parity Debt Representative**" means:

(a) in the case of the Notes and the Guarantees of the Notes, the Indenture Trustee; and

(b) in the case of any other Series of Parity Lien Debt, the trustee, agent or representative of the holders of such Series of Parity Lien Debt who maintains the transfer register for such Series of Parity Lien Debt and is appointed as a Parity Debt Representative (for purposes related to the administration of the Security Documents) pursuant to the credit agreement, indenture or other agreement governing such Series of Parity Lien Debt, and who has executed a Collateral Trust Joinder.

"**Parity Debt Sharing Confirmation**" means, as to any Series of Parity Lien Debt, the written agreement of the holders of that Series of Parity Lien Debt, as set forth in the indenture or other agreement governing that Series of Parity Lien Debt, for the benefit of all holders of each other existing and future Series of Parity Lien Debt and each existing and future Parity Debt Representative, that all Parity Lien Obligations will be and are secured equally and ratably by all Liens at any time granted by the Borrower or any other Obligor to secure any Obligations in respect of such Series of Parity Lien Debt, whether or not upon property otherwise constituting Collateral, that all such Liens will be enforceable by the Collateral Trustee for the benefit of all holders of Parity Lien Obligations equally and ratably, and that the holders of Obligations in respect of such Series of Parity Lien Debt are bound by the provisions in this Agreement relating to the order of application of proceeds from enforcement of such Liens, and consent to and direct the Collateral Trustee to perform its obligations under this Agreement.

"**Parity Lien**" means a Lien granted by a Security Document to the Collateral Trustee upon any property of the Borrower or any other Obligor to secure Parity Lien Obligations.

"**Parity Lien Debt**" means:

(a) the Notes and the Guarantees of the Notes issued on the date hereof; and

(b) any other Indebtedness (including additional notes) that is secured equally and ratably with the Notes by a Parity Lien that was permitted to be incurred and so secured under each applicable Secured Debt Document; provided, in the case of any Indebtedness referred to in this clause (b), that:

(i) on or before the date on which such Indebtedness is incurred by the Borrower such Indebtedness is designated by such Borrower, in an Officers' Certificate delivered to each Parity Debt Representative and the Collateral Trustee, as "Parity Lien Debt" for the purposes of the Secured Debt Documents; provided that no Obligation or Indebtedness may be designated as both Parity Lien Debt and Priority Lien Debt;

(ii) such Indebtedness is governed by an indenture or other agreement that includes a Parity Debt Sharing Confirmation; and

(iii) all requirements set forth in this Agreement as to the confirmation, grant or perfection of the Collateral Trustee's Liens to secure such Indebtedness or Obligations in respect thereof are satisfied (and the satisfaction of such requirements and the other provisions of this clause (iii) will be conclusively established for purposes of entitling the holders of such indebtedness to share equally and ratably with other holders of Parity Lien Debt in the benefits and proceeds of the Collateral Trustee's Liens on the Collateral if the Borrower delivers to the Collateral Trustee an Officers' Certificate stating that such requirements and other provisions have been satisfied and that such Indebtedness is "Parity Lien Debt").

"**Parity Lien Documents**" means, collectively, the Note Documents and each agreement, indenture or instrument governing each other Series of Parity Lien Debt and all other agreements governing, securing or relating to any Parity Lien Obligations.

"**Parity Lien Obligations**" means Parity Lien Debt and all other Obligations in respect thereof.

"**Parity Lien Secured Parties**" means the holders of Parity Lien Obligations and any Parity Debt Representatives.

"**Parties**" means the parties to this Agreement, and "Party" means any one of them.

"**Permitted Prior Liens**" means Liens that are permitted to rank senior in priority to both Priority Lien Debt and Parity Lien Debt in accordance with the Secured Debt Documents.

"**Person**" means any natural person, corporation, partnership, limited liability company, firm, association, trust, government, governmental agency or any other entity, whether acting in an individual, fiduciary or other capacity.

"**PPSA**" means the *Personal Property Security Act* as in effect in any province or territory of Canada, the Uniform Commercial Code or similar statute as in effect in any state of the United States or any similar legislation in any other jurisdictions (in each case, together with the regulations thereunder), as applicable.

"**Priority Debt Representative**" means:

(a) in the case of (i) the Canadian Loan Facility, and (ii) Hedge Obligations owed to a Lender Hedge Provider, the Administrative Agent (subject to Section 3.8(c)); and

(b) in the case of any other Series of Priority Lien Debt (including Non-Lender Hedge Providers described in the proviso at the end of Section 3.8(c)(ii)), the trustee, agent or representative of the holders of such Series of Priority Lien Debt who maintains the transfer register for such Series of Priority Lien Debt and is appointed as a Priority Debt Representative (for purposes related to the administration of the Security Documents) pursuant to the credit agreement, indenture or other agreement governing such Series of Priority Lien Debt, and who has executed a Collateral Trust Joinder.

"**Priority Debt Sharing Confirmation**" means, as to any Series of Priority Lien Debt, the written agreement of the holders of such Series of Priority Lien Debt, as set forth in the credit agreement, indenture or other agreement governing such Series of Priority Lien Debt, for the benefit of all holders of each other existing and future Series of Priority Lien Debt and each existing and future Priority Debt Representative, that all Priority Lien Obligations will be and are secured equally and ratably by all Liens at any time granted by the Borrower or any other Obligor to secure any Obligations in respect of such Series of Priority Lien Debt, whether or not upon property otherwise constituting Collateral, that all such Liens will be enforceable by the Collateral Trustee for the benefit of all holders of Priority Lien Obligations equally and ratably, and that the holders of Obligations in respect of such Series of Priority Lien Debt are bound by the provisions in this Agreement relating to the order of application of proceeds from enforcement of such Liens, and consent to and direct the Collateral Trustee to perform its obligations under this Agreement.

"**Priority Lien**" means a Lien granted to the Collateral Trustee, for the benefit of the Priority Lien Secured Parties, upon any property of the Borrower or any other Obligor to secure Priority Lien Obligations.

"**Priority Lien Debt**" means:

(a) Obligations and any other amounts owing pursuant to the Credit Agreement and the Guarantees thereof; provided that for certainty, all Obligations from time to time under the Credit Agreement are Priority Lien Debt whether or not permitted under each Secured Debt Document, provided that unless so permitted, principal obligations that are "Priority Lien Debt" under this paragraph (a) are limited to $32,500.00; and

(b) Indebtedness under any other Credit Facility, Hedge Agreement or any Guarantee thereof of an Obligor that is secured by a Priority Lien that was permitted to be

incurred and so secured under each applicable Secured Debt Document; provided, in the case of any Indebtedness referred to in this clause (b), that:

(i) on or before the date on which such Indebtedness is incurred by the Borrower such Indebtedness is designated by such Borrower, in an Officers' Certificate delivered to each Priority Debt Representative, if any, and the Collateral Trustee, as "Priority Lien Debt" for the purposes of the Secured Debt Documents; provided that no Obligation or Indebtedness may be designated as both Parity Lien Debt and Priority Lien Debt;

(ii) such Indebtedness is governed by a credit agreement, an indenture or other agreement that includes a Priority Debt Sharing Confirmation;

(iii) until the payment in full and discharge of all Obligations under the Canadian Loan Facility or any Hedge Agreement with a Lender or Affiliate of a Lender, written acknowledgment from the Administrative Agent to the Collateral Trustee that such Obligations are Priority Lien Debt, and

(iv) all requirements set forth in this Agreement as to the confirmation, grant or perfection of the Collateral Trustee's Lien to secure such Indebtedness or Obligations in respect thereof are satisfied (and the satisfaction of such requirements and the other provisions of this clause (iv) will be conclusively established if the Borrower delivers to the Collateral Trustee an Officers' Certificate stating that such requirements and other provisions have been satisfied and that such Indebtedness is "Priority Lien Debt").

"**Priority Lien Documents**" means, collectively, the Credit Agreement Documents, Hedge Agreements and the credit agreements, indentures or other agreements governing any other Credit Facility pursuant to which Priority Lien Debt is incurred (and not prohibited to be incurred under each applicable Secured Debt Document) and all other agreements governing or securing any Priority Lien Obligations (and not prohibited to be so secured under each applicable Secured Debt Document).

"**Priority Lien Obligations**" means the Priority Lien Debt and all other Obligations in respect thereof.

"**Priority Lien Secured Parties**" means the holders of Priority Lien Obligations and any Priority Debt Representatives.

"**Required Parity Debtholders**" means, at any time in respect of any action or matter, holders of a majority of the aggregate outstanding principal amount of all Parity Lien Debt, voting together as a single class. For this purpose, Parity Lien Debt registered in the name of, or beneficially owned by, the Borrower or any Affiliate of the Borrower will be deemed not to be outstanding and no such Affiliate will be entitled to vote to direct the relevant Parity Debt Representative.

"**Responsible Officer**" means, (a) with respect to the Collateral Trustee or any Secured Debt Representative, any officer within the corporate trust department of the Collateral Trustee or any

officer of any such Party, as the case may be, including, in either case, any managing director, director, vice president, assistant vice president, associate, trust officer or any other officer thereof, as the case may be, who customarily performs functions similar to those performed by the Persons who at the time will be such officers, respectively, or to whom any matter related hereto is referred because of such Person's knowledge of and familiarity with the particular subject and who will have direct responsibility for the administration of this Agreement, and (b) with respect to any Obligor, the chief executive officer, chief financial officer, chief operating officer, managing partner, president, treasurer or secretary of such Obligor.

"**S&P**" means Standard & Poor's Ratings Services and its successors and assigns.

"**Secured Debt**" means Parity Lien Debt and Priority Lien Debt.

"**Secured Debt Default**" means any event or condition which, under the terms of any credit agreement, indenture or other agreement governing any Series of Secured Debt causes, or permits holders of Secured Debt outstanding thereunder (with or without the giving of notice or lapse of time, or both, and whether or not notice has been given or time has lapsed) to cause, the Secured Debt outstanding thereunder to become immediately due and payable.

"**Secured Debt Documents**" means the Parity Lien Documents and the Priority Lien Documents.

"**Secured Debt Representatives**" means each Parity Debt Representative and each Priority Debt Representative.

"**Secured Debtholder**" means, at any time, a Person that is at that time the holder of any Secured Debt or has any commitment with respect to any Secured Debt or the issuance of any letters of credit under any Secured Debt Document or the making of any loans under any Secured Debt Document.

"**Secured Obligations**" means the Parity Lien Obligations and the Priority Lien Obligations.

"**Secured Parties**" means the Parity Lien Secured Parties and the Priority Lien Secured Parties.

"**Security Documents**" means this Agreement and one or more general security agreements, debentures, pledge agreements, collateral assignments, mortgages, collateral agency agreements, control agreements, blocked account agreements, deeds of trust or other grants or transfers for security executed and delivered by the Borrower and each other Obligor creating (or purporting to create) a Lien upon Collateral in favour of the Collateral Trustee, for the benefit of the Secured Parties, in each case, as amended, supplemented, amended and restated or otherwise modified and in effect from time to time, in accordance with its terms.

"**Senior Trust Estate**" has the meaning set forth in Section 2.1.

"**Series of Parity Lien Debt**" means, severally, the Notes, the Guarantees of the Notes and each other issue or series of Parity Lien Debt for which a single transfer register is maintained.

"**Series of Priority Lien Debt**" means, severally, each issue or series of Priority Lien Debt for which a single transfer register is maintained, as well as any other Incurrence of Priority Lien Debt designated by the Borrower by written notice to the Collateral Trustee as a separate Series of Priority Lien Debt and for purposes hereof, Hedge Obligations owed to Lender Hedge Providers will be treated as part of the same Series of Priority Lien Debt as the other Priority Lien Debt owed to such Lender Hedge Provider.

"**Series of Secured Debt**" means, severally, each Series of Priority Lien Debt and each Series of Parity Lien Debt.

"**STA**" means the *Securities Transfer Act* (Alberta).

"**Subsidiary**" means, with respect to any specified Person:

(a) any corporation, association or other business entity of which more than 50% of the total Voting Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or shareholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled, directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); and

(b) any partnership (i) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (ii) the only general partners of which are that Person or one or more Subsidiaries of that Person (or any combination thereof).

"**Trust Estates**" has the meaning set forth in Section 2.2.

"**Voting Stock**" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of Directors of such Person.

1.2 Rules of Interpretation.

(a) Unless otherwise specified, all the terms used in this Agreement without initial capitals, which are defined or the meanings of which are determined in the PPSA or the STA, have the same meanings in this Agreement as defined or determined in the PPSA or the STA, as applicable.

(b) Unless otherwise indicated, any reference to any agreement or instrument will be deemed to include a reference to that agreement or instrument as assigned, amended, supplemented, amended and restated, or otherwise modified and in effect from time to time or replaced in accordance with the terms of this Agreement.

(c) The use in this Agreement or any of the other Security Documents of the word "include" or "including," when following any general statement, term or matter,

will not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto, but will be deemed to refer to all other items or matters that fall within the broadest possible scope of such general statement, term or matter. The word "will" shall be construed to have the same meaning and effect as the word "shall". Except as otherwise provided herein, all references herein to "$" are to lawful money of Canada.

(d) References to "Sections", "clauses" and "Recitals" will be to Sections, clauses and Recitals, respectively, of this Agreement unless otherwise specifically provided.

(e) References to "Articles" will be to Articles of this Agreement unless otherwise specifically provided.

(f) References to "Exhibits" will be to Exhibits to this Agreement unless otherwise specifically provided.

(g) This Agreement, the other Security Documents and any documents or instruments delivered pursuant hereto will be construed without regard to the identity of the party who drafted it. Each and every provision of this Agreement, the other Security Documents and any instruments and documents entered into and delivered in connection therewith will be construed as though the parties participated equally in the drafting it. Consequently, each of the parties acknowledges and agrees that any rule of construction that a document is to be construed against the drafting party will not be applicable either to this Agreement or the other Security Documents and any instruments and documents entered into and delivered in connection with this Agreement or any of the other Security Documents.

(h) Time is of the essence in the performance of the parties' respective obligations.

(i) A reference to a statute includes all regulations made pursuant to such statute and, unless otherwise specified, the provisions of any statute or regulation which amends, revises, restates, supplements or supersedes any such statute or any such regulation or, in each case, any provision thereof.

ARTICLE 2
THE TRUST ESTATES

2.1 **Declaration of Senior Trust**. To secure the payment of the Priority Lien Obligations and in consideration of the premises and the mutual agreements set forth in this Agreement, each of the Obligors hereby grants to the Collateral Trustee, and the Collateral Trustee hereby accepts and agrees to hold, in trust under this Agreement for the benefit of all present and future holders of Priority Lien Obligations, all of such Obligor's right, title and interest in, to and under all Collateral granted to the Collateral Trustee under any Security Document for the benefit of the Priority Lien Secured Parties,

together with all of the Collateral Trustee's right, title and interest in, to and under the Security Documents, and all interests, rights, powers and remedies of the Collateral Trustee thereunder or in respect thereof and all cash and non-cash proceeds thereof (collectively, the "**Senior Trust Estate**").

The Collateral Trustee and its successors and assigns under this Agreement will hold the Senior Trust Estate in trust for the benefit solely and exclusively of all present and future holders of Priority Lien Obligations as security for the payment of all present and future Priority Lien Obligations.

Notwithstanding the foregoing, if at any time:

(a) all Liens securing the Priority Lien Obligations have been released as provided in Section 5.1;

(b) the Collateral Trustee holds no other property in trust as part of the Senior Trust Estate;

(c) no monetary obligation (other than indemnification and other contingent obligations not then due and payable and outstanding letters of credit and bankers' acceptances that have been cash collateralized as provided in clause (c) of the definition of "Discharge of Priority Lien Obligations") is outstanding and payable under this Agreement to the Collateral Trustee or any of its co-trustees, agents or sub-agents (whether in an individual or representative capacity); and

(d) the Borrower delivers to the Collateral Trustee an Officers' Certificate stating that all Liens of the Collateral Trustee have been released in compliance with all applicable provisions of the Priority Lien Documents and that the Obligors are not required by any Priority Lien Document to grant any Lien upon any property to secure the Priority Lien Obligations,

then the senior trust arising hereunder will terminate, until further Priority Lien Debt is incurred at which time the Senior Trust Estate will automatically be reinstated and will exist without further action of the parties hereto. Notwithstanding the aforementioned termination, all provisions set forth in Sections 10.11 and 10.12 enforceable by the Collateral Trustee or any of its co-trustees, agents or sub-agents (whether in an individual or representative capacity) will remain enforceable in accordance with their terms.

For purposes of this Section 2.1, a written notice from the Administrative Agent to the Collateral Trustee that a Discharge of Priority Lien Obligations has occurred with respect to the Obligations under the Credit Agreement will terminate the Senior Trust Estate as it relates to the Credit Agreement only and the Administrative Agent will for all purposes (i) no longer be a party hereto and, (ii) except to the extent later appointed a Priority Debt Representative hereunder, will not have any rights or obligations hereunder.

The Parties further declare and covenant that the Senior Trust Estate will be held and distributed by the Collateral Trustee subject to the further agreements herein.

2.2 **Declaration of Junior Trust**. To secure the payment of the Parity Lien Obligations and in consideration of the premises and the mutual agreements set forth herein, each of the Obligors hereby grants to the Collateral Trustee, and the Collateral Trustee hereby accepts and agrees to hold, in trust under this Agreement for the benefit of all present and future holders of Parity Lien Obligations, all of such Obligor's right, title and interest in, to and under all Collateral granted to the Collateral Trustee under any Security Document for the benefit of the Parity Lien Secured Parties, together with all of the Collateral Trustee's right, title and interest in, to and under the Security Documents, and all interests, rights, powers and remedies of the Collateral Trustee thereunder or in respect thereof and all cash and non-cash proceeds thereof (collectively, the "**Junior Trust Estate**", and together with the Senior Trust Estate, the "**Trust Estates**").

The Collateral Trustee and its successors and assigns under this Agreement will hold the Junior Trust Estate in trust for the benefit solely and exclusively of all present and future holders of Parity Lien Obligations as security for the payment of all present and future Parity Lien Obligations.

Notwithstanding the foregoing, if at any time:

(a) all Liens securing the Parity Lien Obligations have been released as provided in Section 5.1;

(b) the Collateral Trustee holds no other property in trust as part of the Junior Trust Estate;

(c) no monetary obligation (other than indemnification and other contingent obligations not then due and payable and outstanding letters of credit and bankers' acceptances that have been cash collateralized as provided in clause (c) of the definition of Discharge of Priority Lien Obligations) is outstanding and payable under this Agreement to the Collateral Trustee or any of its co-trustees, agents or sub-agents (whether in an individual or representative capacity); and

(d) the Borrower delivers to the Collateral Trustee an Officers' Certificate stating that all Liens of the Collateral Trustee have been released in compliance with all applicable provisions of the Parity Lien Documents and that the Obligors are not required by any Parity Lien Document to grant any Lien upon any property to secure the Parity Lien Obligations,

then the junior trust arising hereunder will terminate, except that, notwithstanding such termination, all provisions set forth in Sections 10.11 and 10.12 enforceable by the Collateral Trustee or any of its co-trustees, agents or sub-agents (whether in an individual or representative capacity) will remain enforceable in accordance with their terms.

The Parties further declare and covenant that the Junior Trust Estate will be held and distributed by the Collateral Trustee subject to the further agreements herein.

2.3 **Priority of Liens**.

(a) Notwithstanding anything else contained herein or in any other Security Document, it is the intent of the Parties that:

(i) this Agreement and the other Security Documents create two separate and distinct Trust Estates and Liens: (A) the Senior Trust Estate and Lien securing the payment and performance of the Priority Lien Obligations and (B) the Junior Trust Estate and Lien securing the payment and performance of the Parity Lien Obligations; and

(ii) the Liens securing the Parity Lien Obligations are subject and subordinate to the Liens securing the Priority Lien Obligations.

(b) The Parties agree that, after the date hereof and prior to the Discharge of Priority Lien Obligations, in no event will the Parity Debt Representatives or any Parity Lien Secured Parties have a Lien on any Collateral that is not subject and subordinate to the senior Lien of the Priority Lien Secured Parties.

(c) Both before and during an Insolvency Proceeding, until the Discharge of Priority Lien Obligations:

(i) the Parity Lien Secured Parties will not:

(A) request judicial relief, in an Insolvency Proceeding or in any other court, that would hinder, delay, limit or prohibit the lawful exercise or enforcement of any right or remedy otherwise available to the holders of Priority Lien Obligations in respect of the Priority Liens or that would limit, invalidate, avoid or set aside any Priority Lien or subordinate the Priority Liens to the Parity Liens or grant the Parity Liens equal ranking to the Priority Liens;

(B) oppose or otherwise contest any motion for relief from the automatic stay or for any injunction against foreclosure or enforcement of Priority Liens made by any holder of Priority Lien Obligations in any Insolvency Proceedings;

(C) oppose or otherwise contest any lawful exercise by any holder of Priority Lien Obligations of the right to credit bid Priority Lien Debt at any sale in foreclosure of Priority Liens; or

(D) oppose or otherwise contest any other request for judicial relief made in any court by any holder of Priority Lien Obligations relating to the lawful enforcement of any Priority Lien;

provided that, notwithstanding the foregoing, the Parity Debt Representative may take or cause to be taken enforcement action and exercise all of its other rights and remedies in respect of the Collateral under the Parity Lien Documents or applicable law after the passage of a period of 180 days (the "**Standstill Period**") from the date of delivery of a notice in writing to the Priority Debt Representative

of its intention to exercise such rights and remedies, which notice may only be delivered following (i) the occurrence of and during the continuation of a "Default" under and as defined in the Priority Lien Documents, (ii) upon the commencement of Insolvency Proceedings against the Borrower or any other Obligor, or (iii) upon the release of the Collateral Trustee's Liens upon the Collateral other than as permitted by Section 5.1 below and the Security Documents; provided, however, that, notwithstanding the foregoing, in no event shall the Parity Debt Representative take any enforcement action or exercise or continue to exercise any such rights or remedies if, notwithstanding the expiration of the Standstill Period, the Priority Debt Representative shall have commenced and be pursuing the commercially reasonable exercise of any of its rights and remedies with respect to all or any material portion of the Collateral (prompt notice of such exercise to be given to the Parity Debt Representative) (such as, by way of example and not in limitation, notification of account debtors, the solicitation of bids from third parties to conduct the liquidation of all or a material portion of the Collateral, the engagement or retention of sales brokers, marketing agents, investment bankers, accountants, auctioneers or other third parties for the purposes of valuing, marketing, promoting and selling a material portion of the Collateral, commencement of any legal proceeding or actions with respect to all or a material portion of the Collateral or diligently attempting to vacate any stay of enforcement of Liens held by or on behalf of the Priority Debt Representative on all or a material portion of the Collateral);

provided, further, that notwithstanding the foregoing, both before and during an Insolvency Proceeding, the Parity Debt Representative may take any actions and exercise any and all rights that would otherwise be available to a holder of unsecured claims, including the commencement of Insolvency Proceedings against the Borrower or any other Obligor in accordance with applicable law; except, that the Parity Lien Secured Parties may not challenge the validity, enforceability, perfection or priority of the Priority Liens; and

(ii) the Priority Lien Secured Parties will have the exclusive right to enforce rights and exercise remedies with respect to any Collateral that is part of the Senior Trust Estate, regardless of whether such Collateral may also be part of the Junior Trust Estate. Notwithstanding the foregoing, the Parity Debt Representative may enforce rights, exercise remedies and take actions:

(A) without any condition or restriction whatsoever, at any time after the Discharge of Priority Lien Obligations;

(B) as necessary to redeem any Collateral in a creditor's redemption permitted by law or to deliver any notice or demand necessary to enforce (subject to the prior Discharge of Priority Lien Obligations) any right to claim, take or receive proceeds of Collateral remaining after the Discharge of Priority Lien

Obligations in the event of foreclosure or other enforcement of any prior Lien;

(C) as necessary to perfect or establish the priority (subject to Priority Liens) of the Parity Liens upon any Collateral, except through possession or control; or

(D) as necessary to create, prove, preserve or protect (but not enforce) the Parity Liens upon any Collateral.

(d) In exercising rights and remedies with respect to the Collateral, the Priority Debt Representatives may enforce (or refrain from enforcing) the provisions of the Priority Lien Documents and exercise (or refrain from exercising) remedies thereunder or any such rights and remedies, all in such order and in such manner as they may determine in the exercise of their sole and exclusive discretion, including:

(i) the exercise or forbearance from exercise of all rights and remedies in respect of the Collateral and/or the Priority Lien Obligations;

(ii) the enforcement or forbearance from enforcement of any Lien in respect of the Collateral;

(iii) the exercise or forbearance from exercise of rights and powers of a holder of shares of stock included in the Senior Trust Estate to the extent provided in the Security Documents;

(iv) the acceptance of the Collateral in full or partial satisfaction of the Priority Lien Obligations; and

(v) the exercise or forbearance from exercise of all rights and remedies of a secured lender under the PPSA or any similar law of any applicable jurisdiction or in equity.

(e) Without in any way limiting the generality of the foregoing paragraphs, the Priority Lien Secured Parties may, at any time and from time to time, without the consent of or notice to the Parity Lien Secured Parties, without incurring responsibility to the Parity Lien Secured Parties and without impairing or releasing the subordination provided in this Agreement or the obligations hereunder of the Parity Lien Secured Parties, do any one or more of the following:

(i) release any Person liable in any manner for the collection of the Priority Lien Obligations;

(ii) release the Lien on any Collateral securing the Priority Lien Obligations; and

(iii) exercise or refrain from exercising any rights against any Obligor.

(f) Prior to the Discharge of Priority Lien Obligations, the Parity Lien Secured Parties and the Collateral Trustee may not assert or enforce any right of marshalling accorded to a junior lienholder, as against the Priority Lien Secured Parties (in their capacity as priority lienholders), under equitable principles.

2.4 Special Rights in Insolvency Proceedings.

(a) If in any Insolvency Proceeding and prior to the Discharge of Priority Lien Obligations, the holders of Priority Lien Obligations by an Act of Instructing Debtholders consent to any order:

(i) for use of cash Collateral;

(ii) approving a debtor-in-possession financing secured by a Lien that is senior to or on a parity with all Priority Liens upon any property of the estate in such Insolvency Proceeding;

(iii) granting any relief on account of Priority Lien Obligations as adequate protection (or its equivalent) for the benefit of the holders of Priority Lien Obligations in the Collateral subject to Priority Liens; or

(iv) relating to a sale of assets of the Borrower or any other Obligor that provides, to the extent the assets sold are to be free and clear of Liens, that all Priority Liens and Parity Liens will attach to the proceeds of the sale;

then, the Parity Lien Secured Parties, in their capacity as holders or representatives of secured claims, will not oppose or otherwise contest the entry of such order, so long as none of the Priority Lien Secured Parties in any respect opposes or otherwise contests any request made by any Parity Lien Secured Party for the grant to the Collateral Trustee, for the benefit of the Parity Lien Secured Parties, of a junior Lien upon any property on which a Lien is (or is to be) granted under such order to secure the Priority Lien Obligations, co-extensive in all respects with, but subordinated (as set forth in Section 2.3) to, such Lien and all Priority Liens on such property.

Notwithstanding the foregoing, both before and during an Insolvency Proceeding, the Parity Lien Secured Parties may take any actions and exercise any and all rights that would otherwise be available to a holder of unsecured claims, including, without limitation, the commencement of Insolvency Proceedings against the Borrower or any other Obligor in accordance with applicable law; provided, however, that, both before and during an Insolvency Proceeding, the Parity Lien Secured Parties may not challenge the validity, enforceability, perfection or priority of the Priority Liens.

(b) The Parity Lien Secured Parties will not file or prosecute in any Insolvency Proceeding any motion for adequate protection (or any comparable request for relief) based upon their interest in the Collateral under the Parity Liens, except that:

(i) they may freely seek and obtain relief: (A) granting a junior Lien co-extensive in all respects with, but subordinated (as set forth in Section 2.3) to, all Liens granted in such Insolvency Proceeding to, or for the benefit of, the holders of Priority Lien Obligations; or (B) in connection with the confirmation of any plan of reorganization or similar dispositive restructuring plan of the Borrower or any other Obligor; and

(ii) they may freely seek and obtain any relief upon a motion for adequate protection (or any comparable relief), without any condition or restriction whatsoever, at any time after the Discharge of Priority Lien Obligations.

(c) If in any Insolvency Proceeding of the Borrower or any other Obligor, debt obligations of the reorganized debtor secured by Liens on any property of the reorganized debtor are distributed both on account of Priority Lien Obligations and on account of Parity Lien Obligations, then, to the extent that the debt obligations distributed on account of the Priority Lien Obligations and on account of the Parity Lien Obligations are secured by Liens on the same property, the provisions of Section 2.3 will survive the distribution of those debt obligations pursuant to the plan and will apply with like effect to the Liens securing those debt obligations.

2.5 **Collateral Shared Equally and Ratably within Class**. The Parties agree that the payment and satisfaction of all of the Secured Obligations within each Class will be secured equally and ratably by the Liens established in favour of the Collateral Trustee for the benefit of the Secured Parties belonging to such Class. It is understood and agreed that nothing in this Section 2.5 is intended to alter the priorities among Secured Parties belonging to different Classes as provided in Section 2.3.

2.6 **Purchase Of Priority Lien Obligations By Parity Lien Secured Parties**

(a) Purchase Right

(i) If there is

(A) an acceleration of the Priority Lien Obligations in accordance with the Priority Lien Documents,

(B) a payment default under the Priority Lien Documents that is not cured, or waived by Priority Lien Secured Parties, or

(C) the commencement of an Insolvency Proceeding, (each a "**Purchase Event**");

then Parity Lien Secured Parties may purchase all, but not less than all, of the Priority Lien Obligations (the "**Purchase Obligations**"). Such purchase will

(I) include all principal of, and all accrued and unpaid interest, fees, and expenses in respect of, all Priority Lien Obligations outstanding at the time of purchase,

(II) be made pursuant to an assignment agreement (as applicable for purposes of the Priority Lien Documents), whereby Parity Lien Secured Parties will assume all funding commitments and Obligations of Priority Lien Secured Parties under the Priority Lien Documents, and

(III) otherwise be subject to the terms and conditions of this Section 2.6(a).

(ii) Except to the extent required to preserve, perfect or otherwise maintain the Priority Lien Obligations and the rights and priorities thereof, the Priority Lien Secured Parties will not commence an enforcement action following delivery of a completed Purchase Notice in accordance with Section 2.6(b) until the earlier of (i) any Purchasing Creditor purports to revoke or defaults thereunder and (ii) the Purchase Date; and thereafter in accordance with Section 2.6(e).

(b) Purchase Notice

(i) Parity Lien Secured Parties desiring to purchase all of the Purchase Obligations (the "**Purchasing Creditors**") will deliver a purchase notice (the "**Purchase Notice**") to the Priority Debt Representative that

(A) is signed by the Purchasing Creditors,

(B) states that it is a Purchase Notice under this Section 2.6(b),

(C) states that each Purchasing Creditor is irrevocably electing to purchase, in accordance with this Section 2.6(b), the percentage of all of the Purchase Obligations stated in the Purchase Notice for that Purchasing Creditor, which percentages must aggregate exactly 100% for all Purchasing Creditors,

(D) represents and warrants that the Purchase Notice is in conformity with the Parity Lien Debt Documents and any other binding agreement among Parity Debt Representatives,

(E) designates a purchase date (the "**Purchase Date**") on which the purchase will occur that is at least five but not more than ten Business Days after the Priority Debt Representative's receipt of the Purchase Notice; and

(F) sets forth in reasonable detail calculations demonstrating that such purchase is sufficient to pay, discharge or cash collateralize the Priority Lien Obligations as set out in paragraphs (b), (c) and (d) of the definition of "Discharge of Priority Lien Obligations".

The Purchase Notice must be received by the Priority Debt Representative during the period following the occurrence of, and during the continuance of, a Purchase Event.

(ii) Upon the Priority Debt Representative's receipt of an effective Purchase Notice conforming to Section 2.6(b)(i), the Purchasing Creditors will be irrevocably obligated to purchase, and the Priority Lien Secured Parties will be irrevocably obligated to sell, the Priority Lien Obligations in accordance with and subject to this Section 2.6.

(c) Purchase Price

The purchase price with respect to the Priority Lien Obligations to be purchased will equal:

(i) the principal amount of all loans, advances, or similar extensions of credit included in such Priority Lien Obligations to be purchased (including unreimbursed amounts drawn on letters of credit, but excluding the undrawn amount of outstanding letters of credit), plus

(ii) all accrued and unpaid interest thereon through the date of purchase (excluding any acceleration prepayment penalties or premiums), and all accrued and unpaid fees, expenses, and other amounts owed to the Priority Lien Secured Parties under the Priority Lien Documents on such Purchase Date.

(d) Purchase Closing

On the Purchase Date,

(i) the Purchasing Creditors and Priority Debt Representative will execute and deliver the assignment agreement,

(ii) the Purchasing Creditors will pay the Purchase Price to the Priority Debt Representative by wire transfer of immediately available funds,

(iii) the Purchasing Creditors will deposit with Priority Debt Representative or its designee by wire transfer of immediately available funds, 105% of the

aggregate undrawn amount of all then outstanding Letters of Credit and bankers' acceptances along with the aggregate stamping, facing and similar fees that will accrue thereon through the stated maturity of the Letters of Credit or bankers' acceptances as applicable (assuming no drawings thereon before stated maturity), and

(iv) Parity Debt Representative will execute and deliver to Priority Debt Representative a waiver of all claims arising out of this Agreement and the transactions contemplated hereby as a result of exercising the purchase option contemplated by this Section 2.6.

(e) Actions After Purchase Closing

(i) Promptly after the closing of the purchase of all Purchase Obligations, Priority Debt Representative will distribute the Purchase Price to Priority Lien Secured Parties in accordance with the terms of the Priority Lien Documents.

(ii) After the closing of the purchase of all Purchase Obligations, the Purchasing Creditors may request that Priority Debt Representative immediately resign as administrative agent and, if applicable, collateral agent under the Priority Lien Documents, and Priority Debt Representative will immediately resign if so requested. Upon such resignation, a new administrative agent and, if applicable, a new collateral agent will be elected or appointed in accordance with the Priority Lien Documents.

(iii) Priority Debt Representative will apply cash collateral to reimburse Letter of Credit issuers for drawings under Letters of Credit and to settle bankers' acceptances upon maturity, along with any customary fees charged by the issuer in connection with such draws, and facing or similar fees. After giving effect to each such payment, any remaining cash collateral that exceeds 100% of the sum of the aggregate undrawn amount of all then outstanding Letters of Credit and bankers' acceptances and the aggregate facing and similar fees that will accrue thereon through the stated maturity of such Letters of Credit (assuming no drawings thereon before stated maturity) will be returned to the Purchasing Creditors (as their interests appear). When all Letters of Credit have been cancelled with the consent of the beneficiary thereof, expired, or been fully drawn, all bankers' acceptances have matured and after all payments from the account described above have been made, any remaining cash collateral will be returned to the Purchasing Creditors, as their interests appear.

(iv) If for any reason other than the gross negligence or willful misconduct of Priority Debt Representative, the cash collateral is less than the amount owing with respect to a Letter of Credit or bankers' acceptance described in the preceding subsection (c), then the Purchasing Creditors will, in proportion to their interests, promptly reimburse Priority Debt

Representative (who will then pay the issuing bank) the amount of the deficiency.

(f) No Recourse Or Warranties; Defaulting Creditors

(i) Priority Lien Secured Parties will be entitled to rely on the statements, representations, and warranties in the Purchase Notice without investigation.

(ii) The purchase and sale of the Priority Lien Obligations under this Section 2.6 will be without recourse and without representation or warranty of any kind by Priority Lien Secured Parties, except that Priority Lien Secured Parties represent and warrant that on the Purchase Date, immediately before giving effect to the purchase,

(A) the principal of and accrued and unpaid interest on the First Lien Obligations, and the fees and expenses thereof, are as stated in the Assignment Agreement,

(B) Priority Lien Secured Parties own the Priority Lien Obligations free and clear of any Liens (other than participation interests not prohibited by the Priority Lien Documents, in which case such Priority Lien Secured Party agrees that it will discharge such participation interests without recourse or liability to the Purchasing Creditors), and

(C) each Priority Lien Secured Party has the full right and power to assign its Priority Lien Obligations and such assignment has been duly authorized by all necessary corporate action by such Priority Lien Secured Party.

(iii) The obligations of Priority Lien Secured Parties to sell their respective Purchase Obligations under this Section 2.6 are several and not joint and several. If a Priority Lien Secured Party (a "**Defaulting Creditor**") breaches its obligation to sell its Purchase Obligations under this Section 2.6, no other Priority Lien Secured Party will be obligated to purchase the Defaulting Creditor's Purchase Obligations for resale to the holders of Parity Lien Obligations. A Priority Lien Secured Party that complies with this Section 2.6 will not be in default of this Agreement or otherwise be deemed liable for any action or inaction of any Defaulting Creditor, provided that nothing in this subsection (iii) will require the Purchasing Creditors to purchase less than all of the Purchase Obligations.

The Obligors irrevocably consent, and will use their best efforts to obtain any necessary consent of each other Person that becomes an Obligor from time to time, to any assignment effected to one or more Purchasing Creditors pursuant to this Section 2.6.

ARTICLE 3
OBLIGATIONS AND POWERS OF COLLATERAL TRUSTEE

3.1 **Undertaking of the Collateral Trustee**.

(a) Subject to, and in accordance with, this Agreement, the Collateral Trustee will, as trustee, for the benefit solely and exclusively of the present and future Secured Parties:

(i) accept, enter into, hold, maintain, administer and enforce all Security Documents, including all Collateral subject thereto, and all Liens created thereunder, perform its obligations under the Security Documents and protect, exercise and enforce the interests, rights, powers and remedies granted or available to it under, pursuant to or in connection with the Security Documents;

(ii) take all lawful and commercially reasonable actions permitted under the Security Documents that it may deem necessary or advisable to protect or preserve its interest in the Collateral subject thereto and such interests, rights, powers and remedies;

(iii) deliver and receive notices pursuant to the Security Documents;

(iv) sell, assign, collect, assemble, foreclose on, institute legal proceedings with respect to, or otherwise exercise or enforce the rights and remedies of a secured party (including a mortgagee, trust deed beneficiary and insurance beneficiary or loss payee) with respect to the Collateral under the Security Documents and its other interests, rights, powers and remedies;

(v) remit as provided in Section 3.4 all cash proceeds received by the Collateral Trustee from the collection, foreclosure or enforcement of its interest in the Collateral under the Security Documents or any of its other interests, rights, powers or remedies;

(vi) execute and deliver amendments to the Security Documents as from time to time authorized by an Act of Instructing Debtholders accompanied by an Officers' Certificate to the effect that the amendment was permitted by each applicable Secured Debt Document; and

(vii) release any Lien granted to it by any Security Document upon any Collateral if and as required by Section 5.1(b) or Section 5.1(c).

(b) Each Party acknowledges and consents to the undertaking of the Collateral Trustee set forth in Section 3.1(a) and agrees to each of the other provisions of this Agreement applicable to it.

(c) Notwithstanding anything to the contrary contained in this Agreement, the Collateral Trustee will not commence any exercise of remedies or any foreclosure actions or otherwise take any action or proceeding against any of the Collateral (other than actions as necessary to prove, protect or preserve the Liens securing the Secured Obligations) unless and until it shall have received a Notice of Actionable Default, and then only in accordance with the provisions of this Agreement.

3.2 Release or Subordination of Liens.

The Collateral Trustee will not release or subordinate any Lien of the Collateral Trustee or consent to the release or subordination of any Lien of the Collateral Trustee, except:

(a) as directed by an Act of Instructing Debtholders accompanied by an Officers' Certificate to the effect that the release or subordination was permitted by each applicable Secured Debt Document;

(b) as required by Article 5;

(c) as ordered pursuant to applicable law under a final and non-appealable order or judgment of a court of competent jurisdiction; or

(d) for the subordination of the Junior Trust Estate and the Parity Liens to the Senior Trust Estate and the Priority Liens.

3.3 Remedies Upon Actionable Default. If the Collateral Trustee at any time receives a Notice of Actionable Default, the Collateral Trustee will, as soon as reasonably practicable, deliver written notice thereof to each Secured Debt Representative. Thereafter, the Collateral Trustee may await direction by an Act of Instructing Debtholders and will act, or decline to act, as directed by an Act of Instructing Debtholders, in the exercise and enforcement of the Collateral Trustee's interests, rights, powers and remedies in respect of the Collateral or under the Security Documents or applicable law and, following the initiation of such exercise of remedies, the Collateral Trustee will act, or decline to act, with respect to the manner of such exercise of remedies as directed by an Act of Instructing Debtholders. Unless it has been directed to the contrary by an Act of Instructing Debtholders, the Collateral Trustee in any event may (but will not under any circumstances be obligated to) take or refrain from taking such action with respect to any Actionable Default as it may deem advisable and in the best interest of the holders of Secured Obligations.

3.4 Application of Proceeds.

(a) The Collateral Trustee will apply the proceeds of any collection, sale, foreclosure or other realization upon any Collateral and the proceeds of any insurance policy, including any title insurance policy, in the following order of application and pursuant to wiring instructions as specified in an Act of Instructing Debtholders:

(i) FIRST, to the payment of all amounts payable under this Agreement on account of the Collateral Trustee's direct or indirect fees and any reasonable legal fees, costs and expenses or other liabilities or debts of any kind incurred by the Collateral Trustee or any co-trustee or agent in connection with this Agreement or any other Security Document;

(ii) SECOND, to the repayment of Indebtedness or other Obligations, other than Secured Debt, secured by a Permitted Prior Lien on the Collateral sold or realized upon;

(iii) THIRD, to the respective Priority Debt Representatives for application to the payment of all outstanding Priority Lien Debt and any other Priority Lien Obligations that are then due and payable in such order as may be provided in the Priority Lien Documents in an amount sufficient to pay in full in cash all outstanding Priority Lien Debt and all other Priority Lien Obligations that are then due and payable (including all interest accrued thereon after the commencement of any bankruptcy or other Insolvency Proceeding at the rate, including any applicable post-default rate, specified in the Priority Lien Documents, even if such interest is not enforceable, allowable or allowed as a claim in such proceeding, and including the discharge or cash collateralization (at the lower of (1) 105% of the aggregate undrawn amount and (2) the percentage of the aggregate undrawn amount required for release of Liens under the terms of the applicable Priority Lien Document) of all outstanding letters of credit and bankers' acceptances constituting Priority Lien Debt);

(iv) FOURTH, to the respective Parity Debt Representatives for application to the payment of all outstanding Parity Lien Debt and any other Parity Lien Obligations that are then due and payable in such order as may be provided in the Parity Lien Documents in an amount sufficient to pay in full in cash all outstanding Parity Lien Debt and all other Parity Lien Obligations that are then due and payable (including all interest accrued thereon after the commencement of any bankruptcy or other Insolvency Proceeding at the rate, including any applicable post-default rate, specified in the Parity Lien Documents, even if such interest is not enforceable, allowable or allowed as a claim in such proceeding, and including the discharge or cash collateralization (at 102.5% of the aggregate undrawn amount) of all outstanding letters of credit and bankers' acceptances constituting Parity Lien Debt); and

(v) FIFTH, any surplus remaining after the irrevocable and unconditional payment in full in cash of all of the Secured Obligations entitled to the benefit of such Collateral will be paid to the Borrower or the other applicable Obligors, as the case may be, or its successors or assigns, or as a court of competent jurisdiction may direct.

(b) If any Parity Debt Representative or any holder of a Parity Lien Obligation collects or receives any proceeds in respect of the Parity Lien Obligations that should have been applied to the payment of the Priority Lien Obligations or obligations secured by a Permitted Prior Lien in accordance with clause (a) above and a Responsible Officer of such Parity Debt Representative shall have received written notice, or shall have actual knowledge, of the same prior to such Parity Debt Representative's distribution of such proceeds, whether after the commencement of an Insolvency Proceeding or otherwise, such Parity Debt Representative or such holder of a Parity Lien Obligation, as the case may be, will forthwith deliver the same to the Collateral Trustee, for the account of the holders of the Priority Lien Obligations or obligations secured by a Permitted Prior Lien, in the form received, duly endorsed to the Collateral Trustee, for the account of the holders of the Priority Lien Obligations or obligations secured by a Permitted Prior Lien to be applied in accordance with clause (a) above.

Until so delivered, such proceeds will be held by such Parity Debt Representative or such holder of a Parity Lien Obligation, as the case may be, for the benefit of the holders of the Priority Lien Obligations or obligations secured by a Permitted Prior Lien. This Section 3.4(b) shall not apply to payments received by any holder of Parity Lien Obligations if such payments are not proceeds of any collection, sale, foreclosure or other realization upon any Collateral.

3.5 Powers of the Collateral Trustee.

(a) The Collateral Trustee is irrevocably authorized and empowered to enter into and perform its obligations and protect, perfect, exercise and enforce its interest, rights, powers and remedies under the Security Documents and applicable law and in equity and to act as set forth in this Article 3 or as requested in any lawful directions given to it from time to time in respect of any matter by an Act of Instructing Debtholders.

(b) No Secured Debt Representative, Secured Debtholder or other holder of Secured Obligations will have any liability whatsoever for any act or omission of the Collateral Trustee, subject to Section 10.12.

3.6 Documents and Communications. The Collateral Trustee will permit each Secured Debt Representative and each Secured Debtholder upon reasonable written notice from time to time to inspect and copy, at the cost and expense of the party requesting such copies, any and all Security Documents and other documents, notices, certificates, instructions or communications received by the Collateral Trustee in its capacity as such.

3.7 For Sole and Exclusive Benefit of Holders of Secured Obligations. The Collateral Trustee will accept, hold, administer and enforce all Liens at any time transferred or delivered to it and all other interests, rights, powers and remedies at any time granted to or enforceable by the Collateral Trustee and all other property of the Trust Estates solely and exclusively for the benefit of the present and future holders of present and future Secured Obligations, and will distribute all proceeds received by it in realization thereon

or from enforcement thereof solely and exclusively pursuant to the provisions of Section 3.4.

3.8 Additional Secured Debt.

(a) The Collateral Trustee will, as trustee hereunder, perform its undertakings set forth in Section 3.1(a) with respect to each holder of Secured Obligations of a Series of Secured Debt that is issued or incurred after the date hereof that:

(i) holds Secured Obligations that are identified as Parity Lien Debt or Priority Lien Debt in accordance with the procedures set forth in Section 3.8(b); and

(ii) signs, through its designated Secured Debt Representative identified pursuant to Section 3.8(b), a Collateral Trust Joinder.

(b) The Borrower or any other Obligor will be permitted to designate as additional Secured Debtholders hereunder each Person who is, or who becomes, the registered holder of Parity Lien Debt or the registered holder of Priority Lien Debt incurred by such Borrower or Obligor after the date of this Agreement in accordance with the terms of the Secured Debt Documents. Such Borrower or Obligor may effect such designation by delivering to the Collateral Trustee, with copies to each previously identified Secured Debt Representative, each of the following:

(i) an Officers' Certificate stating that the Borrower or applicable Obligor intends to incur additional Secured Debt ("**New Secured Debt**") which will either be (A) Priority Lien Debt permitted by each applicable Secured Debt Document to be secured by a Priority Lien on a pari passu basis with all previously existing Priority Lien Debt or (B) Parity Lien Debt permitted by each applicable Secured Debt Document to be secured with a Parity Lien on a pari passu basis with all previously existing Parity Lien Debt;

(ii) evidence that the Borrower or applicable Obligor has duly authorized, executed (if applicable) and recorded (or caused to be recorded) in each appropriate governmental office all relevant financing statements, filings and recordations, if any, to ensure that the New Secured Debt is secured by the Collateral; and

(iii) a written notice specifying the name and address of the Secured Debt Representative for such series of New Secured Debt for purposes of Section 10.9.

Notwithstanding the foregoing, nothing in this Agreement will be construed to allow the Borrower or any other Obligor to incur additional Indebtedness unless otherwise permitted by the terms of the Secured Debt Documents.

(c) In the case of a Lender Hedge Provider:

(i) the execution of this Agreement by the Secured Debt Representative of such Lender Hedge Provider shall, without further action or confirmation and regardless of whether such Lender Hedge Provider or its Affiliate ceases thereafter to be a lender under such Credit Facility, bind such Lender Hedge Provider (or, if such Lender Hedge Provider is an Affiliate of a lender under a Credit Facility, such execution shall bind such Affiliate, and such lender shall be jointly and severally liable for the obligations of such Affiliate, as a Secured Party hereunder); and

(ii) the Secured Debt Representative of such Lender Hedge Provider shall be the administrative agent under the applicable Credit Facility to which such Lender Hedge Provider (or its Affiliate) is a lender at the time the applicable Hedge Agreement was entered into, notwithstanding whether such Lender Hedge Provider ceases thereafter to be a lender under such Credit Facility for whatever reason; provided that if a Lender Hedge Provider delivers a Collateral Trust Joinder, such Lender Hedge Provider will become its own Secured Debt Representative from and after the later of the date that it ceases to be a lender under such Credit Facility and the date that it delivers a Collateral Trust Joinder.

ARTICLE 4
HEDGING

4.1 **Hedge Obligations Secured by Priority Liens**. Subject to Sections 3.8 and 4.2, all Hedge Obligations, to the extent permitted by each of the applicable Secured Debt Documents, shall form part of the Priority Lien Debt and shall be entitled to be secured by and receive the benefits of the Secured Debt in the manner set forth in this Agreement.

4.2 **Limitation on Rights of Hedge Providers**. No Hedge Provider shall be entitled to vote on, consent to, or provide instructions to the Collateral Trustee on any matter under or in connection with this Agreement related to any Obligor (other than an amendment to this Agreement) unless the only Priority Lien Obligations outstanding are Hedge Obligations; provided that the Hedge Obligations owed to a Lender Hedge Provider (who is, or its Affiliate is, still a lender under a Credit Facility but not otherwise) shall be used in the determination of whether there has been an Act of Instructing Debtholders in accordance with clause (a)(i) of the definition thereof. A Hedge Provider shall be entitled to participate in the proceeds of realization of any enforcement action initiated by the Collateral Trustee in accordance with the terms hereof and deliver a notice to the Collateral Trustee indicating the same but cannot vote on consent to, or provide instructions to the Collateral Trustee on any matter under or in connection with any such enforcement action. Notwithstanding the foregoing, nothing in this Section 4.2 shall limit any other rights or remedies any Hedge Provider may have under the Hedge Agreements to which it is a party or applicable law.

4.3 **Hedge Reporting**. The Borrower shall provide to each Secured Debt Representative, upon reasonable request therefor, a summary of all of its then outstanding Hedge Obligations together with such particulars as will evidence compliance by the Borrower and the other Obligors with the restrictions on hedging imposed in the Secured Debt Documents to which it is a party from time to time.

ARTICLE 5
OBLIGATIONS ENFORCEABLE BY THE BORROWER AND THE OTHER OBLIGORS

5.1 **Release of Liens**.

(a) The Collateral Trustee's Liens upon the Collateral will be released pursuant to Section 5.1(b) below:

(i) in whole, upon (A) payment in full in cash and discharge of all outstanding Secured Debt and all other Secured Obligations that are outstanding, due and payable at the time all of the Secured Debt is paid in full in cash and discharged and (B) termination or expiration of all commitments to extend credit under all Secured Debt Documents and the cancellation or termination or cash collateralization (at the lower of (1) 105% of the aggregate undrawn amount and (2) the percentage of the aggregate undrawn amount required for release of Liens under the terms of the applicable Secured Debt Documents) of all outstanding letters of credit and bankers' acceptances issued pursuant to any Secured Debt Documents;

(ii) as to any Collateral that is sold, transferred or otherwise disposed of by the Borrower or any other Obligor in a transaction or other circumstance that is not prohibited by the Secured Debt Documents, at the time of such sale, transfer or other disposition or to the extent of the interest sold, transferred or otherwise disposed of; and

(iii) as to any Collateral other than Collateral being released pursuant to clauses (i) or (ii) of this paragraph (a), if (A) consent to the release of that Collateral has been given by an Act of Instructing Debtholders; provided, that if such Collateral represents all or substantially all of the Collateral, consent to release of such Collateral has been given by the requisite percentage or number of holders of each Series of Secured Debt at the time outstanding as provided for in the applicable Secured Debt Documents and (B) the Borrower has delivered an Officer's Certificate to the Collateral Trustee certifying that any such necessary consents have been obtained; provided, that the Collateral Trustee receives a copy of the Act of Instructing Debtholders referred to in clause (A) above.

(b) The Collateral Trustee agrees for the benefit of the Borrower and the other Obligors that if the Collateral Trustee at any time receives:

(i) an Officers' Certificate stating that (A) the signing officers have read Article 5 of this Agreement and understand the provisions and the definitions relating hereto, (B) such officers have made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not the conditions precedent in this Agreement and all other Secured Debt Documents, if any, relating to the release of the Collateral have been complied with and (C) in the opinion of such officers, such conditions precedent, if any, have been complied with;

(ii) the proposed instrument or instruments releasing such Lien as to such property in recordable form, if applicable; and

(iii) in the case of Collateral which is being disposed of other than in accordance with Sections 5.1(c)(ii), (iii), (iv), or (v):

(A) prior to the Discharge of Priority Lien Obligations, the written confirmation of each Priority Debt Representative (such confirmation to be given following receipt of, and based solely on, the Officers' Certificate described in clause (i) above) that, in its view, such release is permitted by Section 5.1(a) and the respective Secured Debt Documents governing the Secured Obligations the holders of which such Secured Debt Representative represents; and

(B) prior to the Discharge of Parity Lien Obligations, either:

(I) the written confirmation of each Parity Debt Representative (such confirmation to be given following receipt of, and based solely on, the Officers' Certificate described in clause (i) above) that, in its view, such release is permitted by Section 5.1(a) and the respective Secured Debt Documents governing the Secured Obligations the holders of which such Secured Debt Representative represents; or

(II) the Officers' Certificate described in clause (i) above together with an opinion of legal counsel (who may be counsel to the applicable Obligor), in form and substance satisfactory to the Collateral Trustee, acting reasonably, that such disposition is in compliance with the applicable Secured Debt Documents;

then the Collateral Trustee will execute (with such acknowledgements and/or notarizations as are required) and deliver such release to the Borrower or applicable Obligor on or before the later of (A) the date specified in such request for such release and (B) the fourth Business Day after the date of receipt of the items required by this Section 5.1(b) by the Collateral Trustee, unless the Collateral Trustee receives written notice from a Secured Debt Representative that

it disputes the accuracy of any of the foregoing items prior to the expiry of such four Business Day period.

(c) Notwithstanding Section 5.1(a), upon the occurrence of the following, the Collateral Trustee's Lien in the applicable Collateral specified below shall automatically, without further action, be released:

(i) with respect to any Collateral that shall be sold, transferred or otherwise disposed of in the ordinary course of business, provided, that such sale, transfer or other disposition does not violate the terms of any Secured Debt Document, upon such sale, transfer or other disposition, the Lien of the Security Documents in such Collateral shall automatically, without further action, be released;

(ii) with respect to any Capital Stock issued by any Obligor (other than the Borrower) that is dissolved, provided, that such dissolution does not violate the terms of any Secured Debt Document, upon such dissolution, the Lien of the Security Documents in such capital stock issued by such Obligor shall automatically, without further action, be released;

(iii) unless an Actionable Default shall have occurred and be continuing and the Collateral Trustee shall have received an Act of Instructing Debtholders to the contrary, with respect to amounts withdrawn from any accounts by any Obligor pursuant to, and in accordance with, the applicable Security Documents with respect thereto, and in each case applied to pay third-party liabilities in the ordinary course of business or to make restricted payments and permitted investments but only to the extent in compliance with each other Secured Debt Document, upon such application, the Lien of the Security Documents in such amounts shall automatically, without further action, be released;

(iv) with respect to amounts distributed by the Collateral Trustee pursuant to, and in accordance with the provisions of this Agreement, upon such distribution, the Lien of the Security Documents in such amounts shall automatically, without further action, be released; and

(v) with respect to any Collateral for which the release of the Lien of the Security Documents is provided for pursuant to a provision of any Security Document, the Lien of the Security Documents on such Collateral shall automatically, without further action, hereunder be released as provided for in such provision;

and, in each such case except (i) above, upon request of the Borrower, the Collateral Trustee will execute (with such acknowledgements and/or notarizations as are required) and deliver evidence of such release to the Borrower; provided, however, that within 15 days after the end of the six-month periods ended on June 30 and December 31 in each year or promptly upon the request of the Collateral

Trustee, the Borrower will deliver to the Collateral Trustee an Officers' Certificate to the effect that no release of Collateral pursuant to this Section 5.1(c) during the preceding six-month period has violated the terms of any Secured Debt Document.

(d) The Collateral Trustee hereby agrees that:

(i) in the case of any release pursuant to clause (ii) of Section 5.1(a), if the terms of any such sale, transfer or other disposition require the payment of the purchase price to be contemporaneous with the delivery of the applicable release, then, at the written request of and at the expense of the Borrower or Obligor, the Collateral Trustee will either be present at the closing of such transaction or will deliver the release under customary escrow arrangements that permit such contemporaneous payment and delivery of the release; and

(ii) at any time when a Secured Debt Default under a Series of Secured Debt that constitutes Parity Lien Debt has occurred and is continuing, within one Business Day of the receipt by it of any Act of Instructing Debtholders pursuant to Section 5.1(a)(iii), the Collateral Trustee will deliver a copy of such Act of Instructing Debtholders to each Secured Debt Representative.

(e) Each Secured Debt Representative (in the case of the Parity Debt Representative, only upon the discharge of all of the Priority Lien Obligations) hereby agrees that:

(i) as soon as reasonably practicable after receipt of an Officers' Certificate pursuant to Section 5.1(b)(a)(i) it will, to the extent required by such Section, either provide (A) the written confirmation required by Section 5.1(b)(iii), (B) a written statement that such release is not permitted by Section 5.1(a) or (C) a request for further information from the Borrower reasonably necessary to determine whether the proposed release is permitted by Section 5.1(a) and after receipt of such information such Secured Debt Representative will as soon as reasonably practicable either provide the written confirmation or statement required pursuant to clause (A) or (B), as applicable; and

(ii) within one Business Day of the receipt by it of any notice from the Collateral Trustee pursuant to Section 5.1(d)(ii), such Secured Debt Representative will deliver a copy of such notice to each registered holder of the Series of Priority Lien Debt or Series of Parity Lien Debt for which it acts as Secured Debt Representative.

5.2 **Delivery of Copies to Secured Debt Representatives**. The Borrower will deliver to each Secured Debt Representative a copy of each Officers' Certificate delivered to the Collateral Trustee pursuant to Section 5.1(b), together with copies of all documents delivered to the Collateral Trustee with such Officers' Certificate. The Secured Debt

Representatives will not be obligated to take notice thereof or to act thereon, subject to Section 5.1(e).

5.3 **Collateral Trustee not Required to Serve, File or Record**. The Collateral Trustee is not required to serve, file, register or record any instrument releasing or subordinating its Lien in any Collateral; provided, however, that if the Borrower or any Obligor shall make a written demand for a termination statement in respect of itself under the PPSA, the Collateral Trustee shall comply with the written request of such Borrower or Obligor to comply with the requirements of the PPSA, provided, that the Collateral Trustee must first confirm with the Secured Debt Representatives that the requirements of the PPSA have been satisfied.

5.4 **Land Registry Offices**. Nothing in this Agreement shall obligate any Party to register the Liens in respect of the Collateral at any land registry office until a Priority Debt Representative or, following the Discharge of Priority Lien Obligations, a Parity Debt Representative, requests such registration by notice in writing to the Collateral Trustee but only to the extent permitted by the applicable Secured Debt Documents.

ARTICLE 6
IMMUNITIES OF THE COLLATERAL TRUSTEE

6.1 **No Implied Duty**. The Collateral Trustee will not have any fiduciary duties nor will it have responsibilities or obligations other than those expressly assumed by it in this Agreement and the other Security Documents. The Collateral Trustee will not be required to take any action that is contrary to applicable law or any provision of this Agreement or the other Security Documents. The Collateral Trustee shall have no duty to monitor compliance by the Borrower or the other Obligors with its duties and obligations under this Agreement or the other Security Documents, except to the extent expressly provided herein or therein.

6.2 **Appointment of Agents and Advisors**. The Collateral Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, legal counsel, accountants, appraisers or other experts or advisors selected by it in good faith as it may reasonably require for the purpose of discharging its duties hereunder and will not be responsible for any misconduct or negligence on the part of any of them. The Collateral Trustee may pay remuneration for all services performed for it in the discharge of its duties hereunder without taxation for costs or fees of any counsel, solicitor or attorney. The Collateral Trustee may act and rely and shall be protected in acting in good faith on the opinion or advice of or information obtained from any agent, counsel, accountant, engineer, appraiser or other expert or advisor, whether retained or employed by the Collateral Trustee or any other Party, in relation to any matter arising in the performance of its duties under this Agreement.

6.3 **Co-Collateral Trustees**.

(a) At any time or times, for the purposes of meeting the legal requirements of any jurisdiction in which any of the Collateral may at the time be located, the

Borrower and the Collateral Trustee shall have power to appoint and, upon written request of the Collateral Trustee upon the written instructions of a Secured Debt Representative or otherwise, the Obligors shall for such purpose join with the Collateral Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to appoint one or more Persons approved by the Collateral Trustee to act as co-trustee, jointly with the Collateral Trustee, of all or any part of the Collateral, with such powers as may be provided in the instrument of appointment, and to vest in such Person or Persons in the capacity aforesaid, any property, title, right or power deemed necessary or desirable, subject to the other provisions of this Section 6.3; provided that any person appointed as a co-trustee hereunder must meet the requirements of Section 7.2. If the Borrower does not join in such appointment within 15 days after the receipt by it of a request to do so, or in case it has received a Notice of Actionable Default, the Collateral Trustee alone shall have power to make such appointment.

(b) Should any written instrument from the Borrower be required by any co-trustee so appointed for more fully confirming to such co-trustee such property, title, right or power, any and all such instruments shall, on request, be executed, acknowledged and delivered by the Borrower.

(c) Every co-trustee shall, to the extent permitted by law, but to such extent only, be appointed subject to the following terms:

(i) All rights, powers, duties and obligations hereunder in respect of the custody of securities, cash and other personal property held by, or required to be deposited or pledged with, the Collateral Trustee hereunder, shall be exercised solely by the Collateral Trustee.

(ii) The rights, powers, duties and obligations hereby conferred or imposed upon the Collateral Trustee in respect of any property covered by such appointment shall be conferred or imposed upon and exercised or performed by the Collateral Trustee or by the Collateral Trustee and such co-trustee jointly, as shall be provided in the instrument appointing such co-trustee, except to the extent that under any law of any jurisdiction in which any particular act is to be performed, the Collateral Trustee shall be incompetent or unqualified to perform such act, in which event such rights, powers, duties and obligations shall be exercised and performed by such co-trustee.

(iii) The Collateral Trustee at any time, by an instrument in writing executed by it, with the concurrence of the Borrower evidenced by an Officers' Certificate, may accept the resignation of or remove any co-trustee appointed under this Section 6.3, and, in case it has received a Notice of Actionable Default, the Collateral Trustee shall have power to accept the resignation of, or remove, any such co-trustee without the concurrence of the Borrower. Upon the written request of the Collateral Trustee, the Borrower shall join with the Collateral Trustee in the execution, delivery

and performance of all instruments and agreements necessary or proper to effectuate such resignation or removal. A successor to any co-trustee so resigned or removed may be appointed in the manner provided in this Section 6.3.

(iv) No co-trustee hereunder shall be personally liable by reason of any act or omission of the Collateral Trustee, or any such other trustee hereunder.

(v) Any notice, direction or instruction delivered to the Collateral Trustee shall be deemed to have been delivered to each such co-trustee.

6.4 **Other Agreements**. The Collateral Trustee has accepted and is bound by the Security Documents executed by the Collateral Trustee as of the date of this Agreement and, as directed by an Act of Instructing Debtholders, the Collateral Trustee may execute additional Security Documents delivered to it after the date of this Agreement, provided, however, that such additional Security Documents do not adversely affect the rights, privileges, benefits and immunities of the Collateral Trustee. The Collateral Trustee will not otherwise be bound by, or be held obligated by, the provisions of any credit agreement, indenture or other agreement governing Secured Debt (other than this Agreement and the other Security Documents).

6.5 **Solicitation of Instructions**.

(a) The Collateral Trustee may at any time solicit written confirmatory instructions, in the form of an Act of Instructing Debtholders, an Officers' Certificate or an order of a court of competent jurisdiction, as to any action that it may be requested or required to take, or that it may propose to take, in the performance of any of its obligations under this Agreement and the other Security Documents.

(b) Any written direction given to the Collateral Trustee by an Act of Instructing Debtholders that in the sole judgment of the Collateral Trustee imposes, purports to impose or might reasonably be expected to impose upon the Collateral Trustee any obligation or liability not set forth in or arising under this Agreement and the other Security Documents will not be binding upon the Collateral Trustee unless the Collateral Trustee elects, at its sole option, to accept such direction.

6.6 **Limitation of Liability**. The Collateral Trustee will not be responsible or liable for any action taken or omitted to be taken by it hereunder or under any other Security Documents except for its own gross negligence, bad faith or wilful misconduct as determined by a court of competent jurisdiction.

6.7 **Documents in Satisfactory Form**. The Collateral Trustee will be entitled to require that all agreements, certificates, opinions, instruments and other documents at any time submitted to it, including those expressly provided for in this Agreement, be delivered to it in a form and with substantive provisions reasonably satisfactory to it.

6.8 **Entitled to Rely**. The Collateral Trustee may conclusively rely upon, and shall be fully protected in relying upon, any writing, certificate, notice, statement, order or other

document (including any facsimile) reasonably believed by it to be genuine and correct and to have been signed or sent by or on behalf of the proper Person or Persons and need not investigate any fact or matter stated in any such document. The Collateral Trustee may seek and rely upon, and shall be fully protected in relying upon, any judicial order or judgment, upon any advice, opinion or statement of legal counsel, independent consultants and other experts selected by it in good faith and upon any certification, instruction, notice or other writing delivered to it by the Borrower or any other Obligor in compliance with the provisions of this Agreement or delivered to it by any Secured Debt Representative as to the Secured Debtholders for whom it acts, without being required to determine the authenticity thereof or the correctness of any fact stated therein or the propriety or validity of service thereof. The Collateral Trustee may act in reliance upon any instrument comporting with the provisions of this Agreement or any signature reasonably believed by it to be genuine and may assume that any Person purporting to give notice or receipt or advice or make any statement or execute any document in connection with the provisions hereof or the other Security Documents has been duly authorized to do so. To the extent a certificate, Officers' Certificate or opinion of counsel is required or permitted under this Agreement to be delivered to the Collateral Trustee in respect of any matter, the Collateral Trustee may rely conclusively on such certificate, Officers' Certificate or opinion of counsel as to such matter and such certificate, Officer's Certificate or opinion of counsel shall be full warranty and protection to the Collateral Trustee for any action taken, suffered or omitted by it under the provisions of this Agreement and the other Security Documents.

6.9 **Secured Debt Default**. The Collateral Trustee will not be required to inquire as to the occurrence or absence of any Secured Debt Default and will not be affected by or required to act upon any notice or knowledge as to the occurrence of any Secured Debt Default unless and until it receives a Notice of Actionable Default.

6.10 **Actions by Collateral Trustee**. As to any matter not expressly provided for by this Agreement or the other Security Documents, the Collateral Trustee will act or refrain from acting as directed by an Act of Instructing Debtholders and will be fully protected if it does so, and any action taken, suffered or omitted pursuant to hereto or thereto shall be binding on the Secured Debtholders.

6.11 **Security or Indemnity in Favour of the Collateral Trustee**. The Collateral Trustee will not be required to advance or expend any funds or otherwise incur any financial liability in the performance of its duties or the exercise of its powers or rights hereunder unless it has been provided with security or indemnity reasonably satisfactory to it against any and all liability or expense which may be incurred by it by reason of taking or continuing to take such action.

6.12 **Rights of the Collateral Trustee**. In the event of any conflict between any terms and provisions set forth in this Agreement and those set forth in any other Security Document, the terms and provisions of this Agreement shall supersede and control the terms and provisions of such other Security Document. In the event there is any bona fide, good faith disagreement between the other parties to this Agreement or any of the other Security Documents resulting in adverse claims being made in connection with

Collateral held by the Collateral Trustee and the terms of this Agreement or any of the other Security Documents do not unambiguously mandate the action the Collateral Trustee is to take or not to take in connection therewith under the circumstances then existing, or the Collateral Trustee is in doubt as to what action it is required to take or not to take hereunder, it will be entitled to refrain from taking any action (and will incur no liability for doing so) until directed otherwise in writing by a request signed jointly by the Parties entitled to give such direction or by order of a court of competent jurisdiction.

6.13 Limitations on Duty of Collateral Trustee in Respect of Collateral.

(a) Beyond the exercise of reasonable care in the custody of Collateral in its possession, the Collateral Trustee will have no duty as to any Collateral in its possession or control or in the possession or control of any agent or bailee or any income thereon or as to preservation of rights against prior parties or any other rights pertaining thereto and the Collateral Trustee will not be responsible for filing any financing or continuation statements or recording any documents or instruments in any public office at any time or times or otherwise perfecting or maintaining the perfection of any Lien in the Collateral. The Collateral Trustee will be deemed to have exercised reasonable care in the custody of the Collateral in its possession if the Collateral is accorded treatment substantially equal to that which it accords its own property, and the Collateral Trustee will not be liable or responsible for any loss or diminution in the value of any of the Collateral by reason of the act or omission of any carrier, forwarding agency or other agent or bailee selected by the Collateral Trustee in good faith.

(b) The Collateral Trustee will not be responsible for the existence, genuineness or value of any of the Collateral or for the validity, perfection, priority or enforceability of the Liens in any of the Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder, except to the extent such action or omission constitutes gross negligence, bad faith or wilful misconduct on the part of the Collateral Trustee, for the validity or sufficiency of the Collateral or any agreement or assignment contained therein, for the validity of the title of any Obligor to the Collateral, for insuring the Collateral or for the payment of taxes, charges, assessments or Liens upon the Collateral or otherwise as to the maintenance of the Collateral. The Collateral Trustee hereby disclaims any representation or warranty to the present and future holders of the Secured Obligations concerning the perfection of the Liens granted hereunder or in the value of any of the Collateral.

6.14 Assumption of Rights, Not Assumption of Duties. Notwithstanding anything to the contrary contained herein:

(a) each of the parties thereto will remain liable under each of the Security Documents (other than this Agreement) to the extent set forth therein to perform all of their respective duties and obligations thereunder to the same extent as if this Agreement had not be executed;

(b) the exercise by the Collateral Trustee of any of its rights, remedies or powers hereunder will not release such parties from any of their respective duties or obligations under the other Security Documents; and

(c) the Collateral Trustee will not be obligated to perform any of the obligations or duties of any of the parties thereunder other than the Collateral Trustee.

6.15 **No Liability for Clean Up of Hazardous Materials**. In the event that the Collateral Trustee is required to acquire title to an asset for any reason, or take any managerial action of any kind in regard thereto, in order to carry out any fiduciary or trust obligation for the benefit of another, which in the Collateral Trustee's sole discretion may cause the Collateral Trustee to be considered an "owner or operator" under any environmental laws or otherwise cause the Collateral Trustee to incur, or be exposed to, any environmental liability or any liability under any other federal, provincial or local law, the Collateral Trustee reserves the right, instead of taking such action, either to resign as Collateral Trustee or to arrange for the transfer of the title or control of the asset to a court appointed receiver. The Collateral Trustee will not be liable to any Person for any environmental liability or any environmental claims or contribution actions under any federal, provincial or local law, rule or regulation by reason of the Collateral Trustee's actions and conduct as authorized, empowered and directed hereunder or relating to any kind of discharge or release or threatened discharge or release of any hazardous materials into the environment.

ARTICLE 7
RESIGNATION AND REMOVAL OF THE COLLATERAL TRUSTEE

7.1 **Resignation or Removal of Collateral Trustee**. Subject to the appointment of a successor Collateral Trustee as provided in Section 7.2 and the acceptance of such appointment by the successor Collateral Trustee:

(a) the Collateral Trustee may resign at any time by giving not less than 45 days' notice of resignation to each Secured Debt Representative and the Borrower, provided that such notice period may be waived by each Secured Debt Representative and the Borrower; and

(b) the Collateral Trustee may be removed at any time, with or without cause, by an Act of Instructing Debtholders.

7.2 **Appointment of Successor Collateral Trustee**. Upon any such resignation or removal, a successor Collateral Trustee may be appointed by an Act of Instructing Debtholders. If no successor Collateral Trustee has been so appointed and accepted such appointment within 30 days after the predecessor Collateral Trustee gave notice of resignation or was removed, the retiring Collateral Trustee may (at the expense of the Borrower), at its option, appoint a successor Collateral Trustee, or petition a court of competent jurisdiction for appointment of a successor Collateral Trustee, which must be a chartered bank or trust company:

(a) authorized to exercise corporate trust powers;

(b) having regulatory capital of at least $100,000,000;

(c) maintaining an office in Edmonton, Alberta or Toronto, Ontario;

(d) authorized to carry on business in each jurisdiction where the Collateral is located; and

(e) that is not a Secured Debt Representative.

The Collateral Trustee will fulfill its obligations hereunder until a successor Collateral Trustee meeting the requirements of this Section 7.2 has accepted its appointment as Collateral Trustee and the provisions of Section 7.3 have been satisfied.

7.3 **Succession**. When the Person so appointed as successor Collateral Trustee accepts such appointment:

(a) such Person will succeed to and become vested with all the rights, powers, privileges and duties of the predecessor Collateral Trustee, and the predecessor Collateral Trustee will be discharged from its duties and obligations hereunder; and

(b) the predecessor Collateral Trustee will (at the expense of the Borrower) promptly transfer all Liens and collateral security and other property of the Trust Estates within its possession or control to the possession or control of the successor Collateral Trustee and will execute instruments and assignments as may be necessary or desirable or reasonably requested by the successor Collateral Trustee to transfer to the successor Collateral Trustee all Liens, interests, rights, powers and remedies of the predecessor Collateral Trustee in respect of the Security Documents or the Trust Estates.

Thereafter the predecessor Collateral Trustee will remain entitled to enforce the immunities granted to it in Article 6 and the provisions of Sections 10.11 and 10.12.

7.4 **Merger, Conversion or Consolidation of Collateral Trustee**. Any Person into which the Collateral Trustee may be merged or converted or with which it may be consolidated, or any Person resulting from any merger, conversion or consolidation to which the Collateral Trustee shall be a party, or any Person succeeding to the corporate trust business of the Collateral Trustee (by acquisition or otherwise) shall be the successor of the Collateral Trustee pursuant to Section 7.3, provided that (a) without the execution or filing of any paper with any party hereto or any further act on the part of any of the parties hereto, except where an instrument of transfer or assignment is required by law to effect such succession, anything herein to the contrary notwithstanding, such Person satisfies the eligibility requirements specified in clauses (a) through (e) of Section 7.2 and (b) prior to any such merger, conversion or consolidation, the Collateral Trustee shall have notified the Borrower and each Secured Debt Representative thereof in writing.

ARTICLE 8
REPRESENTATIONS AND WARRANTIES

8.1 **Representations and Warranties of the Obligors**. Each Obligor hereby represents and warrants for the benefit of each Secured Debt Representative, the Collateral Trustee and each Secured Party on the date hereof, as follows:

(a) each of the Borrower and the other Obligors has been duly formed, validly exists, and has all requisite organizational power and authority to conduct its business as intended and own its assets;

(b) each of the Borrower and the other Obligors has taken all necessary organizational action to authorize the execution, delivery and performance of this Agreement and the other Security Documents to which it is a party;

(c) each of the Borrower and the other Obligors has duly authorized, executed and delivered this Agreement and the other Security Documents to which it is a party, and the execution and delivery of this Agreement and such other Security Documents by it will not violate any applicable law binding upon it or conflict in any material respect with any agreement to which it is a party;

(d) this Agreement constitutes valid and legally binding obligations of each of the Borrower and the other Obligors, enforceable against each of them in accordance with the terms hereof, subject only to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights and to general principles of equity, including the principle that specific performance is an equitable remedy, available only in the discretion of the court;

(e) the only jurisdictions in which each Obligor carries on business, and the chief executive office of each of the Obligors are as set out in Exhibit B hereto; and

(f) no Obligor has trade names or has been known by any legal name different from the ones set forth in Exhibit B hereto, nor has any Obligor been the subject of any merger or other corporate reorganization.

8.2 **Survival of Representations and Warranties**. All of the representations and warranties set forth in Section 8.1 shall survive the execution and delivery of this Agreement.

8.3 **Concerning the Secured Debt Representatives and Collateral Trustee**.

(a) The Administrative Agent represents and warrants to the other Secured Debt Representatives that, for all purposes of this Agreement, it is the authorized agent of the Lenders under the Credit Agreement, and that all of the covenants, agreements and obligations under this Agreement of the Administrative Agent, including any action taken or to be taken in furtherance thereof, are binding on the Lenders as though they were parties hereto.

(b) The Indenture Trustee represents and warrants to the other Secured Debt Representatives that it is duly authorized to enter into this Agreement and to undertake the obligations expressed herein to be undertaken by it.

(c) The Collateral Trustee represents and warrants to the Secured Debt Representatives that it is duly authorized to enter into this Agreement and to undertake the obligations expressed herein to be undertaken by it.

ARTICLE 9
COVENANTS

9.1 **Affirmative Covenants of the Borrower**. Without limitation of any obligations of the Borrower or any other Obligor under any of the Secured Debt Documents, the Borrower shall:

(a) notify the Collateral Trustee at least 30 days prior to (i) any change of name of the Borrower or any Obligor, or (ii) any relocation (of which it has actual knowledge of the respective officers of the Borrower or any Obligor having direct responsibility in the area in question after having made reasonable inquiry of their relevant officers and employers) of (A) any Collateral into a jurisdiction where the Liens in respect of such Collateral are not then registered or filed, (B) the place of organization, registered office, principal place of business or chief executive office of the Borrower or any Obligor or (C) its corporate offices or locations at which any Collateral is originated or located or the location of its Collateral Records or books and records; and

(b) at its own expense hold and preserve records, in accordance with prudent records maintenance policies, concerning the Collateral and permit representatives of the Collateral Trustee at any time during normal business hours to inspect and make copies of and abstracts from such records.

ARTICLE 10
MISCELLANEOUS PROVISIONS

10.1 **Amendment**.

(a) The Collateral Trustee, acting as directed by an Act of Instructing Debtholders, and the Obligors may, at any time and from time to time, enter into written amendments or agreements supplemental hereto or to any other Security Document for the purpose of adding to or waiving any provision of this Agreement or such Security Document, granting any consent required under any other Security Document or changing any of the terms thereof; provided that:

(i) any amendment or supplement that has the effect solely of adding or maintaining Collateral, securing additional Secured Debt that was otherwise permitted by the terms of the Secured Debt Documents to be secured by the Collateral or preserving or perfecting the Liens thereon or the rights of the Collateral Trustee therein will become effective when

executed and delivered by the Borrower or any other applicable Obligor party thereto and the Collateral Trustee;

(ii) no amendment or supplement that reduces, impairs or adversely affects the right of any Secured Debtholder

(A) to vote its outstanding Secured Debt as to any matter described as subject to an Act of Instructing Debtholders (or amends the provisions of this clause (ii) or the definitions of "Act of Instructing Debtholders", "Required Parity Debtholders" or "Actionable Default"),

(B) to share in the order of application described in Section 3.4 in the proceeds of enforcement of or realization on any Collateral that has not been released in accordance with the provisions described in Section 5.1, or

(C) to require that Liens securing Secured Obligations be released only as set forth in the provisions described in Section 5.1,

will become effective without the consent of the requisite percentage or number of holders of each Series of Secured Debt so affected under the applicable Secured Debt Document; and

(iii) no amendment or supplement that imposes any obligation upon the Collateral Trustee or any Secured Debt Representative or adversely affects the rights of the Collateral Trustee or any Secured Debt Representative, respectively, in its capacity as such will become effective without the consent of the Collateral Trustee or such Secured Debt Representative, respectively.

The Collateral Trustee or any Secured Debt Representative will not enter into any such amendment or supplement unless it has received an Officers' Certificate to the effect that such amendment or supplement will not result in a breach of any provision or covenant contained in any of the Secured Debt Documents. Prior to executing any amendment or supplement pursuant to this Section 10.1, the Collateral Trustee and the Secured Debt Representatives will be entitled to receive an opinion of Canadian or U.S. counsel of the Borrower, as applicable, to the effect that the execution of such document is authorized or permitted hereunder, and with respect to amendments adding Collateral, the Collateral Trustee will be entitled to an opinion of Canadian or U.S. counsel of the Borrower, as applicable, addressing customary perfection, and if such additional Collateral consists of equity interests of any Person, priority matters with respect to such additional Collateral.

Notwithstanding the foregoing, any amendment, supplement or other agreement with the purpose of releasing Collateral will only become effective with the consent of the Persons, if any, required to effect a release of such Collateral in accordance with the requirements set forth in Section 5.1.

(b) Notwithstanding Section 10.1(a) but subject to Sections 10.1(a)(ii) and 10.1(a)(iii):

(i) the Collateral Trustee, acting as directed by an Act of Instructing Debtholders, and the Obligors may, at any time and from time to time, without the consent of any Parity Lien Secured Parties, amend or supplement any Security Document that secures Priority Lien Obligations (but does not secure Parity Lien Obligations); and

(ii) any amendment or waiver of, or any consent under, any provision of this Agreement or any Security Document that secures Priority Lien Obligations will apply automatically to any comparable provision of any comparable Parity Lien Document without the consent of or notice to any Parity Lien Secured Party and without any action by any Obligor or any Parity Lien Secured Party; and

provided, however, that if the jurisdiction in which any such Parity Lien Document will be filed prohibits the inclusion of the language above or would prevent a document containing such language from being recorded, the Parity Debt Representatives and the Priority Debt Representatives agree, prior to such Parity Lien Document being entered into, to negotiate in good faith replacement language stating that the Lien granted under such Parity Lien Document is subject to the provisions of this Agreement.

10.2 **Voting**. In connection with any matter under this Agreement requiring a vote of holders of the Secured Debt and subject to Section 4.2, each Series of Secured Debt will cast its votes as a block in accordance with the Secured Debt Documents governing such Series of Secured Debt. The amount of Secured Debt to be voted by a Series of Secured Debt will equal (a) the aggregate principal amount of Secured Debt held by such Series of Secured Debt (including outstanding letters of credit whether or not then available to be drawn and Hedge Obligations owed to Lender Hedge Providers), plus (b) other than in connection with an exercise of remedies, the aggregate unfunded commitments to extend credit which, when funded, would constitute Indebtedness of such Series of Secured Debt. Following and in accordance with the outcome of the applicable vote under its Secured Debt Documents, the Secured Debt Representative of each Series of Secured Debt will cast at the written direction of the holders that it represents all of its votes as a block in respect of any vote under this Agreement. If a consent, approval, waiver, determination, vote or other direction is required under any Security Document, then upon the request of the Collateral Trustee or any other Secured Debt Representative, each Secured Debt Representative shall promptly notify the Collateral Trustee and each other Secured Debt Representative in writing, as of any time that the requesting Person may specify in such request (but in no event less than 3 Business Days from the date of such request), of (i) for the purpose of determining if there has been an Act of Instructing Debtholders or otherwise, the aggregate amount of the Secured Debt owing under the Secured Debt Documents (including, if applicable, any unfunded commitments) in respect of which such Secured Debt Representative serves as agent or representative as of such date, and (ii) such other information as the requesting Person may reasonably

request concerning the amounts owing to the Secured Parties that such Secured Debt Representative represents.

10.3 Provision of Information: Meetings.

(a) Subject to (i) any Person's obligations pursuant to confidentiality agreements with parties other than an Obligor, and (ii) any confidentiality obligations owed by an Obligor to a Person which is not a Party, each Secured Party may (as it deems necessary or appropriate in its sole judgment but without any obligation to do so) freely discuss with each other, and freely disclose to each other, any information pertaining to the business and affairs of the Obligors, the Collateral, the Secured Debt and whether or not any Obligor is in compliance with or in default or in breach of any of the Secured Debt Documents and the Security Documents. The Obligors irrevocably consent to the discussions and disclosures between and among the Secured Parties as contemplated by this Agreement.

(b) Any Secured Debt Representative may, at any time following the occurrence and during the continuation of an Actionable Default, request that a meeting of Secured Parties be convened, at times and locations specified in the notice, and upon such request having been given in accordance herewith, such meeting shall be convened as provided herein. A request for a meeting shall be made in a written notice given by any Secured Debt Representative to the other Secured Debt Representatives and the Collateral Trustee in accordance herewith. Each such notice shall state the date of such meeting (which shall be not less than 10 nor more than 30 days after the date of such notice, unless otherwise agreed by each Secured Debt Representative and the Collateral Trustee) and a general outline of the issues to be discussed at such meeting. Any Secured Party shall have the right to appoint any Person (including another Secured Party) to act as its representative at any such meeting of Secured Parties. No Secured Party shall be obligated to attend any such meetings, and no votes shall be taken at such meeting unless consented to by each Secured Debt Representative.

(c) The Collateral Trustee shall promptly and simultaneously distribute to each Secured Debt Representative any written notice it receives in its role as Collateral Trustee, including any written notice received through the operation of the Secured Debt Documents or the Security Documents.

(d) Except as otherwise provided herein, the Collateral Trustee may, but shall not have any obligation nor duty to, participate in any meeting or consultation held pursuant to this Section 10.3.

(e) Each Obligor shall promptly notify the Collateral Trustee and each Secured Debt Representative of any confidentiality obligations it undertakes, after the date hereof, which would preclude or limit in any way disclosure of information among the Secured Parties.

(f) The Collateral Trustee shall have the right to disclose any information disclosed or released to it if in the opinion of the Collateral Trustee, or its legal counsel, it is required to disclose under any applicable laws, court order or administrative directions. The Collateral Trustee shall not be responsible or liable to any party for any loss or damage arising out of or in any way sustained or incurred or in any way relating to such disclosure.

10.4 Further Assurances.

(a) Each of the Borrower and the other Obligors will do or cause to be done all acts and things that may be required, or that the Collateral Trustee from time to time may reasonably request, to assure and confirm that the Collateral Trustee holds, for the benefit of the holders of Secured Obligations, duly created and enforceable and perfected Liens upon the Collateral, including after-acquired Collateral and any property or assets that become Collateral pursuant to the definition thereof after the date hereof, subject only to such exceptions as may be contemplated by the Secured Debt Documents.

(b) Subject to the obligations of each of the Borrower and the other Obligors pursuant to Section 10.4(a), upon the reasonable request of the Collateral Trustee or any Secured Debt Representative at any time and from time to time, the Borrower and each of the other Obligors will promptly execute, acknowledge and deliver such security documents, instruments, certificates, notices and other documents, and take such other actions as may be reasonably required, or that the Collateral Trustee may reasonably request, to create, perfect, protect, assure or enforce the Liens and benefits intended to be conferred, in each case as contemplated by the Secured Debt Documents.

(c) The Obligors will keep their properties adequately insured at all times by:

(i) financially sound and reputable insurance companies (which in the case of any insurance on any mortgaged property, are licensed to do business in the jurisdictions where the applicable Collateral is located), in such amounts, with such deductibles, and covering such risks as are carried or maintained under similar circumstances by Persons of established reputation engaged in similar businesses in the same or similar locations;

(ii) maintaining such other insurance, to such extent and against such risks (and with such deductibles, retentions and exclusions), including fire and other risks insured against by extended coverage, as is customary with companies in the same or similar businesses operating in the same or similar locations, including public liability insurance against claims for personal injury or death or property damage occurring upon, in, about or in connection with the use of any properties owned, occupied or controlled by them;

(iii) maintaining such other insurance as may be required by law; and

(iv) maintaining such other insurance as may be required by the Secured Debt Documents.

(d) Upon the request of the Collateral Trustee, the Borrower and the Obligors will furnish to the Collateral Trustee full information as to their property and liability insurance carriers. The Collateral Trustee will be named as additional insureds on all liability insurance policies of the Borrower and the other Obligors.

(e) All insurance policies required by Section 10.4(c) will:

(i) name Collateral Trustee, on behalf of the Secured Parties, as an additional insured thereunder as its interests may appear and (ii) in the case of each property damage insurance policy, contain a loss payable clause or endorsement, reasonably satisfactory in form and substance to Collateral Trustee, that names Collateral Trustee, on behalf of the Secured Parties, as the loss payee thereunder;

(ii) provide that the insurers will endeavour to deliver 30 days prior written notice to the Collateral Trustee of (A) any cancellation or termination of such insurance or (B) any reduction in the limits of liability of such insurance;

(iii) waive all claims for insurance premiums or commissions or additional premiums or assessments against the Secured Parties; and

(iv) waive any right of the insurers to setoff or counterclaim or to make any other deductions, whether by way of attachment or otherwise, as against the Secured Parties.

(f) Upon the request of the Collateral Trustee, the Borrower and the other Obligors will permit the Collateral Trustee or any of its agents or representatives, at reasonable times and intervals upon reasonable prior notice, to visit its offices and sites and inspect any of the Collateral and to discuss matters relating to the Collateral with their respective officers and independent chartered accountants. The Borrower and the other Obligors shall, at any reasonable time and from time to time upon reasonable prior notice, permit the Collateral Trustee or any of its agents or representatives to examine and make copies of and abstracts from the records and books of account of the Borrower and the other Obligors and their Subsidiaries; provided that by virtue of this Section 10.4 the Borrower and the other Obligors shall not be deemed to have waived any right to confidential treatment of the information obtained, subject to the provisions of applicable law or court order.

10.5 **Perfection of Junior Trust Estate**. Solely for purposes of perfecting the Lien of the Collateral Trustee in its capacity as agent of the Parity Lien Secured Parties in any portion of the Junior Trust Estate consisting of any instruments, goods, negotiable documents, tangible chattel paper or certificated securities in the possession of the Collateral Trustee as part of the Senior Trust Estate, the Priority Lien Secured Parties

hereby acknowledge that the Collateral Trustee also holds such instruments, goods, negotiable documents, tangible chattel paper and certificated securities as bailee for the benefit of the Collateral Trustee for the benefit of the Parity Lien Secured Parties.

10.6 **Successors and Assigns**.

(a) Except as provided in Articles 6 and 7, the Collateral Trustee may not, in its capacity as such, delegate any of its duties or assign any of its rights hereunder, and any attempted delegation or assignment of any such duties or rights will be null and void. All obligations of the Collateral Trustee hereunder will inure to the sole and exclusive benefit of, and be enforceable by, each Secured Debt Representative and each present and future holder of Secured Obligations, each of whom will be entitled to enforce this Agreement as a third-party beneficiary hereof, and all of their respective successors and assigns.

(b) Neither the Borrower nor any other Obligor may delegate any of its duties or assign any of its rights hereunder, and any attempted delegation or assignment of any such duties or rights will be null and void. All obligations of the Borrower and the other Obligors hereunder will enure to the sole and exclusive benefit of, and be enforceable by, the Collateral Trustee, each Secured Debt Representative and each present and future holder of Secured Obligations, each of whom will be entitled to enforce this Agreement as a third-party beneficiary hereof, and all of their respective successors and assigns.

10.7 **Secured Parties in their Individual Capacities**. Each Secured Party and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with the Obligors and any other parties to the Security Documents and the Secured Debt Documents as though it were not a Secured Party hereunder or a party to the other Secured Debt Documents. With respect to the extensions of credit made by it under a Secured Debt Document, each Secured Debt Representative shall have the same rights and powers under this Agreement and the other Secured Debt Documents as any other Secured Party making a comparable, extension of credit to the Obligors and may exercise the same as though it were not a Secured Debt Representative

10.8 **Delay and Waiver**. No failure to exercise, no course of dealing with respect to the exercise of, and no delay in exercising, any right, power or remedy arising under this Agreement or any of the other Security Documents will impair any such right, power or remedy or operate as a waiver thereof. No single or partial exercise of any such right, power or remedy will preclude any other or future exercise thereof or the exercise of any other right, power or remedy. The remedies herein are cumulative and are not exclusive of any remedies provided by law.

10.9 **Notices**. Any communications, including notices and instructions, between the parties hereto or notices provided herein to be given shall be in writing and shall be given to the following addresses:

If to the Collateral Trustee:

Computershare Trust Company of Canada
100 University Avenue
9th Floor, North Tower
Toronto, Ontario M5J 2Y1

Attention: Manager, Corporate Trust
Fax: 416 981 9777

If to the Borrower or any other Obligor:

The Cash Store Financial Services Inc.
17631-103 Avenue
Edmonton, Alberta T5S 1N8

Attention: Gordon J. Reykdal

With a copy to:
Cassels Brock & Blackwell
Scotia Plaza, Suite 2100
40 King Street West, Toronto,
Ontario M5H 3C2

Attention: Jason Arbuck

If to the Administrative Agent:

Canadian Imperial Bank of Commerce
2nd Floor, 10102 Jasper Avenue
Edmonton, Alberta T5J 1W5

Attention: Senior Manager, CIBC Cash Management

and a copy to:

CIBC Business Contact Centre
5650 Yonge Street
14th Floor
Toronto, Ontario
M2M 4G3
Telephone: 416-980-8779

Attention: Lincoln Tilokee
Fax: 416 224-3888

If to the Indenture Trustee:

Computershare Trust Company, N.A.
350 Indiana Street, Suite 750
Golden, CO 80401

Attention: Corporate Trust
Fax: 303 262 0608

and to:

Computershare Trust Company of Canada
100 University Avenue
9th Floor, North Tower
Toronto, Ontario M5J 2Y1

Attention: Manager, Corporate Trust
Fax: 416 981 9777

and if to any other Secured Debt Representative, to such address as it may specify by written notice to the parties named above.

Each notice hereunder will be in writing and may be personally served or sent by facsimile or courier service and will be deemed to have been given when delivered in Person or by courier service and signed for against receipt thereof, upon receipt of facsimile. Each Party may change its address for notice hereunder by giving written notice thereof to the other Parties as set forth in this Section 10.9.

Promptly following any Discharge of Priority Lien Obligation each Priority Debt Representative with respect to each applicable Series of Priority Lien Debt that is so discharged will provide written notice of such discharge to the Collateral Trustee and to each other Secured Debt Representative.

10.10 **Entire Agreement**. This Agreement states the complete agreement of the parties relating to the undertaking of the Collateral Trustee set forth herein and supersedes all oral negotiations and prior writings in respect of such undertaking and no implied duties or obligations shall be read into the Agreement against the Collateral Trustee.

10.11 **Compensation; Expenses**. The Obligors jointly and severally agree to pay, promptly upon demand:

(a) such compensation to the Collateral Trustee and its agents, co-agents and sub-agents as the Borrower and the Collateral Trustee may agree in writing from time to time;

(b) all reasonable costs and expenses incurred in the preparation, execution, delivery, filing, recordation, administration or enforcement of this Agreement or any other

Security Document or any consent, amendment, waiver or other modification relating thereto;

(c) all reasonable fees, expenses and disbursements of legal counsel (on a solicitor and his own client full indemnity basis) and any auditors, accountants, consultants or appraisers or other professional advisors, experts and agents engaged by the Collateral Trustee or any Secured Debt Representative incurred in connection with the negotiation, preparation, closing, administration, performance or enforcement of this Agreement and the other Security Documents or any consent, amendment, waiver or other modification relating thereto and any other document or matter requested by the Borrower;

(d) all reasonable costs and expenses of creating, perfecting, releasing or enforcing the Collateral Trustee's security interests in the Collateral, including filing and recording fees, expenses and taxes, stamp or documentary taxes, search fees, and title insurance premiums;

(e) all other reasonable costs and expenses incurred by the Collateral Trustee or any Secured Debt Representative in connection with the negotiation, preparation and execution of the Security Documents and any consents, amendments, waivers or other modifications thereto and the transactions contemplated thereby or the exercise of rights or performance of obligations by the Collateral Trustee thereunder; and

(f) after the occurrence of any Secured Debt Default, all costs and expenses incurred by the Collateral Trustee or any Secured Debt Representative in connection with the preservation, collection, foreclosure or enforcement of the Collateral subject to the Security Documents or any interest, right, power or remedy of the Collateral Trustee or in connection with the collection or enforcement of any of the Secured Obligations or the proof, protection, administration or resolution of any claim based upon the Secured Obligations in any Insolvency Proceeding, including all fees and disbursements of legal counsel (on a solicitor and his own client full indemnity basis), accountants, auditors, consultants, appraisers and other professionals engaged by the Collateral Trustee or the Secured Debt Representatives.

None of the provisions contained in this Agreement or any supplement shall require the Collateral Trustee to expend or risk its own funds or otherwise incur financial liability in performing its duties or in the exercise of any of its rights or powers.

The agreements in this Section 10.11 will survive repayment of all other Secured Obligations, the termination of this Agreement and the removal or resignation of the Collateral Trustee.

10.12 Indemnity.

(a) In addition to and without limiting any other protection of the Collateral Trustee hereunder or otherwise by law, the Obligors jointly and severally agree to defend, indemnify, pay and hold harmless the Collateral Trustee, each Secured Debt

Representative, each Secured Debtholder and each of their respective Affiliates and each and all of the directors, officers, partners, trustees, employees, attorneys and agents, and (in each case) their respective heirs, representatives, successors and assigns (each of the foregoing, an "**Indemnitee**") from and against any and all Indemnified Liabilities whether groundless or otherwise, howsoever arising from or out of any act, omission or error of the Collateral Trustee in connection with its acting as Collateral Trustee hereunder; provided, no Indemnitee will be entitled to indemnification hereunder with respect to any Indemnified Liability to the extent such Indemnified Liability is found by a final and non-appealable decision of a court of competent jurisdiction to have resulted from the gross negligence or wilful misconduct of such Indemnitee.

(b) All amounts due under this Section 10.12 will be payable upon demand.

(c) To the extent that the undertakings to defend, indemnify, pay and hold harmless set forth in Section 10.12(a) may be unenforceable in whole or in part because they are violative of any law or public policy, each of the Obligors will contribute the maximum portion that it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all Indemnified Liabilities incurred by Indemnitees or any of them.

(d) No Obligor will ever assert any claim against any Indemnitee, on any theory of liability, for any lost profits or special, indirect or consequential damages or (to the fullest extent a claim for punitive damages may lawfully be waived) any punitive damages arising out of, in connection with, or as a result of, this Agreement or any other Secured Debt Document or any agreement or instrument or transaction contemplated hereby or relating in any respect to any Indemnified Liability, and each of the Obligors hereby forever waives, releases and agrees not to sue upon any claim for any such lost profits or special, indirect, consequential or (to the fullest extent lawful) punitive damages, whether or not accrued and whether or not known or suspected to exist in its favour.

(e) The agreements in this Section 10.12 will survive repayment of all other Secured Obligations, the termination of this Agreement and the removal or resignation of the Collateral Trustee or the Secured Debt Representatives.

(f) To the extent the Collateral Trustee is not fully indemnified pursuant to Section 10.12(a), each Secured Debtholder shall, severally but not jointly based on its percentage share of the aggregate Secured Obligations at the applicable time, indemnify the Collateral Trustee from and against any Indemnified Liabilities against them whether groundless or otherwise, howsoever arising from or out of any act, omission or error of the Collateral Trustee in connection with its acting as Collateral Trustee hereunder; provided that each Secured Debtholder shall not be required to indemnify the Collateral Trustee to the extent that such Indemnified Liability results from the gross negligence or wilful misconduct of the Collateral Trustee. Notwithstanding anything herein to the contrary, except as set forth in the preceding sentence, any indemnity contained in this Agreement shall apply

regardless of the negligence (whether such negligence is sole, joint, concurrent, active or passive) other than gross negligence of any of the Collateral Trustee, and regardless of any pre-existing condition or defect or any form of strict liability. If and to the extent that the foregoing undertaking may be unenforceable for any reason, subject to the same limitations as set forth above, each Secured Debtholder hereby agrees to make the maximum contribution to the payment and satisfaction of each of the such Indemnified Liabilities which is permissible under applicable law.

10.13 **Severability**. If, in any jurisdiction, any provision of this Agreement or its application to any party or circumstance is restricted, prohibited or unenforceable, such provision shall, as to such jurisdiction, be ineffective only to the extent of such restriction, prohibition or unenforceability without invalidating the remaining provisions of this Agreement and without affecting the validity or enforceability of such provision in any other jurisdiction or without affecting its application to other parties or circumstances.

10.14 **Headings**. Section headings herein have been inserted for convenience of reference only, are not to be considered a part of this Agreement and will in no way modify or restrict any of the terms or provisions hereof.

10.15 **Obligations Secured**. All obligations of the Obligors set forth in or arising under this Agreement will be Secured Obligations and are secured by all Liens granted by the Security Documents.

10.16 **Governing Law**. This Agreement shall be governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein; provided, however, that the rights, duties and obligations of the Indenture Trustee related to, or in respect of, the Notes and the holders thereof shall be governed by the Indenture.

10.17 **Consent to Jurisdiction**. All judicial proceedings brought against any Party arising out of or relating to this Agreement or any of the other Security Documents (or for recognition or enforcement of any judgment) may be brought in any court of competent jurisdiction in the Province of Alberta (or if such proceeding relates to a specific Security Document, such other jurisdiction as may be specifically set forth therein). By executing and delivering this Agreement, each Obligor, for itself and in connection with its properties, irrevocably:

(a) accepts generally and unconditionally the non-exclusive jurisdiction and venue of such courts;

(b) waives any defense of forum non conveniens;

(c) agrees that service of all process in any such proceeding in any such court may be made by registered or certified mail, return receipt requested, to such party at its address provided in accordance with Section 10.9;

(d) agrees that service as provided in clause (c) above is sufficient to confer personal jurisdiction over such party in any such proceeding in any such court and otherwise constitutes effective and binding service in every respect; and

(e) agrees each party hereto retains the right to serve process in any other manner permitted by law or to bring proceedings against any party in the courts of any other jurisdiction.

Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that Collateral Trustee may otherwise have to bring any action or proceeding relating to this Agreement against any Obligor or its properties in the courts of any jurisdiction.

10.18 **Waiver of Jury Trial**. Each Party waives its rights to a jury trial of any claim or cause of action based upon or arising under this Agreement or any of the other Security Documents or any dealings between them relating to the subject matter of this Agreement or the intents and purposes of the other Security Documents. The scope of this waiver is intended to be all-encompassing of any and all disputes that may be filed in any court and that relate to the subject matter of this Agreement and the other Security Documents, including contract claims, tort claims, breach of duty claims and all other common law and statutory claims. Each Party acknowledges that this waiver is a material inducement to enter into a business relationship, that each Party has already relied on this waiver in entering into this Agreement, and that each Party will continue to rely on this waiver in its related future dealings. Each Party further warrants and represents 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 (other than by a mutual written waiver specifically referring to this Section 10.18 and executed by each of the Parties), and this waiver will apply to any subsequent amendments, renewals, supplements or modifications of or to this Agreement or any of the other Security Documents or to any other documents or agreements relating thereto. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

10.19 **Counterparts**. This Agreement may be executed in any number of counterparts (including by facsimile or electronic transmission), each of which when so executed and delivered will be deemed an original, but all such counterparts together will constitute but one and the same instrument.

10.20 **Effectiveness**. This Agreement will become effective upon the execution of a counterpart hereof by each of the Parties and receipt by each Party of written notification of such execution and written or telephonic authorization of delivery thereof.

10.21 **Additional Obligors**. The Borrower will cause each of their Subsidiaries that becomes an Obligor or is required by any Secured Debt Document to become a party to this Agreement to become a party to this Agreement, for all purposes of this Agreement, by causing such Subsidiary to execute and deliver to the Parties a Collateral Trust Joinder,

whereupon such Subsidiary will be bound by the terms hereof to the same extent as if it had executed and delivered this Agreement as of the date hereof. The Borrower agrees to provide each Secured Debt Representative with a copy of each Collateral Trust Joinder executed and delivered pursuant to this Section.

10.22 **Continuing Nature of this Agreement**. This Agreement, including the subordination provisions hereof, will be reinstated if at any time any payment or distribution in respect of any of the Priority Lien Obligations is rescinded or must otherwise be returned in an Insolvency Proceeding or otherwise by any of the Priority Lien Secured Parties or any representative of any such Party (whether by demand, settlement, litigation or otherwise). In the event that all or any part of a payment or distribution made with respect to the Priority Lien Obligations is recovered from any of the Priority Lien Secured Parties in an Insolvency Proceeding or otherwise (and whether by demand, settlement, litigation or otherwise), any payment or distribution received by any of the Parity Lien Secured Parties with respect to the Parity Lien Obligations from the proceeds of any Collateral at any time after the date of the payment or distribution that is so recovered, whether pursuant to a right of subrogation or otherwise, will be deemed to have been received by the Parity Lien Secured Parties in trust as property for the Priority Lien Secured Parties and the Parity Lien Secured Parties will forthwith deliver such payment or distribution to the Collateral Trustee, for the benefit of the Priority Lien Secured Parties, for application to the Priority Lien Obligations until such Priority Lien Obligations have been paid in full in cash and all commitments in respect of Priority Lien Obligations have been terminated.

10.23 **Insolvency**. This Agreement will be applicable both before and after the commencement of any Insolvency Proceeding by or against any Obligor. The relative rights, as provided for in this Agreement, will continue after the commencement of any such Insolvency Proceeding on the same basis as prior to the date of the commencement of any such case, as provided in this Agreement.

10.24 **Rights and Immunities of Secured Debt Representatives**. The Administrative Agent will be entitled to all of the rights, protections, immunities and indemnities set forth in the Credit Agreement, the Indenture Trustee will be entitled to all of the rights, protections, immunities and indemnities set forth in the Indenture and any future Secured Debt Representative will be entitled to all of the rights, protections, immunities and indemnities set forth in the credit agreement, indenture or other agreement governing the applicable Secured Debt with respect to which such Person will act as representative, in each case as if specifically set forth herein. In no event will any Secured Debt Representative be liable for any act or omission on the part of the Obligors or the Collateral Trustee hereunder.

[The remainder of this page has intentionally been left blank]

IN WITNESS WHEREOF, the Parties have caused this Collateral Trust and Intercreditor Agreement to be executed by their respective officers or representatives as of the day and year first above written.

COMPUTERSHARE TRUST COMPANY OF CANADA,
as Collateral Trustee

By: _____
Name: Kemi Atawo
Title: Corporate Trust Officer

By: _____
Name: Mohanie Shivprasad
Title: Associate Trust Officer

CANADIAN IMPERIAL BANK OF COMMERCE,
as Administrative Agent

Per: _____
Name: Lon Sokalski
Title: AUTHORIZED SIGNATORY
Canadian Imperial Bank of Commerce

Per: _____
Name: Joan MacGillivray
Title: AUTHORIZED SIGNATORY
Canadian Imperial Bank of Commerce

COMPUTERSHARE TRUST COMPANY OF CANADA
AND COMPUTERSHARE TRUST COMPANY, NA,
collectively, as Indenture Trustee

Per: _____
Name: Kemi Atawo
Title: Corporate Trust Officer

Per: _____
Name: Mohanie Shivprasad
Title: Associate Trust Officer

THE CASH STORE FINANCIAL SERVICES INC., as Borrower and Issuer

By: _____
Name:
Title:

By: _____
Name:
Title:

7252331 CANADA INC., as Initial Guarantor

By: _____
Name:
Title:

By: _____
Name:
Title:

THE CASH STORE INC., as Initial Guarantor

By: _____
Name:
Title:

By: _____
Name:
Title:

TCS CASH STORE INC., as Initial Guarantor

By: _____
Name:
Title:

By: _____
Name:
Title:

INSTALOANS INC., as Initial Guarantor

By: _____
Name:
Title:

By: _____
Name:
Title:

5515433 MANITOBA INC., as Initial Guarantor

By: _____
Name:
Title:

By: _____
Name:
Title:

THE CASH STORE FINANCIAL LIMITED, as Initial Guarantor

By: _____
Gordon J. Reykdal
Director

In the presence of:

_____
Name of Witness: Nancy Bland
Address: 17, 26323 TWP Rd 532A
Spruce Grove, AB
T7X 4M1

THE CASH STORE LIMITED, as Initial Guarantor

By: _____
Gordon J. Reykdal
Director

In the presence of:

_____
Name of Witness: Nancy Bland
Address: 17, 26323 TWP RD 532A
Spruce Grove, AB
T7X 4M1

CSF INSURANCE SERVICES LIMITED, as Initial Guarantor

By: _____
Gordon J. Reykdal
Director

In the presence of:

_____
Name of Witness: Nancy Bland
Address: 17, 26323 TWP RD 532A
Spruce Grove, AB
T7X 4M1

EXHIBIT A

TO THE COLLATERAL TRUST AND INTERCREDITOR AGREEMENT

FORM OF COLLATERAL TRUST JOINDER

The undersigned, **[•]**, a **[•]**, hereby agrees to become party as **[an Obligor] [a Parity Debt Representative] [a Priority Debt Representative] [a Lender Hedge Provider] [a Non-Lender Hedge Provider]** under the Collateral Trust and Intercreditor Agreement dated as of January **[•]**, 2012 among The Cash Store Financial Services Inc., the Initial Guarantors party thereto, Canadian Imperial Bank of Commerce, as Administrative Agent, Computershare Trust Company of Canada and Computershare Trust Company, NA, collectively as Indenture Trustee, and Computershare Trust Company of Canada, as Collateral Trustee, as amended, supplemented, amended and restated or otherwise modified and in effect from time to time, for all purposes thereof on the terms set forth therein, and to be bound by the terms of said Collateral Trust and Intercreditor Agreement as fully as if the undersigned had executed and delivered said Collateral Trust and Intercreditor Agreement as of the date thereof.

The provisions of Article 10 of said Collateral Trust and Intercreditor Agreement will apply with like effect to this Joinder.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Joinder as of [•], 20**[•]**.

[•]

By:
Name:
Title:

EXHIBIT B

TO THE COLLATERAL TRUST AND INTERCREDITOR AGREEMENT

JURISDICTIONS, CHIEF EXECUTIVE OFFICE AND TRADE NAMES OF OBLIGORS

Name of Obligor	Jurisdictions where business is carried on	Location of Chief Executive Office	Trade Names
The Cash Store Financial Services Inc.	Alberta	17631-103 Ave. Edmonton, Alberta T5S 1N8	N/A
7252331 Canada Inc.	Alberta	17631-103 Ave. Edmonton, Alberta T5S 1N8	N/A
5515433 Manitoba Inc.	Manitoba	17631-103 Ave. Edmonton, Alberta T5S 1N8	N/A
The Cash Store Inc.	Alberta	17631-103 Ave. Edmonton, Alberta T5S 1N8	The Mortgage Company (Manitoba) The Cash Store (Saskatchewan)
TCS – Cash Store Inc.	Alberta	17631-103 Ave. Edmonton, Alberta T5S 1N8	N/A
Instaloans Inc.	Alberta	17631-103 Ave. Edmonton, Alberta T5S 1N8	Instaloans
The Cash Store Financial Limited	England and Wales	9-13 St Andrew Street London EC4A 3AF	N/A
The Cash Store Limited	England and Wales	9-13 St Andrew Street London EC4A 3AF	N/A
CSF Insurance Services Limited	England and Wales	9-13 St Andrew Street London EC4A 3AF	N/A

THIS IS EXHIBIT "F" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

EXECUTION VERSION

INDENTURE

Dated as of January 31, 2012

Among

THE CASH STORE FINANCIAL SERVICES INC.

THE GUARANTORS NAMED ON THE SIGNATURE PAGES HERETO

COMPUTERSHARE TRUST COMPANY, N.A.,
as U.S. Trustee

and

COMPUTERSHARE TRUST COMPANY OF CANADA,
as Canadian Trustee and Collateral Agent

11 ½% SENIOR SECURED NOTES DUE 2017

TABLE OF CONTENTS

INDENTURE, dated as of January31, 2012, among The Cash Store Financial Services Inc., an Ontario corporation (the "Company"), the Guarantors (as defined herein) listed on the signature pages hereto, Computershare Trust Company, N.A., as U.S. Trustee (the "U.S. Trustee") and Computershare Trust Company of Canada, as Canadian Trustee (the "Canadian Trustee" and, together with the U.S. Trustee, the "Trustee") and Collateral Agent.

W I T N E S S E T H

WHEREAS, the Company has duly authorized the creation of an issue of $132,500,000 aggregate principal amount of 11 ½% Senior Secured Notes due 2017 (the "Initial Notes"); and

WHEREAS, the Company and each of the Guarantors has duly authorized the execution and delivery of this Indenture;

NOW, THEREFORE, the Company, each of the Guarantors and the Trustee agree as follows for the benefit of each other and for the equal and ratable benefit of the Holders of the Notes:

ARTICLE 1

DEFINITIONS

Section 1.01 Definitions.

"144A Global Note" means a Global Note substantially in the form of Exhibit A bearing the Global Note Legend and the Private Placement Legend and deposited with or on behalf of, and registered in the name of, the Depositary or its nominee that will be issued in a denomination equal to the outstanding principal amount of the Notes sold in reliance on Rule 144A.

"Acquired Debt" means with respect to any specified Person:

(1) Indebtedness of any other Person existing at the time such other Person was merged into or amalgamated, arranged or consolidated with or became a Subsidiary of such specified Person, including Indebtedness incurred in connection with, or in contemplation of, such other Person merging into or amalgamating, arranging or consolidating with or becoming a Subsidiary of such specified Person; and

(2) Indebtedness secured by a Lien encumbering any asset acquired by such specified Person at the time such asset is acquired by such specified Person.

"Additional Notes" means additional Notes (other than the Initial Notes) issued under this Indenture in accordance with Sections 2.01, 2.15, 4.09 and 4.12, as part of the same series as the Initial Notes.

"Affiliate" of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified

Person. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of such Person, whether through the ownership of voting securities, by agreement or otherwise.

"Agent" means any Registrar or Paying Agent.

"Applicable Premium" means, with respect to any Note on any Redemption Date, the greater of:

(1) 1.0% of the principal amount of such Note; and

(2) the excess, if any, of (a) the present value at such Redemption Date of (i) the redemption price of such Note at July 31, 2014 (such redemption price being set forth in Section 3.07(b)), *plus* (ii) all required interest payments due on such Note through July 31, 2014 (excluding accrued but unpaid interest to the Redemption Date), computed using a discount rate equal to the Treasury Rate as of such redemption date plus 50 basis points; over (b) the principal amount of such Note.

"Applicable Procedures" means, with respect to any transfer or exchange of or for beneficial interests in any Global Note, the rules and procedures of the Depositary, DTC, Euroclear and Clearstream that apply to such transfer or exchange.

"Asset Sale" means:

(1) the sale, lease, transfer, conveyance or other disposition of any assets (including by way of a Sale and Leaseback Transaction); *provided* that the sale, lease, transfer, conveyance or other disposition of all or substantially all of the assets of the Company and its Restricted Subsidiaries taken as a whole will be governed by Section 4.14 and/or Section 5.01 and not by Section 4.10;

(2) the issue or sale by the Company or any of its Restricted Subsidiaries of Equity Interests of any of the Company's Restricted Subsidiaries; and

(3) an Event of Loss to the extent of the cash proceeds actually received by the Company or any of its Restricted Subsidiaries in connection with such Event of Loss.

In the case of either clause (1), (2) or (3), whether in a single transaction or a series of related transactions:

(1) that have a Fair Market Value in excess of $2.5 million; or

(2) for Net Proceeds in excess of $2.5 million.

Notwithstanding the foregoing, none of the following will be deemed to be an Asset Sale:

(1) a transfer of assets to the Company or any Restricted Subsidiary of the Company:

(2) an issuance of Equity Interests by a Restricted Subsidiary of the Company to the Company or to a Restricted Subsidiary of the Company;

(3) for purposes of Section 4.10 only, a Restricted Payment that is permitted by Section 4.07 or a Permitted Investment;

(4) the incurrence of Permitted Liens and the disposition of assets subject to such Liens by or on behalf of the Person holding such Liens;

(5) the sale, transfer or other disposition of accounts (including loans or advances) in the ordinary course of business;

(6) the sale, transfer or other disposition of Equity Interests in or Indebtedness of an Unrestricted Subsidiary of the Company;

(7) any disposition of cash or Cash Equivalents;

(8) the lease, assignment or sub-lease of any property in the ordinary course of business;

(9) any surrender or waiver of contract rights or the settlement, release or surrender of contract rights or other litigation claims in the ordinary course of business;

(10) the sale, transfer or other disposition of assets of the Company or any of its Restricted Subsidiaries in exchange for assets used or useful in a Similar Business; *provided* that the assets received in exchange have a Fair Market Value equal to or greater than the transferred assets;

(11) sales of assets that have become worn out, obsolete or damaged or otherwise unsuitable for use in connection with the business of the Company or any of its Restricted Subsidiaries;

(12) the license of patents, trademarks, copyrights, software applications and know-how to Restricted Subsidiaries of the Company and to third Persons in the ordinary course of business;

(13) the disposition of all or substantially all of the assets of the Company or a Guarantor in a manner permitted pursuant to Section 5.01 or any disposition that constitutes a Change of Control;

(14) the issuance by a Restricted Subsidiary of the Company of Preferred Stock that is permitted by Section 4.09;

(15) any financing transaction with respect to property built or acquired by the Company or any Restricted Subsidiary of the Company after the Issue Date, including Sale and Lease-Back Transactions permitted by this Indenture; and

(16) dispositions of motor vehicles securing consumer loans made by the Company and its Restricted Subsidiaries in the ordinary course of business.

"Attributable Debt" in respect of a Sale and Leaseback Transaction means, at the time of determination, the present value (discounted at the rate of interest implicit in such transaction, determined in accordance with GAAP) of the total obligations of the lessee for net rental payments during the remaining term of the lease included in such Sale and Leaseback Transaction (including any period for which such lease has been extended or may, at the option of the lessor, be extended; *provided, however*, if such Sale and Leaseback Transaction results in a Capital Lease Obligation, the amount of Indebtedness represented thereby will be determined in accordance with the definition of Capital Lease Obligation).

"Available Cash" means the amount of cash and Cash Equivalents held by the Company and its Restricted Subsidiaries, as reflected on the Company's consolidated balance sheet for the most recently completed fiscal quarter for which financial statements have been provided to Holders in accordance with Section 4.03 and calculated in accordance with GAAP.

"Bankruptcy Code" means the United States Bankruptcy Code, 11 U.S.C. Section 101 et seq., as amended from time to time and any successor provision thereto.

"Bankruptcy Law" means the Bankruptcy Code, BIA and any similar federal, state or foreign law for the relief of debtors.

"BIA" means the Bankruptcy and Insolvency Act (Canada) as such legislation exists as of the Issue Date or may from time to time hereafter be amended, modified, recodified, supplemented or replaced, together with all rules, regulations and interpretations thereunder or related thereto.

"Board of Directors" means:

(1) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorized to act on behalf of such board;

(2) with respect to a partnership, the board of directors or other governing body of the general partner of the partnership;

(3) with respect to a limited liability company, the board of directors, managers or other governing body, and in the absence of the same, the managing member or members or any controlling committee of managing members thereof; and

(4) with respect to any other Person, the board or committee of such Person or other individual or entity serving a similar function.

"Business Day" means each day that is not a Legal Holiday.

"Canadian Dollar Equivalent" of any amount means, at the time of determination thereof,

(1) if such amount is expressed in Canadian dollars, such amount; or

(2) if such amount is expressed in any other currency, the equivalent of such amount in Canadian dollars determined by using the noon rate published by the Bank of Canada (or applicable successor entity) on the date one Business Day prior to such determination.

"Canadian Government Securities" means direct obligations of, or obligations guaranteed by the Government of Canada (or any agency thereof provided the obligations of such agency are guaranteed by the Government of Canada) or any Province of Canada (or any agency thereof provided the obligations of such agency are guaranteed by such government).

"Capital Lease Obligation" of any Person means the obligations of such Person to pay rent or other amounts under a lease of (or other Indebtedness arrangements conveying the right to use) real or personal property which are required to be classified and accounted for as a capital lease or capitalized on a balance sheet of such Person determined in accordance with GAAP and the amount of such obligations shall be the capitalized amount thereof in accordance with GAAP and the stated maturity thereof shall be the date of the last payment of rent or any other amount due under such lease or other arrangement prior to the first date upon which such lease or other arrangement may be terminated by the lessee without payment of a penalty; *provided* that any obligations of the Company and its Restricted Subsidiaries either existing on the Issue Date or created prior to the recharacterization described below (i) that were not included on the consolidated balance sheet of the Company as capital lease obligations and (ii) that are subsequently recharacterized as capital lease obligations due to a change in accounting treatment or otherwise, shall for all purposes of this Indenture (including, without limitation, the calculation of Consolidated Net Income and Consolidated Cash Flow) not be treated as Capital Lease Obligations or Indebtedness.

"Capital Stock" means:

(1) in the case of a corporation, corporate stock or shares;

(2) in the case of an association or business entity other than a corporation, any and all shares, interests, participations, rights or other equivalents (however designated) of corporate stock;

(3) in the case of a partnership or limited liability company, partnership or membership interests (whether general or limited); and

(4) any other interest or participation that confers on a Person the right to receive a share of the profits and losses of, or distributions of assets of the issuing Person;

but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with such Capital Stock.

"Cash Equivalents" means;

(1) marketable direct obligations issued by, or unconditionally Guaranteed by, the United States or Canada or issued by any agency thereof and backed by the full faith and credit of the United States or Canada, as applicable, in each case maturing within one year from the date of acquisition;

(2) certificates of deposit, time deposits, overnight bank deposits or bankers' acceptances having maturities of one year or less from the date of acquisition issued by any lender to the Company or any of its Subsidiaries or by any commercial bank organized under the laws of Canada or the United States or any subdivision thereof or any U.S. or Canadian branch of a foreign bank having, at the date of acquisition thereof, combined capital and surplus of not less than $250,000,000 and whose long-term debt is rated "A-3" or "A−" or higher according to Moody's or S&P (or such similar equivalent rating by at least one "nationally recognized statistical rating organization" (as defined in Rule 436 under the Securities Act));

(3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (1) entered into with (a) a bank meeting the qualifications described in clause (2) above, or (b) any primary government securities dealer reporting to the Market Reports Division of the Federal Reserve Bank of New York;

(4) commercial paper, maturing not more than one year after the date of acquisition, issued by a corporation (other than an Affiliate of the Company) organized and in existence under the laws of the United States of America with a rating at the time as of which any Investment therein is made of "P-1" (or higher) according to Moody's or "A-1" (or higher) according to S&P (or such similar equivalent rating by at least one "nationally recognized statistical rating organization" (as defined in Rule 436 under the Securities Act)) or, with respect to commercial paper issued in Canada by a corporation (other than an Affiliate of the Company) organized and in existence under the laws of Canada, having a rating at the time as of which any Investment therein is made of "R-1" (or higher) according to Dominion Bond Rating Service Limited;

(5) direct obligations (or certificates representing an ownership interest in such obligations) of any state of the United States of America, any province of Canada or any foreign country recognized by the United States or any political subdivision of any such state, province or foreign country, as the case may be (including any agency or instrumentality thereof), for the payment of which the full faith and credit of such state is pledged and which are not callable or redeemable at the issuer's option, provided that (a) the long-term debt of such state, province or country is rated "A-3" or "A−" or higher according to Moody's or S&P (or such similar equivalent rating by at least one "nationally recognized statistical rating organization" (as defined in Rule 436 under the Securities Act)), and (b) such obligations mature within one year of the date of acquisition thereof; and

(6) Investments in money market funds which invest substantially all of their assets in securities of the types described in clauses (1) through (5) above.

"CCAA" means the Companies' Creditors Arrangement Act (Canada) as such legislation now exists or may from time to time hereafter be amended, modified, recodified, supplemented or replaced, together with all rules, regulations and interpretations thereunder or related thereto.

"CDS" means CDS Clearing and Depository Services Inc.

"Change of Control" means the occurrence of any of the following:

(1) the direct or indirect sale, conveyance, transfer, lease or other disposition (other than by way of amalgamation, arrangement, exchange offer, merger or consolidation), in one or a series of related transactions, of all or substantially all of the assets of the Company and its Subsidiaries, taken as a whole, to any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act);

(2) the adoption of a plan relating to the liquidation or dissolution of the Company (whether or not otherwise in compliance with this Indenture);

(3) the consummation of any transaction (including any amalgamation, arrangement, exchange offer, merger or consolidation) the result of which is that any "person" (as defined above) becomes the "beneficial owner" (as such term is defined in Rules 13d-3 and 13d-5 under the Exchange Act, except that for purposes of this clause (3) such person shall be deemed to have "beneficial ownership" of all shares that such person has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, of more than 50% of the Voting Stock of the Company; or

(4) the first day on which a majority of the members of the Board of Directors of the Company are not Continuing Directors;

except that in the case of (1), (3) or (4) above, any transaction or series of related transactions where immediately following such transaction or transactions (x) Gordon J. Reykdal is the Chairman of the Company or any successor thereto or the person to whom all or substantially all of such assets are sold conveyed, transferred, leased or otherwise disposed (a "Successor Entity") and (y) the Equity Interests in the Company or the Successor Entity controlled, directly or indirectly, by Gordon J. Reykdal and his Affiliates are no less than 20% of the total Equity Interest in the Company or such Successor Entity, shall not constitute a Change of Control.

"Clearstream" means Clearstream Banking, Société Anonyme.

"Code" means the Internal Revenue Code of 1986, as amended, or any successor thereto.

"Collateral" means the collateral securing the Indenture Obligations.

"Collateral Agent" means Computershare Trust Company of Canada in its capacity as Collateral Agent under the Collateral Documents, together with its successors in such capacity.

"Collateral Documents" means the Collateral Trust Agreement, the Securities Pledge Agreements, the General Security Agreements, and all security agreements, pledge agreements, collateral assignments, collateral agency agreements, debentures, control agreements, blocked account agreements, mortgages, deeds of trust or other grants or transfers for security executed and delivered by the Company or any Guarantor creating (or purporting to create) a Lien upon Collateral in favor of the Collateral Agent for the benefit of the Priority Lien Secured Parties or the Parity Lien Secured Parties or under which rights or remedies with respect to any such Lien are governed, in each case as amended, modified, renewed, restated or replaced, in whole or in part, from time to time, in accordance with its terms and the provisions of the Collateral Documents and Article 9 herein.

"Collateral Trust Agreement" means the collateral trust and intercreditor agreement, dated the Issue Date between the Company, each Secured Obligations Guarantor, the Collateral Agent and the representatives of the Secured Parties, which sets forth the terms on which the Collateral Agent will receive, hold, administer, maintain and distribute the proceeds of the Collateral securing the obligations under the Collateral Documents.

"Common Shares" means the common shares of the Company, no par value, as existing on the Issue Date or to the extent such common shares are reclassified or otherwise cease to exist, any class of Capital Stock of the Company that (1) is at the time entitled to vote in the election of the Board of Directors of the Company and (2) has no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation, dissolution or winding up of the issuer thereof and which is not subject to redemption by the issuer thereof.

"Company" has the meaning set forth in the recitals hereto.

"Company Order" means a written request or order signed on behalf of the Company by an Officer of the Company, who must be the chief executive officer, chief financial officer, president, senior vice president, treasurer or principal accounting officer of the Company, and delivered to the Trustee.

"Consolidated Cash Flow" means, with respect to any Person for any period, the Consolidated Net Income of such Person and its Restricted Subsidiaries for such period plus:

(1) an amount equal to any extraordinary or non-recurring loss, to the extent that such losses were deducted in computing such Consolidated Net Income; plus

(2) an amount equal to any net loss realized in connection with an Asset Sale, the disposition of any securities by such Person or any of its Restricted Subsidiaries or the extinguishment of any Indebtedness by such Person or its Restricted Subsidiaries, to the extent such losses were deducted in computing such Consolidated Net Income; plus

(3) provision for taxes based on income or profits of such Person and its Restricted Subsidiaries for such period, to the extent that such provision for taxes was deducted in computing such Consolidated Net income; plus

(4) Consolidated Interest Expense of such Person and its Restricted Subsidiaries for such period; plus

(5) depreciation, amortization (including amortization of goodwill and other intangibles but excluding amortization of prepaid cash expenses that were paid in a prior period) to the extent deducted in computing such Consolidated Net Income; plus

(6) write offs, write downs or impairment of goodwill or other intangible assets, unrealized mark-to-market losses, and other non-cash charges and expenses (excluding any such other non-cash charge or expense to the extent that it represents an accrual of or reserve for cash charges in any future period or amortization of a prepaid cash expense that was paid in a prior period) of such Person and its Restricted Subsidiaries for such period to the extent deducted in computing such Consolidated Net Income; plus

(7) any charge or expense related to the final disposition, including settlement, of any class action litigation described in the Final Offering Circular; plus

(8) any one-time, non-recurring expenses or charges related to any Equity Offering, Permitted Investment, acquisition, recapitalization or Indebtedness permitted to be incurred pursuant to the terms of this Indenture (including a refinancing thereof), whether or not successful, including (i) such fees, expenses or charges related to the offering of the Notes and the Credit Agreement and (ii) any amendment or other modification of this Indenture, in each case, deducted in computing Consolidated Net Income; minus

(9) all non-cash items to the extent that such non-cash items increased Consolidated Net Income for such period (excluding the recognition of deferred revenue or any items which represent the reversal of any accrual of, or cash reserve for, anticipated cash charges in any prior period and any items for which cash was received in a prior period).

Notwithstanding the foregoing, the provision for taxes based on income or profits of, and the depreciation and amortization and other non-cash charges of, a Restricted Subsidiary of a Person shall be added to Consolidated Net Income to compute Consolidated Cash Flow only to the extent (and in the same proportion) that the Net Income of such Restricted Subsidiary was included in calculating the Consolidated Net Income of such Person.

"Consolidated Interest Expense" means, with respect to any Person for any period, the sum of, without duplication:

(1) the consolidated interest expense of such Person and its Restricted Subsidiaries for such period, whether paid or accrued (including amortization of original issue discount, non-cash interest payments, the interest component of any deferred

payment obligations, the interest component of all payments associated with Capital Lease Obligations, imputed interest with respect to Attributable Debt, commissions, discounts and other fees and charges incurred in respect of letter of credit or bankers' acceptance financings, and net payments and receipts (if any) pursuant to interest rate Hedging Obligations, but excluding the imputed interest component of retention payments paid by such Person and its Restricted Subsidiaries); *provided* that the amortization or write-off of capitalized financing or debt issuance costs shall be excluded; plus

(2) all cash dividend payments on any series of Preferred Stock to the extent treated as debt for tax purposes;

(3) the consolidated interest expense of such Person and its Restricted Subsidiaries that was capitalized during such period; plus

(4) any interest expense on Indebtedness of another Person to the extent that such Indebtedness is Guaranteed by such Person or one of its Restricted Subsidiaries or secured by a Lien on the assets of such Person or one of its Restricted Subsidiaries (whether or not such Guarantee or Lien is called upon).

"Consolidated Net Income" means, with respect to any Person for any period, the aggregate of the Net Income of such Person and its Restricted Subsidiaries for such period, determined on a consolidated basis in accordance with GAAP; *provided* that:

(1) the Net Income of any Person that is not a Restricted Subsidiary of such Person, or that is accounted for by the equity method of accounting shall be included, but only to the extent of the amount of dividends or distributions that have been distributed in cash (or to the extent converted into cash) to the referent Person or a Restricted Subsidiary thereof in respect of such period;

(2) solely for the purpose of determining the amount available for Restricted Payments under Section 4.07(a)(3) the Net Income of any Restricted Subsidiary that is not a Guarantor shall be excluded only to the extent that the declaration or payment of dividends or similar distributions by that Restricted Subsidiary of that Net Income is not at the date of determination permitted without any prior governmental approval (that has not been obtained) or, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Restricted Subsidiary or its stockholders, unless such restriction has been legally waived;

(3) the cumulative effect of a change in accounting principles shall be excluded;

(4) any non-recurring charge or expense related to the offering of the Initial Notes and the use of proceeds therefrom, as described in the Final Offering Circular, shall be excluded;

(5) any income or loss from the early extinguishment of Indebtedness or Hedging Obligations or other derivative instruments shall be excluded; and

(6) any unrealized net gain or loss resulting in such period from Hedging Obligations or other derivative instruments shall be excluded.

"Continuing Directors" means, as of any date of determination, any member of the Board of Directors of the Company who (1) was a member of such Board of Directors on the Issue Date or (2) was nominated for election or elected to such Board of Directors with the approval, recommendation or endorsement of a majority of the directors who were members of such Board of Directors on the Issue Date or whose nomination or election to the Board of Directors was previously so approved.

"Corporate Trust Office of the Trustee" shall be at the address of the Trustee specified in Section 13.01, or such other address as to which the Trustee may give notice to the Holders and the Company.

"Credit Agreement" means the letter agreement dated as of September 1, 2011 by and among the Company and the lender thereto, including any related notes, guarantees, collateral documents, instruments and agreements in connection therewith (in each case, as may be amended and restated, supplemented or otherwise modified from time to time).

"Credit Agreement Representative" means an administrative agent or, if no administrative agent, such lender or lenders under the Credit Agreement.

"Credit Facility" means one or more debt facilities, including the Credit Agreement, or other financing arrangements (including commercial paper facilities or indentures) providing for revolving credit loans, term loans, letters of credit, bankers acceptances or other indebtedness, including any notes, Guarantees, collateral documents, instruments and agreements executed in connection therewith, and in each case, as amended, extended, renewed, restated, supplemented, replaced (whether or not upon termination and whether with the original lenders, institutional investors or otherwise), refinanced (including through the issuance of debt securities), restructured or otherwise modified (in whole or in part, and without limitation as to amount, terms, conditions, covenants and other provisions) from time to time, and any agreement (and related document) governing Indebtedness incurred to refinance, in whole or in part, the borrowings and commitments then outstanding or permitted to be outstanding under such Credit Facility or a successor Credit Facility, whether by the same or any other agent, lender or group of lenders (or institutional investors).

"Custodian" means the Trustee, as custodian with respect to the Notes in global form, or any successor entity thereto.

"Default" means any event that is or with the passage of time or the giving of notice or both would be an Event of Default; *provided* that any Default that results solely from the taking of an action that would have been permitted but for the continuation of a previous Default shall be deemed to be cured if such previous Default is cured prior to becoming an Event of Default.

"Definitive Note" means a certificated Note registered in the name of the Holder thereof and issued in accordance with Section 2.06(c) or issued on the Issue Date, substantially in the form of Exhibit A except that such Note shall not bear the Global Note Legend and shall not have the "Schedule of Exchanges of Interests in the Global Note" attached thereto.

"Depositary" means, with respect to the Notes issuable or issued in whole or in part in global form, the Person specified in Section 2.03 as the Depositary with respect to the Notes, and any and all successors thereto appointed as Depositary hereunder and having become such pursuant to the applicable provision of this Indenture.

"Disqualified Stock" means, with respect to any Person, any Capital Stock which by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable at the option of the holder) or upon the happening of any event:

(1) matures or is mandatorily redeemable pursuant to a sinking fund obligation or otherwise;

(2) is convertible or exchangeable for Indebtedness or Disqualified Stock (excluding Capital Stock convertible or exchangeable solely at the option of the Company or a Subsidiary of the Company; *provided* that any such conversion or exchange will be deemed an Incurrence of Indebtedness or Disqualified Stock, as applicable); or

(3) is redeemable at the option of the holder thereof, in whole or in part,

in the case of each of clauses (1), (2) and (3) on or prior to the 91st day after the Stated Maturity of the Notes; *provided* that any Capital Stock that would not constitute Disqualified Stock but for provisions thereof giving holders thereof the right to require such Person to repurchase or redeem such Capital Stock upon the occurrence of an Asset Sale or Change of Control occurring on or prior to the 91st day after the Stated Maturity of the Notes will not constitute Disqualified Stock if the terms of such Capital Stock provide that such Person may not repurchase or redeem any such Capital Stock pursuant to such provisions prior to the Company's purchase of the Notes as are required to be purchased pursuant to Section 4.10 and Section 4.14.

"DTC" means the Depository Trust Company.

"Equity Interests" means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for Capital Stock).

"Equity Offering" means a sale for cash of either (1) common equity securities or units including or representing common equity securities of the Company (other than to the Company or a Subsidiary of the Company) or (2) common equity securities or units including or representing common equity securities of a direct or indirect parent entity of the Company (other than to the Company or a Subsidiary of the Company) to the extent that the net proceeds therefrom are contributed to the common equity capital of the Company.

"Event of Loss" means, with respect to any property or asset, any (i) loss or destruction of, or damage to, such property or asset or (ii) any condemnation, seizure or taking, by exercise of the power of eminent domain or otherwise, of such property or asset, or confiscation or requisition of the use of such property or asset.

"Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended.

"Existing Indebtedness" means any Indebtedness of the Company or any of its Restricted Subsidiaries outstanding on the Issue Date until such Indebtedness is repaid.

"Fair Market Value" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress or necessity of either party, determined in good faith by the Board of Directors of the Company, as applicable; *provided, however,* that, (x) with respect to any such price less than $5.0 million, only the good faith determination of the Company's senior management, as applicable, shall be required, (y) with respect to any such price in excess of $5.0 million, the basis of such determination is set forth in writing and a majority of the non-employee directors of the Company has determined in good faith that the criteria set forth in this definition are satisfied as evidenced by a resolution of the Board of Directors of the Company set forth in an Officer's Certificate and (z) except in the case of determining the Fair Market Value of assets in connection with an Asset Sale not involving the sale of assets to an Affiliate, the Board of Directors' determination must be based upon an opinion or appraisal issued by an accounting, appraisal or investment banking firm of national standing in the United States or Canada if the Fair Market Value exceeds $10.0 million.

"Final Offering Circular" means the final Offering Circular relating to the offering of Initial Notes, dated January 24, 2012.

"Fixed Charge Coverage Ratio" means with respect to any Person for any period, the ratio of the Consolidated Cash Flow of such Person for such period to the Fixed Charges of such Person for such period. In the event that the Company or any of its Restricted Subsidiaries incurs or redeems any Indebtedness (other than revolving credit borrowings) or issues or redeems Preferred Stock subsequent to the commencement of the period for which the Fixed Charge Coverage Ratio is being calculated but prior to the date on which the event for which the calculation of the Fixed Charge Coverage Ratio is made (the "Calculation Date"), the Fixed Charge Coverage Ratio shall be calculated giving *pro forma* effect to such Incurrence or redemption of Indebtedness, or such issuance or redemption of Preferred Stock (including the application of any proceeds therefrom), as if the same had occurred at the beginning of the applicable four-quarter reference period. In addition, for purposes of making the computation referred to above:

(1) acquisitions that have been made by the Company or any of its Restricted Subsidiaries, including through amalgamations, arrangements, mergers or consolidations and including any related financing transactions, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date shall be deemed to have occurred on the first day of the four-quarter reference period and Consolidated Cash Flow for such reference period shall be calculated to include the Consolidated Cash Flow of the acquired entities (adjusted to exclude (A) the cost of any

compensation, remuneration or other benefit paid or provided to any employee, consultant, Affiliate or equity owner of the acquired entities to the extent such costs are eliminated and not replaced and (B) the amount of any reduction in general, administrative or overhead costs of the acquired entities, in each case, as determined in good faith by an officer of the Company);

(2) the Consolidated Cash Flow attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to the Calculation Date, shall be excluded;

(3) the Fixed Charges attributable to discontinued operations, as determined in accordance with GAAP, and operations or businesses disposed of prior to the Calculation Date, shall be excluded, but only to the extent that the obligations giving rise to such Fixed Charges will not be obligations of the referent Person or any of its Restricted Subsidiaries following the Calculation Date;

(4) any Person that is a Restricted Subsidiary of the Company on the Calculation Date will be deemed to have been a Restricted Subsidiary of the Company at all times during such four-quarter period;

(5) any Person that is not a Restricted Subsidiary of the Company on the Calculation Date will be deemed not to have been a Restricted Subsidiary of the Company at any time during such four-quarter period; and

(6) if any Indebtedness bears a floating rate of interest, the interest expense on such indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months).

"Fixed Charges" means, with respect to any Person for any period, the sum of, without duplication:

(1) the Consolidated Interest Expense of such Person and its Restricted Subsidiaries for such period; plus

(2) the product of (A) all cash dividend payments on any series of Preferred Stock to the extent not treated as debt for tax purposes of such Person, *times* (B) a fraction, the numerator of which is one and the denominator of which is one minus the then current combined federal, provincial, state, local and foreign statutory income tax rate of such Person, expressed as a decimal, in each case, on a consolidated basis and in accordance with GAAP.

"GAAP" means generally accepted accounting principles in the United States of America in effect on the Issue Date.

"General Security Agreement" means the general security agreements granted by each Secured Obligations Guarantor in favour of the Collateral Agent for the benefit of the

Priority Lien Secured Parties and the Parity Lien Secured Parties as security for the payment and performance of the Secured Obligations, in each case as amended, modified, renewed, restated or replaced, in whole or part, from time to time, in accordance with its terms.

"Global Note Legend" means the legend set forth in Section 2.06(g)(iii), which is required to be placed on all Global Notes issued under this Indenture.

"Global Notes" means, individually and collectively, each of the Restricted Global Notes and the Unrestricted Global Notes, substantially in the form of Exhibit A, issued in accordance with Section 2.01, 2.06(b) or 2.06(d).

"Grantors" means the Company and each Guarantor and each other Person that has or may from time to time hereafter execute and deliver a Collateral Document as a Person granting a Lien or other interest in its property to secure any of the Indenture Obligations.

"Guarantee" by any Person means any obligation, contingent or otherwise, of such Person guaranteeing any Indebtedness or other obligation of any other Person (the "primary obligor") in any manner, whether directly or indirectly, and including any obligation of such Person to:

(1) purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or to purchase (or to advance or supply funds for the purchase of) any security for the payment of such Indebtedness;

(2) purchase property, securities or services for the purposes of assuring the holder of such Indebtedness of the payment of such Indebtedness; or

(3) maintain working capital, equity capital or other financial statement condition or liquidity of the primary obligor so as to enable the primary obligor to pay such Indebtedness;

provided, however, that the Guarantee by any Person shall not include endorsements by such Person for collection or deposit, in either case, in the ordinary course of business. The term "Guarantee" used as a verb has a corresponding meaning.

"Guarantors" means each Restricted Subsidiary of the Company that executes a Notes Guarantee in accordance with the provisions of this Indenture.

"Hedge Agreements" means any commodity swap, future or option contracts, interest rate swap, cap or collar agreements, interest rate future or option contracts, currency swap agreements, currency future or option contracts, and other hedging agreements or swap contracts with respect to the management of risks related to commodities, interest rate or currency fluctuations which is permitted under each applicable Secured Debt Document.

"Hedge Obligations" means the actual Indebtedness of the Company or any other Obligor to a Hedge Provider under or pursuant to any Hedge Agreement to which it is a party.

"Hedge Providers" means any person who enters into a Hedge Agreement with the Company or any other Obligor to the extent permitted under each applicable Secured Debt Document and who has complied with the Collateral Trust Agreement or is a Lender Hedge Provider.

"Holder" means the Person in whose name a Note is registered in the Note Register.

"Incur" or "incur" means, with respect to any indebtedness or other obligation of any Person, to create, issue, incur (by conversion, exchange or otherwise), assume (pursuant to an amalgamation, arrangement, merger, consolidation, acquisition or other transaction), Guarantee or otherwise become liable in respect of such Indebtedness or other obligation or the recording, as required pursuant to GAAP or otherwise, of any such Indebtedness or other obligation on the balance sheet of such Person (and "incurrence" and "incurred" shall have meanings correlative to the foregoing); *provided, however,* that a change in GAAP that results in an obligation of such Person that exists at such time becoming Indebtedness shall not be deemed an Incurrence of such Indebtedness. Indebtedness otherwise incurred by a Person before it becomes a Subsidiary of the Company shall be deemed to have been incurred at the time it becomes such a Subsidiary.

"Indebtedness" means (without duplication), with respect to any Person, whether recourse is to all or a portion of the assets of such Person and whether or not contingent:

(1) obligations of such Person in respect of principal for money borrowed;

(2) obligations of such Person in respect of principal evidenced by bonds, debentures, notes or other similar instruments;

(3) every reimbursement obligation of such Person with respect to letters of credit, banker's acceptances or similar facilities issued for the account of such Person, other than obligations with respect to letters of credit securing obligations, other than obligations referred to in clauses (1), (2) and (5) entered into in the ordinary course of business of such Person to the extent such letters of credit are not drawn upon or, if and to the extent drawn upon, such drawing is reimbursed no later than the 10th day following payment on the letter of credit;

(4) every obligation of such Person issued or assumed as the deferred purchase price of property or services that is recorded as a liability under GAAP (but excluding trade payables, credit on open account, provisional credit, accrued liabilities or similar terms arising in the ordinary course of business which are not overdue by more than 30 days or which are being contested in good faith);

(5) every Capital Lease Obligation of such Person;

(6) the maximum fixed redemption or repurchase price of Disqualified Stock, of such Person at the time of determination plus accrued but unpaid dividends;

(7) every net payment obligation of such Person under interest rate swap, cap, collar or similar agreements or foreign currency hedge, exchange or similar agreements of such Person (collectively, "Hedging Obligations"); and

(8) every obligation of the type referred to in clauses (1) through (7) of another Person the payment of which, in either case, such Person has Guaranteed or is liable, directly or indirectly, as obligor, guarantor or otherwise, to the extent of such Guarantee or other liability;

provided, that obligations in respect of any payments due in connection with the termination or expiration of a lease that is not a Capital Lease Obligation pursuant to the terms of such lease shall not be deemed to be Indebtedness.

"Indenture" means this Indenture, as amended, supplemented or otherwise modified from time to time.

"Indenture Documents" means the Indenture, the Notes and the Collateral Documents.

"Indenture Obligations" means all Obligations in respect of the Notes or arising under the Indenture Documents, including the fees and expenses (including, without limitation, fees, expenses and disbursements of agents, counsel and professional advisors) of the Trustee and Collateral Agent. Indenture Obligations shall include all interest accrued (or which would, absent the commencement of an insolvency or liquidation proceeding, accrue) after the commencement of an insolvency or liquidation proceeding in accordance with and at the rate specified in the relevant Indenture Document whether or not the claim for such interest is allowed as a claim in such insolvency or liquidation proceeding.

"Indirect Participant" means a Person who holds a beneficial interest in a Global Note through a Participant.

"Initial Notes" has the meaning set forth in the recitals hereto.

"Insolvency or Liquidation Proceeding" means:

(1) any voluntary or involuntary case or proceeding under the Bankruptcy Code or BIA or CCAA with respect to any Grantor;

(2) any other voluntary or involuntary insolvency, reorganization or bankruptcy case or proceeding, or any receivership, liquidation, reorganization or other similar case or proceeding with respect to any Grantor or with respect to a material portion of their respective assets;

(3) any liquidation, dissolution, reorganization or winding up of any Grantor whether voluntary or involuntary and whether or not involving insolvency or bankruptcy; or

(4) any assignment for the benefit of creditors or any other marshalling of assets and liabilities of any Grantor.

"interest" with respect to the Notes means interest with respect thereto.

"Interest Payment Date" means January 31 and July 31 of each year to Stated Maturity.

"Investment Grade Rating" means (1) a rating equal to or higher than Baa3 (or the equivalent) by Moody's and BBB− (or the equivalent) by S&P or (2) a rating equal to or higher than Baa3 (or the equivalent) by Moody's or BBB− (or the equivalent) by S&P and an equivalent rating by any other Rating Agency.

"Investments" means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the form of direct or indirect loans (including Guarantees of Indebtedness or other obligations), advances or capital contributions (excluding commissions, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions for consideration of Indebtedness, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with GAAP; *provided* that an acquisition of assets, Equity Interests or other securities by the Company or a Restricted Subsidiary of the Company for consideration consisting of common equity securities of the Company or such Restricted Subsidiary shall not be deemed to be an Investment, if the Company or any Restricted Subsidiary of the Company sells or otherwise disposes of any Equity Interests of any direct or indirect Restricted Subsidiary of the Company such that after giving effect to any such sale or disposition, such Person is no longer a direct or indirect Restricted Subsidiary of the Company, the Company shall be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Equity Interests of such Restricted Subsidiary not sold or disposed of. For purposes of the definition of Unrestricted Subsidiary and Section 4.07

(1) investments shall include the portion (proportionate to the Company's equity interest in such Subsidiary) of the Fair Market Value of the net assets of a Subsidiary of the Company at the time that such Subsidiary is designated an Unrestricted Subsidiary; *provided*, that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Company shall be deemed to continue to have a permanent "Investment" in an Unrestricted Subsidiary in an amount (if positive) equal to:

(a) the Company's "Investment" in such Subsidiary at the time of such redesignation; less

(b) the portion (proportionate to the Company's equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Subsidiary at the time of such redesignation; and

(2) any property transferred to or from an Unrestricted Subsidiary of the Company shall be valued at its Fair Market Value at the time of such transfer.

The amount of any Investment outstanding at any time shall be the original cost of such Investment, reduced by any dividend, distribution, interest payment, return of capital, repayment or other amount received in cash by the Company or a Restricted Subsidiary of the Company in respect of such Investment.

"Issue Date" means January 31, 2012.

"Legal Holiday" means a Saturday, a Sunday or a day on which commercial banking institutions are not required to be open in the State of New York or the province of Ontario.

"Lender Hedge Providers" means a Hedge Provider who enters into a Hedge Agreement that is permitted under the Secured Debt Documents and who at the time of entering into such Hedge Agreement is either (a) a lender under a Credit Facility, or (b) an Affiliate of a lender under a credit facility.

"Lien" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest, encumbrance or hypothecation of any kind in respect of that asset, whether or not filed, recorded or otherwise perfected under applicable law (including any conditional sale or other title retention agreement, any lease in the nature thereof, any other agreement to give a security interest in and any filing of any financing statement under any Personal Property Security Act (or equivalent legislation) of any jurisdiction).

"Moody's" means Moody's Investors Services, Inc. or any successor to the rating agency business of Moody's Investors Inc.

"Net Cash" means, as of the date of the declaration of a dividend pursuant to Section 4.07(b)(5) the sum of (1) the amount of undrawn and available borrowing capacity under Credit Facilities in existence on the date of the declaration of the dividend contemplated by such section, which, as of such date, may be Incurred by the Company or any of its Restricted Subsidiaries and (2) Available Cash.

"Net Income" means, with respect to any Person, the net income (loss) of such Person, determined in accordance with GAAP and before any reduction in respect of Preferred Stock dividends, excluding, however, (1) any gain (but not loss), together with any related provision for taxes on such gain (but not loss), realized in connection with (A) any Asset Sale (including dispositions pursuant to Sale and Leaseback Transactions) or (B) the disposition of any securities by such Person or any of its Restricted Subsidiaries or the extinguishment of any Indebtedness of such Person or any of its Subsidiaries and (2) any extraordinary or nonrecurring gain (but not loss), together with any related provision for taxes on such extraordinary or nonrecurring gain (but not loss).

"Net Proceeds" means the aggregate cash proceeds received by the Company or any of its Restricted Subsidiaries in respect of any Asset Sale (including any cash received upon the sale or other disposition of any non-cash consideration received in any Asset Sale), net of the direct costs relating to such Asset Sale (including legal, accounting and investment banking fees and sales commissions) and any relocation expenses Incurred as a result thereof, taxes paid or payable as a result thereof (after taking into account any available tax credits or deductions and

any tax sharing arrangements), amounts required to be applied to the repayment of Indebtedness secured by a Lien on the asset or assets that were the subject of such Asset Sale and any reserve for adjustment in respect of the sale price of such asset or assets established in accordance with GAAP.

"Non-Recourse Debt" means Indebtedness:

(1) as to which neither the Company nor any of its Restricted Subsidiaries (a) provides credit support of any kind (including any undertaking, agreement or instrument that would constitute Indebtedness) or (b) is directly or indirectly liable as a guarantor or otherwise; and

(2) no default with respect to which (including any rights that the holders of the Indebtedness may have to take enforcement action against an Unrestricted Subsidiary of the Company) would permit upon notice, lapse of time or both any holder of any other Indebtedness of the Company or any of its Restricted Subsidiaries to declare a default on such other Indebtedness or cause the payment of the Indebtedness to be accelerated or payable prior to its Stated Maturity.

"Non-U.S. Person" means a Person who is not a U.S. Person.

"Notes" means the Initial Notes and more particularly means any Note authenticated and delivered under this Indenture. For all purposes of this Indenture, the term "Notes" shall also include any Additional Notes that may be issued.

"Note Documents" means the Indenture, the Notes, the Notes Guarantees, the Collateral Trust Agreement (and related Collateral Documents), each Parity Debt Sharing Confirmation, and all other agreements related to the Indenture, the Notes and the Notes Guarantees.

"Notes Guarantee" means a Guarantee of the Notes.

"Notes Secured Parties" means the holders of Indenture Obligations.

"Obligations" means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Indebtedness.

"Obligor" means the Company, the Secured Obligations Guarantors and each other Person (if any) that at any time provides collateral security for any Secured Obligations.

"Officer" means the Chairman of the Board, the Chief Executive Officer, the Chief Financial Officer, the President, any Executive Vice President, Senior Vice President or Vice President, the Treasurer, the Controller, principal accounting officer or the Secretary of the Company or of any other Person, as the case may be.

"Officer's Certificate" means a certificate signed by any one of the chief executive officer, chief financial officer, president, senior vice-president, treasurer or principal accounting officer of the Company and delivered to the Trustee.

"Opinion of Counsel" means a written opinion from legal counsel who is acceptable to the Trustee. The counsel may be in-house counsel or counsel to the Company.

"Parity Debt Representative" means:

(1) the case of the Notes and the Guarantees of the Notes, the Trustee; and

(2) in the case of any other Series of Parity Lien Debt, the trustee, agent or representative of the holders of such Series of Parity Lien Debt who maintains the transfer register for such Series of Parity Lien Debt and is appointed as a Parity Debt Representative (for purposes related to the administration of the Collateral Documents) pursuant to the credit agreement, Indenture or other agreement governing such Series of Parity Lien Debt, and who has executed a joinder to the Collateral Trust Agreement.

"Parity Debt Sharing Confirmation" means, as to any Series of Parity Lien Debt, the written agreement of the holders of that Series of Parity Lien Debt, as set forth in this Indenture or other agreement governing that Series of Parity Lien Debt, for the benefit of all holders of each other existing and future Series of Parity Lien Debt and each existing and future Parity Debt Representative, that all Parity Lien Obligations will be and are secured equally and ratably by all Liens at any time granted by the Company or any other Obligor to secure any Obligations in respect of such Series of Parity Lien Debt, whether or not upon property otherwise constituting Collateral, that all such Liens will be enforceable by the Collateral Agent for the benefit of all holders of Parity Lien Obligations equally and ratably, and that the holders of Obligations in respect of such Series of Parity Lien Debt are bound by the provisions of the Collateral Trust Agreement relating to the order of application of proceeds from enforcement of such Liens, and consent to and direct the Collateral Agent to perform its obligations under the Collateral Trust Agreement.

"Parity Lien" means a Lien granted by a Collateral Document to the Collateral Agent upon any property of the Company or any other Obligor to secure Parity Lien Obligations.

"Parity Lien Debt" means

(1) the Notes and the Notes Guarantees issued on the Issue Date; and

(2) any other Indebtedness (including Additional Notes) that is secured equally and ratably with the Notes by a Parity Lien that was permitted to be incurred and so secured under each applicable Secured Debt Document; provided, in the case of any Indebtedness referred to in this clause (2), that:

(a) on or before the date on which such Indebtedness is Incurred such Indebtedness is designated by the Company, in an Officer's Certificate delivered to each Parity Debt Representative and the Collateral Agent, as "Parity Lien Debt" for the purposes of the Secured Debt Documents; provided that no

Obligation or Indebtedness may be designated as both Parity Lien Debt and Priority Lien Debt;

(b) such Indebtedness is governed by an indenture or other agreement that includes a Parity Debt Sharing Confirmation; and

(c) all requirements set forth in the Collateral Trust Agreement as to the confirmation, grant or perfection of the Collateral Agent's Liens to secure such Indebtedness or Obligations in respect thereof are satisfied (and the satisfaction of such requirements and the other provisions of this clause (c) will be conclusively established for purposes of entitling the holders of such indebtedness to share equally and ratably with other holders of Parity Lien Debt in the benefits and proceeds of the Collateral Agent's Liens on the Collateral if the Company delivers to the Collateral Agent an Officer's Certificate stating that such requirements and other provisions have been satisfied and that such Indebtedness is "Parity Lien Debt").

"Parity Lien Documents" means, collectively, the Note Documents and each agreement, Indenture or instrument governing each other Series of Parity Lien Debt and all other agreements governing, securing or relating to any Parity Lien Obligations.

"Parity Lien Obligations" means Parity Lien Debt and all other Obligations in respect thereof.

"Parity Lien Secured Parties" means the holders of Parity Lien Obligations and any Parity Debt Representatives.

"Participant" means, with respect to the Depositary, DTC, Euroclear or Clearstream, a Person who has an account with the Depositary, DTC, Euroclear or Clearstream, respectively.

"Permitted Investments" means:

(1) any Investment in the Company or a Restricted Subsidiary of the Company;

(2) any Investment in cash or Cash Equivalents or the Notes;

(3) any Investment by the Company or any Restricted Subsidiary of the Company in a Person, if as a result of such Investment (A) such Person becomes a Restricted Subsidiary of the Company or (B) such Person is merged into or amalgamated, arranged or consolidated with, or transfers or conveys substantially all of its assets to, or is liquidated into, the Company or a Restricted Subsidiary of the Company;

(4) any Investment existing on the Issue Date or made pursuant to binding commitments in effect on the Issue Date or an Investment consisting of any extension, modification or renewal of any Investment existing on the Issue Date; *provided* that the amount of any such Investment may be increased (x) as required by the terms of such

Investment as in existence on the Issue Date or (y) as otherwise permitted under this Indcnture;

(5) any Restricted Investment made as a result of the receipt of non-cash consideration from an Asset Sale that was made pursuant to and in compliance with Section 4.10.

(6) any Investment in loans, advances or other extensions of credit in the ordinary course of business, whether or not originated by the Company or any of its Subsidiaries;

(7) Hedging Obligations that are Incurred by the Company or any of its Restricted Subsidiaries for the purpose of fixing or hedging (A) interest rate risk with respect to any floating rate Indebtedness that is permitted by the terms of this Indenture to be outstanding or (B) currency exchange risk in connection with existing financial obligations and not for purposes of speculation;

(8) Investments in prepaid expenses, negotiable instruments held for collection and lease, utility and workers' compensation, performance and other similar deposits;

(9) loans and advances to officers, directors and employees of the Company and its Restricted Subsidiaries in the ordinary course of business not to exceed $2.0 million in the aggregate at any one time outstanding;

(10) any Investment consisting of a Guarantee permitted by Section 4.09;

(11) Investments consisting of non-cash consideration received in the form of securities, notes or similar obligations in connection with dispositions of assets permitted pursuant to the terms of this Indenture;

(12) Investments received in settlement of bona fide disputes or as distributions in bankruptcy, insolvency, foreclosure or similar proceedings;

(13) advances to suppliers in the ordinary course of business;

(14) investments consisting of purchases and acquisitions of supplies, materials and equipment or purchases or contract rights or licenses of intellectual property, in each case in the ordinary course of business;

(15) receivables owing to the Company or any of its Restricted Subsidiaries if created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms;

(16) Investments consisting of obligations of officers and employees to the Company or its Restricted Subsidiaries in connection with such officers' and employees' acquisition of Equity Interests in the Company (other than Disqualified Stock) so long as

no cash is actually advanced by the Company or any of its Restricted Subsidiaries in connection with the acquisition of such obligations; and

(17) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (17) that are at the time outstanding, not to exceed $7.5 million.

"Permitted Liens" means:

(1) Liens securing Priority Lien Obligations, in an aggregate principal amount not to exceed $32.5 million;

(2) Liens in favor of the Company or a Guarantor;

(3) Liens on property of a Person existing at the time such Person is merged into or amalgamated, arranged or consolidated with the Company or a Restricted Subsidiary of the Company, provided that such Liens were not created in connection with, or in contemplation of, such amalgamation, arrangement, merger or consolidation and do not extend to any assets other than those of the Person merged into or amalgamated, arranged or consolidated with the Company or a Restricted Subsidiary of the Company;

(4) Liens on property existing at the time of acquisition thereof by the Company or any Restricted Subsidiary of the Company, *provided* that such Liens were not created in connection with, or in contemplation of, such acquisition;

(5) Liens to secure the performance of statutory obligations, surety or appeal bonds, performance bonds, workmen's compensation or unemployment obligations or other obligations of a like nature, or to secure letters of credit issued with respect to such obligations, Incurred in the ordinary course of business;

(6) Liens consisting of deposits in connection with leases or other similar obligations, or securing letters of credit issued in lieu of such deposits, incurred in the ordinary course of business, and cash deposits in connection with acquisitions otherwise permitted under this Indenture;

(7) Liens securing Indebtedness (including Capital Lease Obligations) permitted by Section 4.09(b)(3) covering only the assets acquired with such Indebtedness and directly related assets such as proceeds (including insurance proceeds), products, replacements, substitutions and accessions thereto;

(8) Liens existing on the Issue Date and replacement Liens that do not encumber additional assets, unless such encumbrance is otherwise permitted;

(9) Liens for taxes, assessments or governmental charges or claims that are not yet delinquent for more than 30 days or that are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted, *provided* that any

reserve or other appropriate provision as shall be required in conformity with GAAP shall have been made therefor;

(10) Liens securing Permitted Refinancing Debt, *provided* that the obligor under such Indebtedness was permitted to Incur such Liens with respect to the Indebtedness so refinanced under this Indenture and:

(a) the new Lien is limited to all or part of the same property and assets that secured or, under the written agreements pursuant to which the original Lien arose, could secure the original Lien (plus improvements and accessions to, such property or proceeds or distributions thereof); and

(b) the Indebtedness secured by the new Lien is not increased to any amount greater than the sum of (x) the outstanding principal amount, or, if greater, committed amount, of the Indebtedness renewed, refunded, refinanced replaced, defeased or discharged with such Permitted Refinancing Indebtedness; and (y) an amount necessary to pay any fees and expenses, including premiums, related to such renewal, refunding, refinancing, replacement, defeasance or discharge;

(11) statutory and common law Liens of carriers, warehousemen, mechanics, suppliers, materialmen, repairmen or other similar Liens arising in the ordinary course of business with respect to amounts that are not yet delinquent for more than 30 days or that are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted, *provided* that any reserve or other appropriate provision as shall be required in conformity with GAAP shall have been made therefor;

(12) Liens arising out of judgments or awards against such Person with respect to which such Person shall then be proceeding with an appeal or other proceedings for review, *provided* that any reserve or other appropriate provision as shall be required in conformity with GAAP shall have been made therefor;

(13) Liens arising from filings of financing statements or similar documents regarding leases or otherwise for precautionary purposes relating to arrangements not constituting Indebtedness;

(14) Liens that are contractual rights of set-off (i) relating to the establishment of depository relations with banks not given in connection with the issuance of Indebtedness, (ii) relating to pooled deposit or sweep accounts of the Company or any of its Restricted Subsidiaries to permit satisfaction of overdraft or similar obligations incurred in the ordinary course of business of the Company and its Restricted Subsidiaries or (iii) relating to purchase orders and other agreements entered into with customers of the Company or any of its Restricted Subsidiaries in the ordinary course of business;

(15) Liens on Permitted Investments;

(16) to the extent not otherwise prohibited pursuant to this Indenture, Liens on assets pursuant to merger, amalgamation, or arrangement agreements, stock or asset purchase agreements and similar agreements in respect of the disposition of such assets;

(17) deposits made in the ordinary course of business to secure liability to insurance carriers;

(18) Liens on the Equity Interests or Indebtedness of Unrestricted Subsidiaries;

(19) Liens securing Indenture Obligations, including, without limitation, any Additional Notes permitted to be Incurred pursuant to this Indenture;

(20) Liens Incurred in the ordinary course of business of the Company or any Restricted Subsidiary of the Company with respect to obligations in an aggregate principal amount that does not exceed $5.0 million at any one time outstanding and that (A) are not Incurred in connection with the borrowing of money or the obtaining of advances or credit (other than trade credit in the ordinary course of business) and (B) do not in the aggregate materially detract from the value of the property or materially impair the use thereof in the operation of business by the Company or such Subsidiary;

(21) encumbrances or exceptions expressly permitted pursuant to the Collateral Documents;

(22) Liens incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security, including Liens securing letters of credit issued in the ordinary course of business in connection therewith;

(23) [Intentionally Omitted]; and

(24) pledges of Equity Interests of an Unrestricted Subsidiary of the Company securing Non-Recourse Debt of such Unrestricted Subsidiary.

For purposes of this definition, the term "Indebtedness" shall be deemed to include interest in connection with or in respect of any referenced Indebtedness.

"Permitted Refinancing Debt" means any Indebtedness of the Company or any of its Restricted Subsidiaries issued in exchange for, or the net cash proceeds of which are used to extend, refinance, renew, replace, defease or refund other Indebtedness of the Company or any of its Restricted Subsidiaries; *provided* that:

(1) the principal amount (or accreted value, if applicable) of such Permitted Refinancing Debt does not exceed the principal amount and premium, if any, plus accrued interest (or accreted value, if applicable) of the Indebtedness so extended, refinanced, renewed, replaced, defeased or refunded (plus the amount of any fees and expenses Incurred in connection therewith);

(2) such Permitted Refinancing Debt has a final scheduled maturity date later than the final scheduled maturity date of, and has a Weighted Average Life to Maturity equal to or greater than the Weighted Average Life to Maturity of, the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded;

(3) if the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded is subordinated in right of payment to the Notes, such Permitted Refinancing Debt is subordinated in right of payment to, the Notes on terms at least as favorable to the Holders of Notes as those contained in the documentation governing the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded; and

(4) such Indebtedness is Incurred either by the Company or by the Restricted Subsidiary of the Company that is the obligor on the Indebtedness being extended, refinanced, renewed, replaced, defeased or refunded or would otherwise be permitted to Incur such Indebtedness.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, joint stock corporation, trust, unincorporated organization or government or agency or political subdivision thereof or any other entity.

"Post-Petition Interest" means any interest or entitlement to fees or expenses or other charges that accrues after the commencement of any bankruptcy proceeding, whether or not allowed or allowable in any such bankruptcy proceeding.

"PPSA" means the Personal Property Security Act (Alberta) and the Regulations thereunder, as from time to time in effect, provided, however, if attachment, perfection or priority of the Collateral Agent's security interest in any Collateral is governed by the personal property security laws of any jurisdiction other than Alberta, PPSA means those personal property security laws in such other jurisdiction of Canada for the purposes of the provisions hereof relating to such attachment, perfection or priority and for the definitions related to such provisions.

"Preferred Stock" as applied to the Capital Stock of any Person, means Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

"Priority Debt Representative" means:

(1) in the case of (i) the obligations under the Credit Agreement, and (ii) Hedge Obligations owed to a Lender Hedge Provider, the Credit Agreement Representative (subject to the Collateral Trust Agreement); and

(2) in the case of any other Series of Priority Lien Debt (including non-Lender Hedge Providers described in the Collateral Trust Agreement), the trustee, agent or representative of the holders of such Series of Priority Lien Debt who maintains the transfer register for such Series of Priority Lien Debt and is appointed as a Priority Debt

Representative (for purposes related to the administration of the Collateral Documents) pursuant to the credit agreement, Indenture or other agreement governing such Series of Priority Lien Debt, and who has executed a joinder to the Collateral Trust Agreement.

"Priority Debt Sharing Confirmation" means, as to any Series of Priority Lien Debt, the written agreement of the holders of such Series of Priority Lien Debt, as set forth in the agreement governing such Series of Priority Lien Debt, for the benefit of all holders of each other existing and future Series of Priority Lien Debt and each existing and future Priority Debt Representative, that all Priority Lien Obligations will be and are secured equally and ratably by all Liens at any time granted by the Company or any other Obligor to secure any Obligations in respect of such Series of Priority Lien Debt, whether or not upon property otherwise constituting Collateral, that all such Liens will be enforceable by the Collateral Agent for the benefit of all holders of Priority Lien Obligations equally and ratably, and that the holders of Obligations in respect of such Series of Priority Lien Debt are bound by the provisions in the Collateral Trust Agreement relating to the order of application of proceeds from enforceable of such Liens, and consent to and direct the Collateral Agent to perform its obligations under the Collateral Trust Agreement.

"Priority Lien Debt" means:

(1) Indebtedness under the Credit Agreement and the Guarantees thereof that, in each case, was permitted to be incurred and so secured under each applicable Secured Debt Document; provided that for certainty, all Obligations from time to time under the Credit Agreement are Priority Lien Debt whether or not permitted under each Secured Debt Document; and

(2) Indebtedness under any other credit facility, Hedge Agreement or any Guarantee thereof of an Obligor that is secured equally and ratably with the Credit Agreement by a Priority Lien that was permitted to be Incurred and so secured under each applicable Secured Debt Document; provided, in the case of any Indebtedness referred to in this clause (2), that:

(a) on or before the date on which such Indebtedness is Incurred such Indebtedness is designated by the Company, in an Officer's Certificate delivered to each Priority Debt Representative and the Collateral Agent, as "Priority Lien Debt" for the purposes of the Secured Debt Documents; provided that no Obligation or Indebtedness may be designated as both Parity Lien Debt and Priority Lien Debt;

(b) such Indebtedness is governed by a credit agreement, an Indenture or other agreement that includes a Priority Debt Sharing Confirmation;

(c) until the payment in full and discharge of all Obligations under the Credit Agreement or any Hedge Agreement with a lender or Affiliate of a lender, written acknowledgment from the Administrative Agent to the Collateral Agent that such Obligations are Priority Lien Debt; and

(d) all requirements set forth in the Collateral Trust Agreement as to the confirmation, grant or perfection of the Collateral Agent's Lien to secure such Indebtedness or Obligations in respect thereof are satisfied (and the satisfaction of such requirements and the other provisions of this clause (iii) will be conclusively established if the Company delivers to the Collateral Agent an Officer's Certificate stating that such requirements and other provisions have been satisfied and that such Indebtedness is "Priority Lien Debt").

"Priority Lien Documents" means, collectively, the Credit Agreement and the documents relating thereto or arising thereunder, Hedge Agreements and the credit agreements, indentures or other agreements governing any other Credit Facility pursuant to which Priority Lien Debt is incurred (and not prohibited to be incurred under each applicable Secured Debt Document) and all other agreements governing or securing any Priority Lien Obligations (and not prohibited to be so secured under each applicable Secured Debt Document).

"Priority Lien Obligations" means the Priority Lien Debt and all other Obligations in respect hereof.

"Priority Lien Secured Parties" means the holders of Priority Lien Obligations and any Priority Debt Representatives.

"Priority Liens" means a Lien granted to the Collateral Agent, for the benefit of the Priority Lien Secured Parties, upon any property of the Company or any other Obligor to secure Priority Lien Obligations.

"Private Placement Legend" means the legend set forth in Section 2.06(g)(i) to be placed on all Notes issued under this Indenture, except where otherwise permitted by the provisions of this Indenture.

"QIB" means a "qualified institutional buyer" as defined in Rule 144A.

"Rating Agencies" means Moody's and S&P, or if Moody's or S&P or both shall not make a rating on the Notes publicly available, a nationally recognized statistical rating agency or agencies, as the case may be, selected by the Company which shall be substituted for Moody's or S&P or both, as the case may be.

"Record Date" for the interest, if any, payable on any applicable Interest Payment Date means January 15 or July 15 (whether or not a Business Day) next preceding such Interest Payment Date.

"Redemption Date" means any date set for redemption of the Notes, in whole or in part, in accordance with Article 3.

"Refinance" means, in respect of any Indebtedness, to refinance, extend, renew, refund, repay, prepay, purchase, redeem, defease or retire, or to issue other Indebtedness in exchange or replacement for, such Indebtedness. "Refinanced" and "refinancing" shall have correlative meanings.

"Regulation S" means Regulation S promulgated under the Securities Act.

"Regulation S Global Note" means a Global Note in the form of Exhibit A bearing the Global Note Legend and the Regulation S Legend and deposited with or on behalf of and registered in the name of the Depositary or its nominee.

"Regulation S Legend" means the legend set forth in Section 2.06(g)(ii).

"Responsible Officer" means, when used with respect to the Trustee or Collateral Agent, any officer within the corporate trust department of the Trustee, including any vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer of the Trustee who customarily performs functions similar to those performed by the Persons who at the time shall be such officers, respectively, or to whom any corporate trust matter is referred because of such Person's knowledge of and familiarity with the particular subject and who shall have direct responsibility for the administration of this Indenture.

"Restricted Definitive Note" means a Definitive Note bearing the Private Placement Legend.

"Restricted Global Note" means a Global Note bearing the Private Placement Legend.

"Restricted Investment" means an Investment other than a Permitted Investment.

"Restricted Subsidiary" means, with respect to any Person, any Subsidiary of such Person that is not an Unrestricted Subsidiary.

"Rule 144" means Rule 144 promulgated under the Securities Act.

"Rule 144A" means Rule 144A promulgated under the Securities Act.

"Rule 903" means Rule 903 promulgated under the Securities Act.

"Rule 904" means Rule 904 promulgated under the Securities Act.

"S&P" means Standard & Poor's Ratings Services, a division of the McGraw-Hill Companies, Inc., or any successor to the rating agency business thereof.

"Sale and Leaseback Transaction" means an arrangement relating to property owned by the Company or one of its Subsidiaries on the Issue Date or thereafter acquired by the Company or one of its Subsidiaries whereby the Company or such Subsidiary transfers such property to a Person and the Company or such Subsidiary leases it from such Person.

"SEC" means the Securities and Exchange Commission, or any successor agency thereto.

"Secured Debt" means Parity Lien Debt and Priority Lien Debt.

"Secured Debt Documents" means the Parity Lien Documents and the Priority Lien Documents.

"Secured Obligations" means the Parity Lien Obligations and the Priority Lien Obligations.

"Secured Obligations Guarantor" means each of the guarantors of the initial loans under the Credit Agreement, and each other Person (if any) that at any time provides a guarantee and security in respect of any of the Secured Obligations and their respective successors and assigns.

"Secured Parties" means the holders of Priority Lien Obligations and Parity Lien Obligations.

"Securities Act" means the U.S. Securities Act of 1933, as amended.

"Securities Pledge Agreements" means the securities pledge agreements granted by each Secured Obligations Guarantor in favor of the Collateral Agent for the benefit of the Priority Lien Secured Parties and the Parity Lien Secured Parties as general and continuing security for the payment and performance of the Secured Obligations, in each case as amended, modified, renewed, restated or replaced, in whole or part, from time to time, in accordance with its terms.

"Senior Trust Estate" all of each Obligor's right, title and interest in, to and under all Collateral granted to the Collateral Agent under any Collateral Document for the benefit of the Priority Lien Secured Parties, together with all of the Collateral Agent's right, title and interest in, to and under the Collateral Documents, and all interests, rights, powers and remedies of the Collateral Agent thereunder or in respect thereof and all cash and non-cash proceeds thereof, which each Obligor grants to the Collateral Agent to hold, in trust under the Collateral Trust Agreement for the benefit of all present and future holders of Priority Lien Obligations.

"Series of Parity Lien Debt" means, severally, the Notes, the Guarantees of the Notes and each other issue or Series of Parity Lien Debt for which a single transfer register is maintained.

"Series of Priority Lien Debt" means, severally, each issue or series of Priority Lien Debt for which a single transfer register is maintained, and for purposes hereof, Hedge Obligations owed to Lender Hedge Providers will be treated as part of the same Series of Priority Lien Debt as the other Priority Lien Debt owed to such Lender Hedge Provider.

"Series of Secured Debt" means, severally, each Series of Priority Lien Debt and each Series of Parity Lien Debt.

"Significant Subsidiary" means any Subsidiary that would be a "significant subsidiary" as defined in Article 1, Rule 1-02 of Regulation S-X, promulgated pursuant to the Securities Act, as such regulation is in effect on the Issue Date.

"Similar Business" means any business conducted or proposed to be conducted by the Company and its Restricted Subsidiaries on the Issue Date or any business that is similar, reasonably related, incidental, complementary or ancillary thereto, or a reasonable extension or expansion thereof.

"Stated Maturity" when used with respect to any security or any installment of interest thereon, means the date specified in such security as the fixed date on which the principal of such security or such installment of interest is due and payable.

"Subsidiary" means, with respect to any Person, (1) any corporation, association or other business entity of which more than 50% of the total voting power of shares of Capital Stock entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by such Person or one or more Subsidiaries of such Person (or a combination thereof) and (2) any partnership (A) the sole general partner or the managing general partner of which is such Person or a Subsidiary of such Person or (B) the only general partners of which are such Person or one or more Subsidiaries of such Person (or any combination thereof).

"TIA" means the Trust Indenture Act of 1939, as amended, and the rules and regulations thereunder.

"Total Assets" means, as of any date, the total consolidated assets of the Company and its Restricted Subsidiaries on a consolidated basis, as shown on the consolidated balance sheet of the Company and its Restricted Subsidiaries as of the end of the most recently ended fiscal quarter prior to the applicable date of determination for which internal financial statements are available; provided that, for purposes of calculating "Total Assets" for purposes of testing the covenants under this Indenture in connection with any transaction, the total consolidated assets of the Company and its Restricted Subsidiaries shall be adjusted to reflect any acquisitions and dispositions of assets that have occurred during the period from the date of the applicable balance sheet through the applicable date of determination but without giving effect to the transaction being tested under this Indenture.

"Treasury Rate" means, as of any redemption date, the yield to maturity as of such redemption date of United States Treasury securities with a constant maturity (as compiled and published in the most recent Federal Reserve Statistical Release H.15 (519) that has become publicly available at least two business days prior to the redemption date (or, if such Statistical Release is no longer published, any publicly available source of similar market data)) most nearly equal to the period from such redemption date to July 31, 2014; *provided, however,* that if the period from such redemption date to July 31, 2014 is less than one year, the weekly average yield on actually traded United States Treasury securities adjusted to a constant maturity of one year will be used.

"Trustee" means collectively Computershare Trust Company, N.A., as U.S. Trustee and Computershare Trust Company of Canada, as Canadian Trustee, until a successor replaces either or both of them in accordance with the applicable provisions of this Indenture and thereafter means the successor serving hereunder.

"Unrestricted Definitive Note" means one or more Definitive Notes that do not bear and are not required to bear the Private Placement Legend.

"Unrestricted Global Note" means a permanent Global Note, substantially in the form of Exhibit A that bears the Global Note Legend and that has the "Schedule of Exchanges of Interests in the Global Note" attached thereto, and that is deposited with or on behalf of and registered in the name of the Depositary, representing Notes that do not bear the Private Placement Legend.

"Unrestricted Subsidiary" means, with respect to any Person, any Subsidiary of such Person that is designated by the Board of Directors of such Person as an Unrestricted Subsidiary pursuant to a resolution of the Board of Directors of such Person, but only to the extent that such Subsidiary:

(1) has no Indebtedness other than Non-Recourse Debt;

(2) except as permitted by Section 4.11, is not party to any agreement, contract, arrangement or understanding with the Company or any Restricted Subsidiary of the Company unless the terms of any such agreement, contract, arrangement or understanding are no less favorable to the Company or such Restricted Subsidiary than those that might be obtained at the time from Persons who are not Affiliates of the Company;

(3) is a Person with respect to which neither the Company nor any of its Restricted Subsidiaries has any direct or indirect obligation (a) to subscribe for additional Equity Interests or (b) to maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; and

(4) has not guaranteed or otherwise directly provided credit support for any Indebtedness of the Company or any of its Restricted Subsidiaries.

"U.S. Person" means a U.S. person as defined in Rule 902(k) under the Securities Act.

"U.S.A. Patriot Act" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. 107-56, as amended and signed into law October 26, 2001.

"Voting Stock" of any Person as of any date means the Capital Stock of such Person that is at the time entitled to vote in the election of the Board of such Person.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

(1) the sum of the products obtained by multiplying (A) the amount of each then remaining installment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect thereof, by (B) the number of

years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment, by

(2) the then outstanding principal amount of such Indebtedness.

"Wholly Owned Subsidiary" of any Person means a Subsidiary of such Person all of the outstanding Capital Stock of which (other than directors' qualifying shares and nominal amounts required to be held by local nationals) shall at the time be owned by such Person or by one or more Wholly Owned Subsidiaries of such Person (or any combination thereof).

Section 1.02 Other Definitions.

Term	Defined in Section
"Action"	11.09
"Additional Assets"	4.10
"Additional Notes Incurrence Test"	4.09
"Affiliate Transaction"	4.11
"Asset Sale Offer"	4.10
"Authentication Order"	2.02
"Canadian Placement Legend"	2.06
"Change of Control Offer"	4.14
"Change of Control Payment"	4.14
"Change of Control Payment Date"	4.14
"Collateral Document Order"	11.09
"Covenant Defeasance"	8.03
"DTC"	2.03
"Event of Default"	6.01
"Excess Proceeds"	4.10
"incur" or "incurrence"	4.09
"Legal Defeasance"	8.02
"Note Register"	2.03
"Offer Amount"	3.09
"Offer Period"	3.09
"Paying Agent"	2.03
"Permitted Debt"	4.09
"Purchase Date"	3.09
"Redemption Date"	3.07
"Refinancing Indebtedness"	4.09
"Registrar"	2.03
"Restricted Payments"	4.07
"Reversion Date"	4.16
"Successor Company"	5.01
"Successor Subsidiary Guarantor"	5.01
"Suspended Covenants"	4.16
"Suspension Period"	4.16

Section 1.03 Rules of Construction.

Unless the context otherwise requires:

(a) a term has the meaning assigned to it;

(b) an accounting term not otherwise defined has the meaning assigned to it in accordance with GAAP;

(c) "or" is not exclusive;

(d) words in the singular include the plural, and in the plural include the singular;

(e) "will" shall be interpreted to express a command;

(f) provisions apply to successive events and transactions;

(g) references to sections of, or rules under, the Securities Act shall be deemed to include substitute, replacement or successor sections or rules adopted by the SEC from time to time;

(h) unless the context otherwise requires, any reference to an "Article", "Section", "clause" or "Exhibit" refers to an Article, Section, clause or Exhibit, as the case may be, of this Indenture;

(i) the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole and not any particular Article, Section, clause or other subdivision;

(j) "including" means "including, without limitation"; and

(k) any reference "$" or "dollars" shall be to Canadian dollars unless stated otherwise.

Section 1.04 Acts of Holders.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by an agent duly appointed in writing. Except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments or record or both are delivered to the Trustee and, where it is hereby expressly required, to the Company. Proof of execution of any such instrument or of a writing appointing any such agent, or the holding by any Person of a Note, shall be sufficient for any purpose of this Indenture and (subject to Section 7.01) conclusive in favor of the Trustee and the Company, if made in the manner provided in this Section 1.04.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by or on behalf of any legal entity other than an individual, such certificate or affidavit shall also constitute proof of the authority of the Person executing the same. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner that the Trustee deems sufficient.

(c) The ownership of Notes shall be proved by the Note Register.

(d) Any request, demand, authorization, direction, notice, consent, waiver or other action by the Holder of any Note shall bind every future Holder of the same Note and the Holder of every Note issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof, in respect of any action taken, suffered or omitted by the Trustee or the Company in reliance thereon, whether or not notation of such action is made upon such Note.

(e) The Company may set a record date for purposes of determining the identity of Holders entitled to give any request, demand, authorization, direction, notice, consent, waiver or take any other act, or to vote or consent to any action by vote or consent authorized or permitted to be given or taken by Holders. Unless otherwise specified, if not set by the Company prior to the first solicitation of a Holder made by any Person in respect of any such action, or in the case of any such vote, prior to such vote, any such record date shall be the later of 30 days prior to the first solicitation of such consent or the date of the most recent list of Holders furnished to the Trustee prior to such solicitation.

(f) Without limiting the foregoing, a Holder entitled to take any action hereunder with regard to any particular Note may do so with regard to all or any part of the principal amount of such Note or by one or more duly appointed agents, each of which may do so pursuant to such appointment with regard to all or any part of such principal amount. Any notice given or action taken by a Holder or its agents with regard to different parts of such principal amount pursuant to this paragraph shall have the same effect as if given or taken by separate Holders of each such different part.

(g) Without limiting the generality of the foregoing, a Holder, including the Depositary that is the Holder of a Global Note, may make, give or take, by a proxy or proxies duly appointed in writing, any request, demand, authorization, direction, notice, consent, waiver or other action provided in this Indenture to be made, given or taken by Holders, and the Depositary may provide its proxy or proxies to the beneficial owners of interests in any such Global Note through its standing instructions and customary practices.

(h) The Company may fix a record date for the purpose of determining the Persons that are beneficial owners of interests in any Global Note held by the Depositary entitled under the procedures of such Depositary to make, give or take, by a proxy or proxies duly appointed in writing, any request, demand, authorization, direction, notice, consent, waiver or other action provided in this Indenture to be made, given or taken by Holders. If such a record date is fixed,

the Holders on such record date or their duly appointed proxy or proxies, and only such Persons, shall be entitled to make, give or take such request, demand, authorization, direction, notice, consent, waiver or other action, whether or not such Holders remain Holders after such record date. No such request, demand, authorization, direction, notice, consent, waiver or other action shall be valid or effective if made, given or taken more than 90 days after such record date.

Section 1.05 Incorporation by Reference of the Trust Indenture Act.

Whenever this Indenture refers to a provision of the TIA, the provision is incorporated by reference in and made a part of this Indenture. All other terms used in this Indenture that are defined by the TIA, defined by TIA reference to another statute or defined by SEC rule under the TIA and not otherwise defined herein are used herein as so defined.

ARTICLE 2

THE NOTES

Section 2.01 Form and Dating; Terms.

(a) General. The Notes and the Trustee's certificate of authentication shall be substantially in the form of Exhibit A. The Notes may have notations, legends or endorsements required by law, stock exchange rules or usage. Each Note shall be dated the date of its authentication. The Notes shall be in denominations of $2,000 and integral multiples of $1,000 in excess thereof.

(b) Global Notes. Notes issued in global form shall be substantially in the form of Exhibit A (including the Global Note Legend thereon and the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Notes issued in definitive form, including Notes issued in definitive form on the Issue Date, shall be substantially in the form of Exhibit A (but without the Global Note Legend thereon and without the "Schedule of Exchanges of Interests in the Global Note" attached thereto). Each Global Note shall represent such of the outstanding Notes as shall be specified in the "Schedule of Exchanges of Interests in the Global Note" attached thereto and each shall provide that it shall represent up to the aggregate principal amount of Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as applicable, to reflect exchanges and redemptions. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby shall be made by the Trustee or the Custodian, at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.06.

(c) [Intentionally Omitted]

(d) Terms. The aggregate principal amount of Notes that may be authenticated and delivered under this Indenture is unlimited.

The terms and provisions contained in the Notes shall constitute, and are hereby expressly made, a part of this Indenture and the Company, the Guarantors and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and

to be bound thereby. However, to the extent any provision of any Note conflicts with the express provisions of this Indenture, the provisions of this Indenture shall govern and be controlling.

The Notes shall be subject to repurchase by the Company pursuant to an Asset Sale Offer as provided in Section 4.10 or a Change of Control Offer as provided in Section 4.14. The Notes shall not be redeemable, other than as provided in Article 3.

(e) Euroclear and Clearstream Procedures Applicable. The provisions of the "Operating Procedures of the Euroclear System" and "Terms and Conditions Governing Use of Euroclear" and the "General Terms and Conditions of Clearstream Banking" and "Customer Handbook" of Clearstream shall be applicable to transfers of beneficial interests in the Regulation S Global Note that are held by Participants through Euroclear or Clearstream.

Section 2.02 Execution and Authentication.

At least one Officer shall execute the Notes on behalf of the Company by manual or facsimile signature.

If an Officer whose signature is on a Note no longer holds that office at the time a Note is authenticated, the Note shall nevertheless be valid.

A Note shall not be entitled to any benefit under this Indenture or be valid or obligatory for any purpose until authenticated substantially in the form of Exhibit A by the manual signature of the Trustee. The signature shall be conclusive evidence that the Note has been duly authenticated and delivered under this Indenture.

On the Issue Date, the Trustee shall, upon receipt of a Company Order (an "Authentication Order"), authenticate and deliver the Initial Notes. In addition, at any time, from time to time, the Trustee shall, upon receipt of an Authentication Order, authenticate and deliver any Additional Notes for an aggregate principal amount specified in such Authentication Order for such Additional Notes issued hereunder.

The Trustee may appoint an authenticating agent reasonably acceptable to the Company to authenticate Notes. An authenticating agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An authenticating agent has the same rights as an Agent to deal with Holders or an Affiliate of the Company.

The Canadian Trustee hereby appoints and authorizes the U.S. Trustee to act as its authenticating agent with respect to the Notes, as required.

The Trustee shall have the right to decline to authenticate and deliver any Notes if (a) the Trustee, being advised by counsel, determines, in its reasonable discretion, that such action may not be taken lawfully, or (b) the Trustee in good faith by its Board of Directors or trustees, executive committee or a trust committee of directors and/or Responsible Officers shall determine, in its reasonable discretion, that such action would expose the Trustee to personal liability to Holders of any then outstanding Notes.

Section 2.03 Registrar and Paying Agent.

The Company shall maintain an office or agency where Notes may be presented for registration of transfer or for exchange ("Registrar") and an office or agency where Notes may be presented for payment ("Paying Agent"). The Registrar shall keep a register of the Notes ("Note Register") and of their transfer and exchange. The Company may appoint one or more co-registrars and one or more additional paying agents. The term "Registrar" includes any co-registrar and the term "Paying Agent" includes any additional paying agent. The Company may change any Paying Agent or Registrar without prior notice to any Holder. The Company shall notify the Trustee in writing of the name and address of any Agent not a party to this Indenture. If the Company fails to appoint or maintain another entity as Registrar or Paying Agent, the Trustee shall act as such and all presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee. The Company or any of the Company's Subsidiaries may act as Paying Agent or Registrar.

The Company initially appoints CDS Clearing and Depository Services Inc. to act as Depositary with respect to the Global Notes.

The Company initially appoints the Trustee to act as the Paying Agent and Registrar for the Notes and to act as Custodian with respect to the Global Notes.

Section 2.04 Paying Agent to Hold Money in Trust.

The Company shall require each Paying Agent other than the Trustee to agree in writing that the Paying Agent shall hold in trust for the benefit of Holders or the Trustee all money held by the Paying Agent for the payment of principal, premium, if any, or interest on the Notes, and will notify the Trustee of any default by the Company in making any such payment. While any such default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Company at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Company or a Subsidiary of the Company) shall have no further liability for the money. If the Company or a Subsidiary of the Company acts as Paying Agent, it shall segregate and hold in a separate trust fund for the benefit of the Holders all money held by it as Paying Agent. Upon any bankruptcy or reorganization proceedings relating to the Company, the Trustee shall serve as Paying Agent for the Notes.

Section 2.05 Holder Lists.

The Trustee shall preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders and shall otherwise comply with TIA. Section 312(a). If the Trustee is not the Registrar, the Company shall furnish to the Trustee at least ten days before each Interest Payment Date and at such other times as the Trustee may request in writing, a list in such form and as of such date as the Trustee may reasonably require of the names and addresses of the Holders of Notes.

Section 2.06 Transfer and Exchange.

(a) Transfer and Exchange of Global Notes. Except as otherwise set forth in this Section 2.06, a Global Note may be transferred, in whole and not in part, only to another nominee of the Depositary or to a successor Depositary or a nominee of such successor Depositary. A beneficial interest in a Global Note may not be exchanged for a Definitive Note unless (i) (x) the Depositary notifies the Company that it is unwilling or unable to continue as Depositary for such Global Note and a successor Depositary is not appointed by the Company within 90 days or (y) the Company notifies the Trustee in writing that the Company has elected to cause the issuance of Definitive Notes or (ii) there shall have occurred and be continuing an Event of Default with respect to the Notes. Upon the occurrence of any of the preceding events in subclause (i) or (ii), Definitive Notes delivered in exchange for any Global Note or beneficial interests therein will be registered in the names, and issued in any approved denominations, requested by or on behalf of the Depositary (in accordance with its customary procedures). Global Notes also may be exchanged or replaced, in whole or in part, as provided in Sections 2.07 and 2.10. Every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to this Section 2.06 or Section 2.07 or 2.10, shall be authenticated and delivered in the form of, and shall be, a Global Note, except for Definitive Notes issued subsequent to any of the preceding events in subclause (i) or (ii) above and pursuant to Section 2.06(c). A Global Note may not be exchanged for another Note other than as provided in this Section 2.06(a); provided, however, beneficial interests in a Global Note may be transferred and exchanged as provided in Section 2.06(b) or (c).

(b) Transfer and Exchange of Beneficial Interests in the Global Notes. The transfer and exchange of beneficial interests in the Global Notes shall be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Beneficial interests in the Restricted Global Notes shall be subject to restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act and applicable securities laws and regulations in Canada. Transfers of beneficial interests in the Global Notes also shall require compliance with either subparagraph (i) or (ii) below, as applicable, as well as one or more of the other following subparagraphs, as applicable:

(i) Transfer of Beneficial Interests in the Same Global Note. Beneficial interests in any Restricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend. Beneficial interests in any Unrestricted Global Note may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Note, subject, however, to such transfer being in accordance with the transfer restrictions set forth in the Canadian Placement Legend, as applicable. No written orders or instructions shall be required to be delivered to the Registrar to effect the transfers described in this Section 2.06(b)(i).

(ii) All Other Transfers and Exchanges of Beneficial Interests in Global Notes. In connection with all transfers and exchanges of beneficial interests that are not subject to Section 2.06(b)(i), the transferor of such beneficial interest must deliver to the Registrar either (A) (1) a written order from a Participant or an Indirect Participant given

to the Depositary in accordance with the Applicable Procedures directing the Depositary to credit or cause to be credited a beneficial interest in another Global Note in an amount equal to the beneficial interest to be transferred or exchanged and (2) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase or (B) (1) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing the Depositary to cause to be issued a Definitive Note in an amount equal to the beneficial interest to be transferred or exchanged and (2) instructions given by the Depositary to the Registrar containing information regarding the Person in whose name such Definitive Note shall be registered to effect the transfer or exchange referred to in (B) (1) above. Upon satisfaction of all of the requirements for transfer or exchange of beneficial interests in Global Notes contained in this Indenture and the Notes or otherwise applicable under the Securities Act and/or applicable securities laws and regulations in Canada, the Trustee shall adjust the principal amount of the relevant Global Note(s) pursuant to Section 2.06(h).

(iii) Transfer of Beneficial Interests to Another Restricted Global Note. A beneficial interest in any Restricted Global Note may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another Restricted Global Note if the transfer complies with the requirements of Section 2.06(b)(ii) and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a beneficial interest in the 144A Global Note, then the transferor must deliver a certificate in the form of Exhibit B, including the certifications in item (1) thereof; or

(B) if the transferee will take delivery in the form of a beneficial interest in the Regulation S Global Note, then the transferor must deliver a certificate in the form of Exhibit B, including the certifications in item (2) thereof.

(iv) Transfer and Exchange of Beneficial Interests in a Restricted Global Note for Beneficial Interests in an Unrestricted Global Note. A beneficial interest in any Restricted Global Note may be exchanged by any holder thereof for a beneficial interest in an Unrestricted Global Note or transferred to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note if the exchange or transfer complies with the requirements of Section 2.06(b)(ii), and the Registrar receives the following:

(y) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a beneficial interest in an Unrestricted Global Note, a certificate from such Holder substantially in the form of Exhibit C, including the certifications in item (1)(a) thereof; or

(z) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an

Unrestricted Global Note, a certificate from such holder in the form of Exhibit B, including the certifications in item (4) thereof;

and, in each such case set forth in this Section 2.06(b)(iv)(D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and applicable securities laws and regulations in Canada and that the restrictions on transfer contained herein and the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to this Section 2.06(b)(iv) at a time when an Unrestricted Global Note has not yet been issued, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of beneficial interests transferred pursuant to this Section 2.06(b)(iv).

Beneficial interests in an Unrestricted Global Note cannot be exchanged for, or transferred to, Persons who take delivery thereof in the form of a beneficial interest in a Restricted Global Note.

(c) Transfer or Exchange of Beneficial Interests for Definitive Notes.

(i) Beneficial Interests in Restricted Global Notes to Restricted Definitive Notes. If any holder of a beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Definitive Note, then, upon the occurrence of any of the events in subsection (i) or (ii) of Section 2.06(a) and receipt by the Registrar of the following documentation:

(A) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for a Restricted Definitive Note, a certificate from such holder substantially in the form of Exhibit C, including the certifications in item (2)(a) thereof;

(B) if such beneficial interest is being transferred to a QIB in accordance with Rule 144A, a certificate substantially in the form of Exhibit B, including the certifications in item (1) thereof;

(C) if such beneficial interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 and in a transaction not subject to, or exempt from, the prospectus qualification and dealer registration requirements of applicable securities laws in Canada, a certificate substantially in the form of Exhibit B, including the certifications in item (2) thereof;

(D) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance

with Rule 144, a certificate substantially in the form of Exhibit B, including the certifications in item (3)(a) thereof;

(E) if such beneficial interest is being transferred to the Company or any of the Restricted Subsidiaries, a certificate substantially in the form of Exhibit B, including the certifications in item (3)(b) thereof; or

(F) if such beneficial interest is being transferred pursuant to an effective registration statement under the Securities Act, a certificate substantially in the form of Exhibit B, including the certifications in item (3)(c) thereof,

the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(h), and the Company shall execute and the Trustee shall, upon receipt of an Authentication Order, authenticate and mail to the Person designated in the instructions a Definitive Note in the applicable principal amount. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall mail such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest in a Restricted Global Note pursuant to this Section 2.06(c)(i) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(ii) [Intentionally Omitted]

(iii) Beneficial Interests in Restricted Global Notes to Unrestricted Definitive Notes. A holder of a beneficial interest in a Restricted Global Note may exchange such beneficial interest for an Unrestricted Definitive Note or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only upon the occurrence of any of the events in subsection (i) or (ii) of Section 2.06(a), and the Registrar receives the following:

(y) if the holder of such beneficial interest in a Restricted Global Note proposes to exchange such beneficial interest for an Unrestricted Definitive Note, a certificate from such holder substantially in the form of Exhibit C, including the certifications in item (1)(b) thereof; or

(z) if the holder of such beneficial interest in a Restricted Global Note proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such holder substantially in the form of Exhibit B, including the certifications in item (4) thereof;

and, in each such case set forth in this Section 2.06(c)(iii)(D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance

with the Securities Act and applicable securities laws and regulations in Canada and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(iv) Beneficial Interests in Unrestricted Global Notes to Unrestricted Definitive Notes. If any holder of a beneficial interest in an Unrestricted Global Note proposes to exchange such beneficial interest for a Definitive Note or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Definitive Note, then, upon the occurrence of any of the events in subsection (i) or (ii) of Section 2.06(a) and satisfaction of the conditions set forth in Section 2.06(b)(ii), the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(h), and the Company shall execute and the Trustee shall, upon receipt of an Authentication Order, authenticate and mail to the Person designated in the instructions a Definitive Note in the applicable principal amount. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(iv) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Registrar through instructions from or through the Depositary and the Participant or Indirect Participant. The Trustee shall mail such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a beneficial interest pursuant to this Section 2.06(c)(iv) shall not bear the Private Placement Legend.

(d) Transfer and Exchange of Definitive Notes for Beneficial Interests.

(i) Restricted Definitive Notes to Beneficial Interests in Restricted Global Notes. If any Holder of a Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note or to transfer such Restricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Note proposes to exchange such Note for a beneficial interest in a Restricted Global Note, a certificate from such Holder substantially in the form of Exhibit C, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Note is being transferred to a QIB in accordance with Rule 144A, a certificate substantially in the form of Exhibit B, including the certifications in item (1) thereof;

(C) if such Restricted Definitive Note is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 and in a transaction not subject to, or exempt from, the prospectus qualification and dealer registration requirements of applicable securities laws in Canada, a certificate substantially in the form of Exhibit B, including the certifications in item (2) thereof;

(D) if such Restricted Definitive Note is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate substantially in the form of Exhibit B, including the certifications in item (3)(a) thereof;

(E) if such Restricted Definitive Note is being transferred to the Company or any of the Restricted Subsidiaries, a certificate substantially in the form of Exhibit B, including the certifications in item (3)(b) thereof; or

(F) if such Restricted Definitive Note is being transferred pursuant to an effective registration statement under the Securities Act, a certificate substantially in the form of Exhibit B, including the certifications in item (3)(c) thereof,

the Trustee shall cancel the Restricted Definitive Note, increase or cause to be increased the aggregate principal amount of, in the case of clause (A) above, the applicable Restricted Global Note, in the case of clause (B) above, the applicable 144A Global Note, and in the case of clause (C) above, the Regulation S Global Note.

(ii) Restricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes. A Holder of a Restricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Restricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note if the Registrar receives the following:

(y) if the Holder of such Restrictive Definitive Notes proposes to exchange such Notes for a beneficial interest in the Unrestricted Global Note, a certificate from such Holder substantially in the form of Exhibit C, including the certifications in item (1)(c) thereof; or

(z) if the Holder of such Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of a beneficial interest in the Unrestricted Global Note, a certificate from such Holder substantially in the form of Exhibit B, including the certifications in item (4) thereof;

and, in each such case set forth in this Section 2.06(d)(ii)(D), if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and applicable securities laws and regulations in Canada and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the subparagraphs in this Section 2.06(d)(ii), the Trustee shall cancel the Definitive Notes and increase or cause to be increased the aggregate principal amount of the applicable Unrestricted Global Note.

(iii) Unrestricted Definitive Notes to Beneficial Interests in Unrestricted Global Notes. A Holder of an Unrestricted Definitive Note may exchange such Note for a beneficial interest in an Unrestricted Global Note or transfer such Unrestricted Definitive Note to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Trustee shall cancel the applicable Unrestricted Definitive Note and increase or cause to be increased the aggregate principal amount of the applicable Unrestricted Global Note.

If any such exchange or transfer from a Definitive Note to a beneficial interest is effected pursuant to subparagraph (ii) or (iii) above at a time when an Unrestricted Global Note has not yet been issued, the Company shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of Definitive Notes so transferred.

(e) Transfer and Exchange of Definitive Notes for Definitive Notes. Upon request by a Holder of Definitive Notes and such Holder's compliance with the provisions of this Section 2.06(e), the Registrar shall register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder shall present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or by its attorney, duly authorized in writing. In addition, the requesting Holder shall provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.06(e):

(i) Restricted Definitive Notes to Restricted Definitive Notes. Any Restricted Definitive Note may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Note if the Registrar receives the following:

(A) if the transfer will be made to a QIB in accordance with Rule 144A, then the transferor must deliver a certificate substantially in the form of Exhibit B, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904 and in a transaction not subject to, or exempt from, the prospectus qualification and dealer registration requirements of applicable securities laws in Canada then the transferor must deliver a certificate in the form of Exhibit B, including the certifications in item (2) thereof; or

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a certificate in the form of Exhibit B, including the certifications required by item (3) thereof, if applicable.

(ii) Restricted Definitive Notes to Unrestricted Definitive Notes. Any Restricted Definitive Note may be exchanged by the Holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note if the Registrar receives the following:

(y) if the Holder of such Restricted Definitive Notes proposes to exchange such Notes for an Unrestricted Definitive Note, a certificate from such Holder substantially in the form of Exhibit C, including the certifications in item (1)(d) thereof; or

(z) if the Holder of such Restricted Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder substantially in the form of Exhibit B, including the certifications in item (4) thereof;

and, in each such case set forth in this subparagraph (D), if the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(iii) Unrestricted Definitive Notes to Unrestricted Definitive Notes. A Holder of Unrestricted Definitive Notes may transfer such Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the Holder thereof.

(f) [Intentionally Omitted]

(g) Legends. The following legends shall appear on the face of all Global Notes and Definitive Notes issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture:

(i) Private Placement Legend.

Except as permitted by subparagraph (v) below, in the case of any Notes offered in reliance on Rule 144A, each 144A Global Note and each Definitive Note issued in exchange for a beneficial interest in a Rule 144A Global Note (and all Notes issued in exchange therefor or substitution thereof) shall bear a legend in substantially the following form:

"THIS NOTE (OR ITS PREDECESSOR) WAS ORIGINALLY ISSUED IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE UNITED STATES SECURITIES ACT OF 1933 (THE "SECURITIES ACT"), AND THIS NOTE MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS

NOTE IS HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.

THE HOLDER OF THIS NOTE AGREES FOR THE BENEFIT OF THE COMPANY THAT (A) THIS NOTE MAY BE OFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (I) IN THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (II) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 904 UNDER THE SECURITIES ACT, (III) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) OR (IV) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH OF CASES (I) THROUGH (IV) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND (B) THE HOLDER WILL, AND EACH SUBSEQUENT HOLDER IS REQUIRED TO, NOTIFY ANY PURCHASER OF THIS NOTE FROM IT OF THE RESALE RESTRICTIONS REFERRED TO IN (A) ABOVE."

(ii) Regulation S Legend.

Except as permitted by subparagraph (v) below, in the case of any Notes offered in reliance on Regulation S, each Regulation S Global Note and each Definitive Note issued in exchange for or in lieu of a beneficial interest in a Regulation S Global Note or issued on the Issue Date (and all Notes issued in exchange therefor or substitution thereof) shall bear a legend in substantially the following form:

"CANADIAN RESALE RESTRICTION: UNLESS PERMITTED UNDER APPLICABLE CANADIAN SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE JUNE 1, 2012."

(iii) Global Note Legend.

Each Global Note shall bear a legend in substantially the following form:

"THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREIN REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE THEREOF. THIS NOTE MAY NOT BE TRANSFERRED TO OR EXCHANGED FOR NOTES REGISTERED IN THE NAME OF ANY PERSON OTHER THAN THE DEPOSITORY OR A NOMINEE THEREOF AND NO SUCH TRANSFER MAY BE REGISTERED EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE

INDENTURE. EVERY NOTE AUTHENTICATED AND DELIVERED UPON REGISTRATION OF, TRANSFER OF, OR IN EXCHANGE FOR, OR IN LIEU OF, THIS NOTE SHALL BE A GLOBAL NOTE SUBJECT TO THE FOREGOING, EXCEPT IN SUCH LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF CDS CLEARING AND DEPOSITORY SERVICES INC. ("CDS") TO THE CASH STORE FINANCIAL SERVICES INC. (THE "ISSUER") OR ITS SUCCESSOR OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IN RESPECT THEREOF IS REGISTERED IN THE NAME OF CDS & CO., OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS (AND ANY PAYMENT IS MADE TO CDS & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED HOLDER HEREOF, CDS & CO., HAS A PROPERTY INTEREST IN THE SECURITIES REPRESENTED BY THIS NOTE HEREIN AND IT IS A VIOLATION OF ITS RIGHTS FOR ANOTHER PERSON TO HOLD, TRANSFER OR DEAL WITH THIS NOTE."

(iv) Each Global Note and each Definitive Note (and all Notes issued in exchange therefor or substitution thereof) shall bear the legend in substantially the following form (the "Canadian Placement Legend"):

"CANADIAN RESALE RESTRICTION: UNLESS PERMITTED UNDER CANADIAN SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE JUNE 1, 2012."

(v) Notwithstanding the foregoing, any Global Note or Definitive Note issued pursuant to subparagraph (b)(iv), (c)(iii), (c)(iv), (d)(ii), (d)(iii), (e)(ii) or (e)(iii) of this Section 2.06 (and all Notes issued in exchange therefor or substitution thereof) shall not bear the Private Placement Legend or the Regulation S Legend.

(h) Cancellation and/or Adjustment of Global Notes. At such time as all beneficial interests in a particular Global Note have been exchanged for Definitive Notes or a particular Global Note has been redeemed, repurchased or cancelled in whole and not in part, each such Global Note shall be returned to or retained and cancelled by the Trustee in accordance with Section 2.11. At any time prior to such cancellation, if any beneficial interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note or for Definitive Notes, the principal amount of Notes represented by such Global Note shall be reduced accordingly and an endorsement shall be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Note, such

other Global Note shall be increased accordingly and an endorsement shall be made on such Global Note by the Trustee or by the Depositary at the direction of the Trustee to reflect such increase.

Notwithstanding anything to the contrary set out herein, all physical Global Notes issued to the Depository may be surrendered to the Trustee for an electronic position on the register of Noteholders to be maintained by the Trustee. All Global Notes maintained in such electronic position will be valid and binding obligations of the Company, entitling the registered holders thereof to the same benefits as those registered holders who hold Global Notes in physical form. This Indenture and the provisions contained herein will apply, *mutatis mutandis*, to such Notes held in such electronic position.

(i) General Provisions Relating to Transfers and Exchanges.

(i) To permit registrations of transfers and exchanges, the Company shall execute and the Trustee shall authenticate Global Notes and Definitive Notes upon receipt of an Authentication Order in accordance with Section 2.02 or at the Registrar's request.

(ii) No service charge shall be made to a holder of a beneficial interest in a Global Note or to a Holder of a Definitive Note for any registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.07, 2.10, 3.06, 3.09, 4.10, 4.14 and 9.04).

(iii) Neither the Registrar nor the Company shall be required to register the transfer or exchange of any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

(iv) All Global Notes and Definitive Notes issued upon any registration of transfer or exchange of Global Notes or Definitive Notes shall be the valid obligations of the Company, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Global Notes or Definitive Notes surrendered upon such registration of transfer or exchange.

(v) The Company shall not be required (A) to issue, to register the transfer of or to exchange any Notes during a period beginning at the opening of business 15 days before the day of any selection of Notes for redemption under Section 3.02 and ending at the close of business on the day of selection, (B) to register the transfer of or to exchange any Note so selected for redemption or tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer, an Asset Sale Offer or other tender offer, in whole or in part, except the unredeemed portion of any Note being redeemed in part or (C) to register the transfer of or to exchange any Note between a Record Date and the next succeeding Interest Payment Date.

(vi) Prior to due presentment for the registration of a transfer of any Note, the Trustee, any Agent and the Company may deem and treat the Person in whose name any

Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal of (and premium, if any) and interest on such Notes and for all other purposes, and none of the Trustee, any Agent or the Company shall be affected by notice to the contrary.

(vii) Upon surrender for registration of transfer of any Note at the office or agency of the Company designated pursuant to Section 4.02, the Company shall execute, and the Trustee shall authenticate and mail, in the name of the designated transferee or transferees, one or more replacement Notes of like tenor, in any authorized denomination or denominations of a like aggregate principal amount.

(viii) At the option of the Holder, Notes may be exchanged for other Notes of like tenor, in any authorized denomination or denominations of a like aggregate principal amount upon surrender of the Notes to be exchanged at the office or agency of the Company designated pursuant to Section 4.02. Whenever any Global Notes or Definitive Notes are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and mail, the replacement Global Notes and Definitive Notes to which the Holder making the exchange is entitled in accordance with the provisions of Section 2.02.

(ix) All certifications, certificates and Opinions of Counsel required to be submitted to the Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted by facsimile.

(x) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Indenture or under applicable law with respect to any transfer of any interest in any Note (including any transfers between or among Participants or beneficial owners of interests in any Global Note) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by the terms of this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

Section 2.07 Replacement Notes.

If any mutilated Note is surrendered to the Trustee, the Registrar or the Company and the Trustee receives evidence to its satisfaction of the ownership and destruction, loss or theft of any Note, the Company shall issue and the Trustee, upon receipt of an Authentication Order, shall authenticate a replacement Note of like tenor if the Trustee's requirements are met. If required by the Trustee or the Company, an indemnity bond must be supplied by the Holder that is sufficient in the judgment of the Trustee and the Company to protect the Company, the Trustee, any Agent and any authenticating agent from any loss that any of them may suffer if a Note is replaced. The Company may charge for its expenses in replacing a Note.

Every replacement Note is a contractual obligation of the Company and shall be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

Section 2.08 Outstanding Notes.

The Notes outstanding at any time are all the Notes authenticated by the Trustee except for those cancelled by it, those delivered to it for cancellation, those reductions in the interest in a Global Note effected by the Trustee in accordance with the provisions hereof, and those described in this Section 2.08 as not outstanding. Except as set forth in Section 2.09, a Note does not cease to be outstanding because the Company or an Affiliate of the Company holds the Note.

If a Note is replaced pursuant to Section 2.07, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Note is held by a protected purchaser under state law.

If the principal amount of any Note is considered paid under Section 4.01, it ceases to be outstanding and interest on it ceases to accrue.

If the Paying Agent (other than the Company, a Subsidiary of the Company or an Affiliate of any thereof) holds, on a redemption date or maturity date, money sufficient to pay Notes payable on that date, then on and after that date such Notes shall be deemed to be no longer outstanding and shall cease to accrue interest.

Section 2.09 Treasury Notes.

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by the Company, or by any Affiliate of the Company, shall be considered as though not outstanding, except that for the purposes of determining whether the Trustee shall be protected in relying on any such direction, waiver or consent, only Notes that a Responsible Officer of the Trustee actually knows are so owned shall be so disregarded. Notes so owned which have been pledged in good faith shall not be disregarded if the pledgee establishes to the satisfaction of the Trustee the pledgee's right to deliver any such direction, waiver or consent with respect to the Notes and that the pledgee is not the Company or any other obligor upon the Notes or any Affiliate of the Company or of such other obligor.

Section 2.10 Temporary Notes.

Until certificates representing Notes are ready for delivery, the Company may prepare and the Trustee, upon receipt of an Authentication Order, shall authenticate temporary Notes. Temporary Notes shall be substantially in the form of certificated Notes but may have variations that the Company considers appropriate for temporary Notes and as shall be reasonably acceptable to the Trustee. Without unreasonable delay, the Company shall prepare and the Trustee shall, upon receipt of an Authentication Order, authenticate definitive Notes in exchange for temporary Notes.

Holders and beneficial holders, as the case may be, of temporary Notes shall be entitled to all of the benefits accorded to Holders, or beneficial holders, respectively, of Notes under this Indenture.

Section 2.11 Cancellation.

The Company at any time may deliver Notes to the Trustee for cancellation. The Registrar and Paying Agent shall forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. The Trustee or, at the direction of the Trustee, the Registrar or the Paying Agent and no one else shall cancel all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and shall destroy cancelled Notes (subject to the record retention requirement of the Exchange Act). Certification of the destruction of all cancelled Notes shall be delivered to the Company. The Company may not issue new Notes to replace Notes that it has paid or that have been delivered to the Trustee for cancellation.

Section 2.12 Defaulted Interest.

If the Company defaults in a payment of interest on the Notes, the Company shall pay the defaulted interest in any lawful manner plus, to the extent lawful, interest payable on the defaulted interest to the Persons who are Holders on a subsequent special record date, in each case at the rate provided in the Notes and in Section 4.01. The Company shall notify the Trustee in writing of the amount of defaulted interest proposed to be paid on each Note and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such defaulted interest or shall make arrangements as are satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such defaulted interest as provided in this Section 2.12. The Trustee shall fix or cause to be fixed each such special record date and payment date; provided that no such special record date shall be less than 10 days prior to the related payment date for such defaulted interest. The Trustee shall promptly notify the Company of such special record date. At least 15 days before the special record date, the Company (or, upon the written request of the Company, the Trustee in the name and at the expense of the Company) shall mail or cause to be mailed, first-class postage prepaid, to each Holder a notice at his or her address as it appears in the Note Register that states the special record date, the related payment date and the amount of such interest to be paid.

Subject to the foregoing provisions of this Section 2.12 and for greater certainty, each Note delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Note shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Note.

Section 2.13 CUSIP Numbers.

The Company in issuing the Notes may use CUSIP numbers and corresponding ISIN numbers (if then generally in use) and, if so, the Trustee shall use CUSIP numbers in notices of redemption as a convenience to Holders; provided that any such notice may state that no representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption and that reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption shall not be affected by

any defect in or omission of such numbers. The Company will as promptly as practicable notify the Trustee of any change in the CUSIP or ISIN numbers.

Section 2.14 Global Notes.

Neither the Trustee nor any Agent shall have any responsibility for any actions taken or not taken by the Depositary.

Section 2.15 Issuance of Additional Notes.

After the Issue Date, the Company shall be entitled, subject to its compliance with Sections 4.09 and 4.12, to issue Additional Notes under this Indenture, which Notes shall have identical terms as the Notes issued on the Issue Date, other than with respect to the date of issuance and issue price. All Notes shall be equally and ratably entitled to the benefits of this Indenture. With respect to any Additional Notes, the Company shall set forth in a resolution of the Board of the Company and an Officer's Certificate, a copy of each which shall be delivered to the Trustee, the following information:

(a) the aggregate principal amount of such Additional Notes to be authenticated and delivered pursuant to this Indenture; and

(b) the issue price, the issue date and the CUSIP number of such Additional Notes; provided that only those Additional Notes that are part of the "same issue" as all other Notes issued under this Indenture, as defined under Treasury Regulation Section 1.1275-1(f), or issued in a "qualified reopening" under Treasury Regulation Section 1.1275-2(k) will be issued with the same CUSIP number as the other Notes issued under this Indenture.

In authenticating such Additional Notes, and accepting the additional responsibilities under this Indenture in relation to such Additional Notes, the Trustee shall receive, and, subject to Section 7.01, shall be fully protected in relying upon:

(i) an executed supplemental indenture, if any;

(ii) an Officer's Certificate;

(iii) Opinion of Counsel delivered in accordance with Section 13.02; and

(iv) such other documents as it may reasonably require.

ARTICLE 3

REDEMPTION

Section 3.01 Notices to Trustee.

If the Company elects to redeem Notes pursuant to Section 3.07, it shall furnish to the Trustee, at least five Business Days (or such shorter time period as the Trustee may agree) before notice of redemption is required to be mailed or caused to be mailed to Holders pursuant to Section 3.03 but not more than 60 days before a redemption date, an Officer's Certificate setting forth (i) the paragraph or subparagraph of such Note and/or Section of this Indenture pursuant to which the redemption shall occur, (ii) the redemption date, (iii) the principal amount of the Notes to be redeemed and (iv) the redemption price.

Section 3.02 Selection of Notes to Be Redeemed or Purchased.

If less than all of the Notes are to be redeemed or purchased in an offer to purchase at any time, the Trustee shall select the Notes to be redeemed or purchased (i) if the Notes are listed on any national securities exchange, in compliance with the requirements of the principal national securities exchange on which the Notes are listed, (ii) if the Notes are not listed on a national securities exchange, on a pro rata basis or by lot to the extent practicable or (iii) by such other method in accordance with the applicable procedures of the Depositary. In the event of partial redemption or purchase by lot, the particular Notes to be redeemed or purchased shall be selected, unless otherwise provided herein, not less than 30 nor more than 60 days prior to the redemption date by the Trustee from the outstanding Notes not previously called for redemption or purchase.

The Trustee shall promptly notify the Company in writing of the Notes selected for redemption or purchase and, in the case of any Note selected for partial redemption or purchase, the principal amount thereof to be redeemed or purchased. Notes and portions of Notes selected shall be in amounts of $2,000 or whole multiples of $1,000 in excess thereof; except that if all of the Notes of a Holder are to be redeemed or purchased, the entire outstanding amount of Notes held by such Holder shall be redeemed or purchased. Except as provided in the preceding sentence, provisions of this Indenture that apply to Notes called for redemption or purchase also apply to portions of Notes called for redemption or purchase.

Section 3.03 Notice of Redemption.

Subject to Section 3.09, the Company shall deliver electronically or mail or cause to be mailed by first-class mail, postage prepaid, notices of redemption at least 30 days but not more than 60 days before the redemption date to each Holder of Notes to be redeemed at such Holder's registered address or otherwise in accordance with the procedures of the Depositary, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with Article 8 or Article 12. Except as set forth in Section 3.07, notices of redemption may not be conditional; *provided* that a revocable notice of redemption may be made in advance of a prospective refinancing of the Notes, conditioned upon the consummation of such refinancing transaction, if an executed commitment letter (which may be

subject to customary conditions) is in place for such refinancing transaction at the time such notice of redemption is delivered.

The notice shall identify the Notes to be redeemed and shall state:

(a) the Redemption Date;

(b) the redemption price if then ascertainable, and otherwise the appropriate method for calculation of the redemption price, in which case the actual redemption price shall be set forth in an Officer's Certificate delivered to the Trustee no later than two (2) Business Days prior to the Redemption Date unless clause (2) of the definition of "Applicable Premium" is applicable, in which case such Officer's Certificate should be delivered on the Redemption Date;

(c) if any Note is to be redeemed in part only, the portion of the principal amount of that Note that is to be redeemed and that, after the redemption date upon surrender of such Note, a new Note or Notes in a principal amount equal to the unredeemed portion of the original Note representing the same indebtedness to the extent not redeemed will be issued in the name of the Holder of the Notes upon cancellation of the original Note;

(d) the name and address of the Paying Agent;

(e) that Notes called for redemption must be surrendered to the Paying Agent to collect the redemption price;

(f) whether such redemption is conditioned on the happening of a future event;

(g) that, unless the Company defaults in making such redemption payment, interest on Notes called for redemption ceases to accrue on and after the redemption date;

(h) the paragraph or subparagraph of the Notes and/or Section of this Indenture pursuant to which the Notes called for redemption are being redeemed; and

(i) that no representation is made as to the correctness or accuracy of the CUSIP or ISIN number, if any, listed in such notice or printed on the Notes;

Notes called for redemption become due on the date fixed for redemption unless such redemption is conditioned on the happening of a future event. At the Company's request, the Trustee shall give the notice of redemption in the Company's name and at the Company's expense; provided that the Company shall have delivered to the Trustee, at least five Business Days (or such shorter period as the Trustee may agree) before notice of redemption is required to be mailed or caused to be mailed to Holders pursuant to this Section 3.03 (unless a shorter notice shall be agreed to by the Trustee), an Officer's Certificate requesting that the Trustee give such

notice and setting forth the information to be stated in such notice as provided in the preceding paragraph.

Section 3.04 Effect of Notice of Redemption.

Once notice of redemption is delivered or mailed in accordance with Section 3.03, Notes called for redemption become irrevocably due and payable on the redemption date, unless such redemption is conditioned on the happening of a future event, at the applicable redemption price. The notice, if delivered or mailed in a manner herein provided, shall be conclusively presumed to have been given, whether or not the Holder receives such notice. In any case, failure to give such notice by mail or any defect in the notice to the Holder of any Note designated for redemption in whole or in part shall not affect the validity of the proceedings for the redemption of any other Note. Subject to Section 3.05, on and after the Redemption Date interest ceases to accrue on Notes or portions of Notes called for redemption.

Section 3.05 Deposit of Redemption or Purchase Price.

Prior to 11:00 a.m. (New York City time) on the redemption or purchase date, the Company shall deposit with the Trustee or with the Paying Agent money sufficient to pay the redemption or purchase price of and accrued and unpaid interest on all Notes to be redeemed or purchased on that date. The Trustee or the Paying Agent shall promptly return to the Company any money deposited with the Trustee or the Paying Agent by the Company in excess of the amounts necessary to pay the redemption price of, and accrued and unpaid interest on, all Notes to be redeemed or purchased.

If the Company complies with the provisions of the preceding paragraph, on and after the redemption or purchase date, interest shall cease to accrue on the Notes or the portions of Notes called for redemption or purchase. If a Note is redeemed or purchased on or after a Record Date but on or prior to the related Interest Payment Date, then any accrued and unpaid interest to the redemption or purchase date shall be paid to the Person in whose name such Note was registered at the close of business on such Record Date. If any Note called for redemption or purchase shall not be so paid upon surrender for redemption or purchase because of the failure of the Company to comply with the preceding paragraph, interest shall be paid on the unpaid principal, from the redemption or purchase date until such principal is paid, and to the extent lawful on any interest accrued to the redemption or purchase date and not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 4.01.

Section 3.06 Notes Redeemed or Purchased in Part.

Upon surrender of a Note that is redeemed or purchased in part, the Company shall issue and the Trustee shall authenticate for the Holder at the expense of the Company a new Note equal in principal amount to the unredeemed or unpurchased portion of the Note surrendered representing the same indebtedness to the extent not redeemed or purchased; provided that each new Note will be in a principal amount of $2,000 or an integral multiple of $1,000 in excess thereof. It is understood that, notwithstanding anything in this Indenture to the contrary, only an Authentication Order and not an Opinion of Counsel or Officer's Certificate is required for the Trustee to authenticate such new Note.

Section 3.07 Optional Redemption.

(a) At any time prior to July 31, 2014, the Company may redeem all or a part of the Notes, upon notice as described under Section 3.03, at a redemption price equal to 100% of the principal amount of the Notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest, if any, to, but excluding the Redemption Date, subject to the rights of Holders on the relevant Record Date to receive interest due on the relevant Interest Payment Date.

(b) On and after July 31, 2014, the Company may redeem the Notes, in whole or in part, upon notice as described under Section 3.03, at the redemption prices (expressed as percentages of principal amount of the Notes to be redeemed) set forth below, plus accrued and unpaid interest thereon, if any, to, but excluding the applicable Redemption Date, subject to the right of Holders of record on the relevant Record Date to receive interest due on the relevant Interest Payment Date, if redeemed during the periods indicated below:

For the period below	**Percentage**
On or after July 31, 2014	103.084%
On or after January 31, 2015	102.091%
On or after July 31, 2015	101.127%
On or after January 31, 2016	100.194%
On or after July 31, 2016	100.000%

(c) Prior to July 31, 2014, the Company shall be entitled at its option on one or more occasions to redeem up to 35% of the aggregate principal amount of the Notes (including any Additional Notes) originally issued under this Indenture at a redemption price of 111.500% of the principal amount of the Notes redeemed, plus accrued and unpaid interest, if any, to, but excluding, the Redemption Date (subject to the right of Holders of the Notes on the relevant Record Date to receive interest due on the relevant Interest Payment Date) if (i) such redemption is made with the proceeds of one or more Equity Offerings; (ii) at least 65% of the aggregate principal amount of the Notes (including Additional Notes) originally issued under this Indenture remain outstanding immediately after the occurrence of such redemption (excluding Notes held by the Company or any of its Subsidiaries); and (iii) the redemption occurs within 90 days of such Equity Offering.

(d) The Company may at any time redeem all of the outstanding Notes, in whole but not in part, at a redemption price of 100% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption, and all Additional Amounts (if any) then due and which will become due on the Redemption Date as a result of the redemption or otherwise, if on the next date on which any amount would be payable in respect of the Notes, the Company has become or would become obligated to pay any Additional Amounts in respect of the Notes, and the Company cannot avoid any such payment obligation by taking reasonable measures available to it, as a result of (i) any change in or amendment to the laws (or regulations promulgated thereunder) of a relevant Tax Jurisdiction, or (ii) any change in or amendment to any official position regarding the application or interpretation of such laws or regulations, which change or amendment is announced and is effective on or after the Issue Date (or, if the applicable relevant Tax Jurisdiction became a Tax Jurisdiction on a date after the Issue Date, such later date).

(e) Notice of any redemption upon any Equity Offering or other securities offering or financing, or in connection with a transaction (or series of related transactions) that constitutes a Change of Control may, at the Company's discretion, be given prior to the completion thereof and be subject to one or more conditions precedent, including, but not limited to, completion of the related Equity Offering, securities offering, financing or Change of Control.

(f) Any redemption pursuant to this Section 3.07 shall be made pursuant to the provisions of Sections 3.01 through 3.06.

Section 3.08 Mandatory Redemption.

The Company shall not be required to make any mandatory redemption or sinking fund payments with respect to the Notes.

Section 3.09 Offers to Repurchase by Application of Excess Proceeds.

(a) In the event that, pursuant to Section 4.10, the Company shall be required to commence an Asset Sale Offer, it shall follow the procedures specified below.

(b) The Asset Sale Offer shall remain open for a period of 20 Business Days following its commencement and no longer, except to the extent that a longer period is required by applicable law (the "Offer Period"). No later than five Business Days after the termination of the Offer Period (the "Purchase Date"), the Company shall apply all Excess Proceeds (the "Offer Amount") to the purchase of Notes or, if less than the Offer Amount has been tendered, all Notes tendered in response to the Asset Sale Offer. Payment for any Notes so purchased shall be made in the same manner as interest payments are made.

(c) If the Purchase Date is on or after a Record Date and on or before the related Interest Payment Date, accrued and unpaid interest, if any, up to but excluding the Purchase Date, shall be paid to the Person in whose name a Note is registered at the close of business on such Record Date, and no additional interest shall be payable to Holders who tender Notes pursuant to the Asset Sale Offer.

(d) Upon the commencement of an Asset Sale Offer, the Company shall send, by first-class mail, a notice to each of the Holders, with a copy to the Trustee. The notice shall contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Asset Sale Offer. The Asset Sale Offer shall be made to all Holders. The notice, which shall govern the terms of the Asset Sale Offer, shall state:

(i) that the Asset Sale Offer is being made pursuant to this Section 3.09 and Section 4.10 and the length of time the Asset Sale Offer shall remain open;

(ii) the Offer Amount, the purchase price and the Purchase Date;

(iii) that any Note not tendered and accepted for payment shall continue to accrue interest;

(iv) that, unless the Company defaults in making such payment, any Note accepted for payment pursuant to the Asset Sale Offer shall cease to accrue interest after the Purchase Date;

(v) that Holders electing to have a Note purchased pursuant to an Asset Sale Offer may elect to have Notes purchased in amounts of $2,000 or whole multiples of $1,000 in excess thereof only;

(vi) that Holders electing to have a Note purchased pursuant to any Asset Sale Offer shall be required to surrender the Note, with the form entitled "Option of Holder to Elect Purchase" attached to the Note completed, or transfer by book-entry transfer, to the Company, the Depositary, if appointed by the Company, or a Paying Agent at the address specified in the notice at least three days before the Purchase Date;

(vii) that Holders shall be entitled to withdraw their election if the Company, the Depositary or the Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, a telegram, facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note the Holder delivered for purchase and a statement that such Holder is withdrawing his election to have such Note purchased;

(viii) that, if the aggregate principal amount of Notes surrendered by the Holders thereof exceeds the Offer Amount, the Company shall select the Notes to be purchased on a pro rata basis based on the accreted value or principal amount of the Notes tendered (with such adjustments as may be deemed appropriate by the Trustee so that only Notes in denominations of $2,000, or integral multiples of $1,000 in excess thereof, shall be purchased; except that if all of the Notes of a Holder are to be redeemed or purchased, the entire outstanding amount of Notes held by such Holder shall be redeemed or purchased); and

(ix) that Holders whose Notes were purchased only in part shall be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered (or transferred by book-entry transfer) representing the same indebtedness to the extent not repurchased.

(e) On or before the Purchase Date, the Company shall, to the extent lawful, (1) accept for payment, on a pro rata basis to the extent necessary, the Offer Amount of Notes or portions thereof validly tendered pursuant to the Asset Sale Offer, or if less than the Offer Amount has been tendered, all Notes tendered and (2) deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officer's Certificate stating the aggregate principal amount of Notes or portions thereof so tendered.

(f) The Company, the Depositary or the Paying Agent, as the case may be, shall promptly mail or deliver to each tendering Holder an amount equal to the purchase price of the Notes properly tendered by such Holder and accepted by the Company for purchase, and the Company shall promptly issue a new Note, and the Trustee, upon receipt of an Authentication Order, shall authenticate and mail or deliver (or cause to be transferred by book-entry) such new

Note to such Holder (it being understood that, notwithstanding anything in this Indenture to the contrary, no Opinion of Counsel or Officer's Certificate is required for the Trustee to authenticate and mail or deliver such new Note) in a principal amount equal to any unpurchased portion of the Note surrendered representing the same indebtedness to the extent not repurchased; provided that each such new Note shall be in a principal amount of $2,000 or an integral multiple of $1,000 in excess thereof. Any Note not so accepted shall be promptly mailed or delivered by the Company to the Holder thereof. The Company shall publicly announce the results of any Asset Sale Offer on or as soon as practicable after the Purchase Date.

Other than as specifically provided in this Section 3.09 or Section 4.10, any purchase pursuant to this Section 3.09 shall be made pursuant to the applicable provisions of Sections 3.01 through 3.06.

ARTICLE 4

COVENANTS

Section 4.01 Payment of Notes.

The Company shall pay or cause to be paid the principal of, premium, if any, and interest on the Notes on the dates and in the manner provided in the Notes. Principal, premium, if any, and interest shall be considered paid on the date due if the Paying Agent, if other than the Company or a Subsidiary of the Company, holds as of 11:00 a.m. (New York City time) on the due date money deposited by the Company in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest then due.

The Company shall pay interest (including Post-Petition Interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, at the rate equal to the then applicable interest rate on the Notes plus 2.0% per annum to the extent lawful; it shall pay interest (including Post-Petition Interest in any proceeding under any Bankruptcy Law) on overdue installments of interest (without regard to any applicable grace period) at the same increased rate to the extent lawful.

Section 4.02 Maintenance of Office or Agency.

The Company shall maintain an office or agency (which may be an office of the Trustee or an affiliate of the Trustee, Registrar or co-registrar) where Notes may be presented or surrendered for registration of transfer or for payment or exchange and where notices and demands to or upon the Company in respect of the Notes and this Indenture may be served. The Company shall give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee.

The Company may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided that no such designation or rescission shall

in any manner relieve the Company of its obligation to maintain an office or agency for such purposes. The Company shall give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

The Company hereby designates the Corporate Trust Office of the Trustee as one such office or agency of the Company in accordance with Section 2.03.

Section 4.03 Reports and Other Information.

(a) The Company shall electronically deliver to the Trustee, no later than 15 calendar days after the time such report is required to be filed with the SEC pursuant to the Exchange Act (including, without limitation, to the extent applicable, any extension permitted by Rule 12b-25 under the Exchange Act), a copy of each report the Company is required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act; *provided, however,* that the Company shall not be required to deliver to the Trustee any material for which the Company has sought and obtained confidential treatment by the SEC; *provided further,* each such report will be deemed to be so delivered to the Trustee if the Company files such report with the SEC through the SEC's EDGAR database.

(b) In the event the Company is at any time while any Notes are outstanding no longer subject to the reporting requirements of Section 13 or Section 15(d) of the Exchange Act or the reporting requirements of the Securities Act (Ontario), the Company shall continue to provide, no later than 15 calendar days after the date the Company would have been required to file the same with the SEC, the reports the Company would have been required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act if the Company were subject to the reporting requirements of such sections, by (1) distributing such reports electronically to the Trustee and (2) making available such reports (x) to the public on its website or (y) to any beneficial owner of Notes that certifies that it is such a beneficial owner, any prospective investor that certifies that it is a QIB, an institutional accredited investor (within the meaning of Rule 501(a)(1), (2), (3) or (7) under the Securities Act) or is not a U.S. person (under the meaning set forth in 902(k) of Regulation S under the Securities Act) or any security analyst, in each case, who so requests by sending such reports via electronic mail or by posting such reports on a non-public web site or Intralinks (or any comparably password protected online data system); *provided* that the Company shall make readily available any password or other login information to any such Holder of Notes, prospective investor or security analyst. Within five business days after the delivery or any report pursuant to this Section 4.03(b), the Company shall conduct a conference call to discuss such report and answer questions about such report, which conference call shall be open to all Holders of Notes and prospective investors. Details of such conference call will be posted on the Company's website or on a password-protected website created by the Company.

(c) In addition, the Company will, for so long as any Notes remain outstanding, furnish to the Holders of Notes and to securities analysts and prospective investors, upon their request, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act. The Company also shall comply with the other provisions of Section 314(a) of the TIA.

Section 4.04 Compliance Certificate.

(a) The Company shall deliver to the Trustee, within 90 days after the end of each fiscal year ending after the Issue Date, a certificate from the principal executive officer, principal financial officer or principal accounting officer stating that a review of the activities of the Company and the Restricted Subsidiaries during the preceding fiscal year has been made under the supervision of the signing Officer with a view to determining whether the Company has kept, observed, performed and fulfilled its obligations under this Indenture, and further stating, as to such Officer signing such certificate, that to the best of his or her knowledge the Company has kept, observed, performed and fulfilled each and every condition and covenant contained in this Indenture and is not in default in the performance or observance of any of the terms, provisions, covenants and conditions of this Indenture (or, if a Default shall have occurred, describing all such Defaults of which he or she may have knowledge). The individual signing any certificate given by the Company pursuant to this Section 4.04 shall be the principal executive, financial or accounting officer of such Person.

(b) When any Default has occurred and is continuing under this Indenture, or if the Trustee or the holder of any other evidence of Indebtedness of the Company or any Subsidiary of the Company gives any notice or takes any other action with respect to a claimed Default, the Company shall promptly (which shall be no more than ten Business Days after any Officer first becomes aware of such Default) deliver to the Trustee by registered or certified mail or by facsimile transmission an Officer's Certificate specifying such event, the status of such event and what action the Company is taking or proposing to take in respect thereof.

Section 4.05 Taxes.

The Company shall pay, and shall cause each of the Restricted Subsidiaries to pay, prior to delinquency, all material taxes, assessments, and governmental levies except such as are contested in good faith and by appropriate negotiations or proceedings or where the failure to effect such payment is not adverse in any material respect to the Holders of the Notes.

Section 4.06 Stay, Extension and Usury Laws.

The Company and each of the Guarantors covenant (to the extent that they may lawfully do so) that they shall not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and the Company and each of the Guarantors (to the extent that they may lawfully do so) hereby expressly waive all benefit or advantage of any such law, and covenant that they shall not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but shall suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.07 Limitation on Restricted Payments.

(a) The Company shall not, and shall not permit any of the Restricted Subsidiaries to, directly or indirectly:

(I) declare or pay any dividend on, or make any other payment or distribution in respect of, its Equity Interests (including any dividend or distribution payable in connection with any amalgamation, arrangement, exchange offer, merger or consolidation involving the Company) or similar payment to the direct or indirect holders thereof in their capacity as such (other than any dividends or distributions payable solely in its Equity Interests (other than Disqualified Stock) and dividends or distributions payable to the Company or any of its Restricted Subsidiaries);

(II) purchase, redeem or otherwise acquire or retire for value any Equity Interests of the Company held by any Person (other than Equity Interests held by the Company or a Restricted Subsidiary of the Company), including in connection with any amalgamation, arrangement, exchange offer, merger or consolidation and including the exercise of any option to exchange any Equity Interests (other than into Equity Interests of the Company that are not Disqualified Stock);

(III) make any purchase, repurchase, redemption, defeasance or other acquisition or retirement for value, prior to the scheduled maturity, scheduled repayment or scheduled sinking fund payment of any Indebtedness that is contractually subordinated in right of payment to the Notes or any Notes Guarantee thereof (other than the payment of interest and other than the purchase, repurchase, redemption, defeasance or other acquisition of such Indebtedness purchased in anticipation of satisfying a sinking fund obligation, principal installment or final maturity in each case due within one year of the date of such purchase, repurchase, redemption, defeasance or other acquisition); or

(IV) make any Restricted Investment,

(all such payments and other actions set forth in clauses (I) through (IV) (other than any exception thereto) above being collectively referred to as "Restricted Payments"), unless, at the time of such Restricted Payment:

(1) no Default or Event of Default shall have occurred and be continuing or would occur as a consequence thereof;

(2) the Company would, at the time of such Restricted Payment and after giving *pro forma* effect thereto as if such Restricted Payment had been made at the beginning of the applicable four-quarter period, have been permitted to Incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.09(a); and

(3) such Restricted Payment, together with the aggregate of all other Restricted Payments made by the Company and its Restricted Subsidiaries after the Issue Date (without duplication and excluding Restricted Payments permitted by clauses (2), (3), (6) through (8) and (11) of Section 4.07(b)), is, at the time of determination, less than the sum of:

(a) 50% of the Consolidated Net Income of the Company for the period (taken as one accounting period) beginning on October 1, 2011 and ending on the last day of the Company's most recently ended fiscal quarter for which

internal financial statements are available at the time of such Restricted Payment (or, if such Consolidated Net Income for such period is a deficit, less 100% of such deficit), *plus*

(b) 100% of the aggregate net cash proceeds or the Fair Market Value of assets received by the Company from the issuance or sale of its Equity Interests (other than Disqualified Stock) subsequent to the Issue Date (other than an issuance or sale to a Subsidiary of the Company) and 100% of any cash capital contribution or the Fair Market Value of any other capital contribution received by the Company from its shareholders subsequent to the Issue Date, *plus*

(c) the amount by which the principal amount of any Indebtedness of the Company or a Restricted Subsidiary of the Company is reduced upon the conversion or exchange (other than by a Restricted Subsidiary of the Company) subsequent to the Issue Date of any Indebtedness of the Company or a Restricted Subsidiary of the Company convertible or exchangeable for Equity Interests (other than Disqualified Stock) of the Company (less the amount of any cash, or the fair value of any other property, distributed by the Company or a Restricted Subsidiary of the Company upon such conversion or exchange); *provided, however,* that the foregoing amount shall not exceed the net cash proceeds received by the Company or any Restricted Subsidiary of the Company from the sale of such Indebtedness (excluding net cash proceeds from sales to a Restricted Subsidiary of the Company), *plus*

(d) the amount equal to the sum of (x) the net reduction in the Restricted Investments made by the Company or any Restricted Subsidiary of the Company in any Person resulting from repurchases, repayments or redemptions of such Investments by such Person, proceeds realized on the sale or other disposition of such Investment and proceeds representing the return of capital (excluding dividends and distributions to the extent included in Consolidated Net Income), in each case realized by the Company or any Restricted Subsidiary of the Company, and (y) in the event that any Unrestricted Subsidiary of the Company is redesignated as a Restricted Subsidiary, the portion (proportionate to the Company's equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Unrestricted Subsidiary at the time such Unrestricted Subsidiary is designated a Restricted Subsidiary, *plus*

(e) 100% of any dividends received by the Company or a Guarantor after the Issue Date from an Unrestricted Subsidiary of the Company, to the extent such dividends were not otherwise included in the Consolidated Net Income of the Company for such period.

(b) The foregoing provisions of Section 4.07(a) shall not prohibit:

(1) the payment of any dividend or distribution within 60 days after the date of declaration thereof, if at said date of declaration such payment would have complied with the provisions of this Indenture or the redemption of any Indebtedness that is

contractually subordinated in right of payment to the Notes within 60 days after the notice thereof if at said date of notice such redemption would have complied with the provisions of this Indenture;

(2) so long as no Default or Event of Default has occurred and is continuing or would be caused thereby, any Restricted Payment made in exchange for, or with the net cash proceeds from, the substantially concurrent sale of Equity Interests of the Company (other than any Disqualified Stock and other than Equity Interests issued or sold to a Subsidiary of the Company) or a substantially concurrent cash capital contribution received by the Company from its shareholders; *provided* that the net cash proceeds from such sale or such cash capital contribution (to the extent so used for such Restricted Payment) shall be excluded from Section 4.07(a)(3)(b);

(3) the defeasance, redemption, repurchase, retirement or other acquisition of Indebtedness of the Company or any Guarantor that is contractually subordinated in right of payment to the Notes or to any Notes Guarantee in exchange for, or with the net cash proceeds from, an Incurrence of Permitted Refinancing Debt;

(4) so long as no Default or Event of Default has occurred and is continuing or would be caused thereby, the redemption, repurchase, retirement or other acquisition for value of any Equity Interests of the Company or any Restricted Subsidiary of the Company held by employees, former employees, directors, former directors, officers, former officers, consultants or former consultants of the Company (or any of its Subsidiaries); *provided* that the aggregate amount of such repurchases and other acquisitions (excluding amounts representing cancellation of Indebtedness) shall not exceed $1.5 million in any fiscal year and $6.0 million in the aggregate (in each case plus the amount of net cash and proceeds received by the Company and its Restricted Subsidiaries (a) in respect of "key-man" life insurance and (b) from the issuance of Equity Interests by the Company to members of management of the Company and its Subsidiaries, to the extent that those amounts did not provide the basis for any previous Restricted Payment);

(5) the declaration and payment of cash dividends on the Company's Common Shares in an amount not to exceed $0.12 per Common Share per fiscal quarter (which amount shall be (a) proportionately decreased in the event the Company shall issue additional Common Shares to then current holders of Common Shares in a stock dividend, stock distribution, subdivision or other similar transaction or (b) proportionately increased in the event the outstanding Common Shares shall be combined or consolidated, by reclassification or otherwise, into a lesser number of Common Shares); *provided, however,* that (x) at the time of the declaration of any such cash dividend, (1) no Default or Event of Default has occurred and is continuing or would be caused thereby, (2) the Common Shares are publicly traded on the Toronto Stock Exchange or a United States national securities exchange; (y) (1) immediately after giving pro forma effect thereto as if such payment of cash dividends had occurred at the beginning of the applicable period, the Company would be permitted to Incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.09(a) of this Indenture and (z) after giving effect to any such payment

of cash dividends, the Company's Net Cash would be equal to or greater than (1) $8.0 million or, (2) if Additional Notes have been issued pursuant to this Indenture, an amount sufficient to satisfy all amounts due in respect to the Notes on the next succeeding Interest Payment Date (including, without limitation, any amounts due in respect of principal or premium on such date); provided further, that any adjustment contemplated by clause (a) or (b) of this clause (5) of Section 4.07(b) shall be made in good faith by the Board of Directors of the Company as of the effective date of the applicable transaction and as evidenced by a resolution of the Board of Directors of the Company as set forth in an Officer's Certificate;

(6) payments of dividends on Disqualified Stock issued pursuant to Section 4.09;

(7) repurchases of Capital Stock deemed to occur upon exercise of stock options if such Capital Stock represents a portion of the exercise price of such options;

(8) cash payments in lieu of the issuance of fractional shares in connection with (a) any amalgamation, arrangement, exchange offer, merger, consolidation or similar transaction or (b) the exercise of warrants, options or other securities convertible into or exchangeable for Capital Stock of the Company; *provided, however,* that any such cash payment shall not be for the purpose of evading the limitations of this Section 4.07;

(9) so long as no Default or Event of Default has occurred and is continuing or would be caused thereby, payments of intercompany subordinated Indebtedness, the Incurrence of which was permitted by Section 4.09(b)(5);

(10) the repurchase, redemption or other acquisition or retirement for value of any Indebtedness of the Company or any Guarantor that is contractually subordinated in right of payment to the Notes or to any Notes Guarantee pursuant to change of control provisions similar to those set forth in Section 4.14; *provided* that all Notes tendered by Holders in connection with a Change of Control Offer have been repurchased, redeemed or acquired for value;

(11) payments or distributions to dissenting shareholders in accordance with applicable law;

(12) the payment of any dividend by a Restricted Subsidiary that is not a Wholly Owned Subsidiary to the holders of Capital Stock on a *pro rata* basis;

(13) payments or distributions of Equity Interests in or Indebtedness or assets of an Unrestricted Subsidiary; or

(14) Restricted Payments in an amount which, when taken together with all Restricted Payments previously made pursuant to this clause (14), does not exceed $2.0 million.

The amount of all Restricted Payments (other than cash) shall be the Fair Market Value on the date of the Restricted Payment of the assets proposed to be transferred by the Company or such Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment.

(c) The Company will not permit any Unrestricted Subsidiary of the Company to become a Restricted Subsidiary of the Company except pursuant to Section 4.19(c). For purposes of designating any Restricted Subsidiary of the Company as an Unrestricted Subsidiary, all outstanding Investments by the Company and its Restricted Subsidiaries (except to the extent repaid) in the Subsidiary so designated will be deemed to be Restricted Payments in an amount determined as set forth in the last sentence of the definition of "Investment." Such designation will be permitted only if a Restricted Payment in such amount would be permitted at such time pursuant to Section 4.07 or pursuant to the definition of "Permitted Investments," and if such Subsidiary otherwise meets the definition of an Unrestricted Subsidiary.

Section 4.08 Dividend and Other Payment Restrictions Affecting Subsidiaries.

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or consensual restriction on the ability of any Restricted Subsidiary of the Company to:

(1) pay dividends or make any other distributions to the Company or any of its Restricted Subsidiaries with respect to its Capital Stock or any other interest or participation in, or measured by, its profits (it being understood that the priority of any Preferred Stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock shall not be deemed a restriction on the ability to make distributions on Capital Stock);

(2) pay any Indebtedness owed to the Company or any of its Restricted Subsidiaries;

(3) make any loans or advances to the Company or any of its Restricted Subsidiaries (it being understood that the subordination of loans or advances made to the Company or any Restricted Subsidiary of the Company to other Indebtedness Incurred by the Company or any Restricted Subsidiary of the Company shall not be deemed a restriction on the ability to make loans or advances); or

(4) sell, lease or transfer any of its properties or assets to the Company or any of its Restricted Subsidiaries (it being understood that such transfers shall not include any type of transfer described in clause (1), (2) or (3) of this Section 4.08(a)).

(b) The foregoing restrictions will not apply to encumbrances or restrictions existing under or by reason of:

(1) any agreements in effect or entered into on the Issue Date, including agreements governing Existing Indebtedness as in effect on the Issue Date, and any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings thereof; *provided* that such amendments, modifications,

restatements, renewals, increases, supplements, refunding, replacements or refinancings are not materially more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in the agreements governing such Indebtedness as in effect on the Issue Date;

(2) the Credit Agreement as in effect as of the Issue Date, and any amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements or refinancings thereof and any additional Credit Facilities permitted under this Indenture; *provided* that such amendments, modifications, restatements, renewals, increases, supplements, refundings, replacements, refinancings or additional facilities are not materially more restrictive, taken as a whole, with respect to such dividend and other payment restrictions than those contained in the Credit Agreement as in effect on the Issue Date;

(3) the Indenture Documents;

(4) applicable law and any applicable rule, regulation or order;

(5) customary non-assignment provisions in leases, licenses or other agreements entered into in the ordinary course of business;

(6) purchase money obligations, Capital Lease Obligations, security agreements or mortgages that impose restrictions of the nature described in clause (4) of Section 4.08(a) on the property so acquired;

(7) any agreement for the sale or other disposition of all or substantially all of the Capital Stock or assets of a Restricted Subsidiary of the Company that restricts distributions by that Restricted Subsidiary pending its sale or other disposition thereof;

(8) any agreement or other instrument of a Person acquired by the Company or any Restricted Subsidiary of the Company in existence at the time of such acquisition (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person and its Subsidiaries, or the property or assets of the Person and its Subsidiaries, so acquired;

(9) Liens that limit the right of the Company or any of its Restricted Subsidiaries to dispose of the asset or assets subject to such Lien;

(10) customary provisions limiting the disposition or distribution of assets or property in partnership, joint venture, asset sale agreements, stock sale agreements and other similar agreements, which limitation is applicable only to the assets that are the subject of such agreements;

(11) Permitted Refinancing Debt, *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Debt are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Indebtedness being refinanced; and

(12) restrictions on cash or other deposits or net worth imposed by landlords, suppliers and customers under contracts entered into in the ordinary course of business.

Section 4.09 Limitation on Incurrence of Indebtedness and Issuance of Disqualified Stock and Preferred Stock.

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, Incur any Indebtedness (including Acquired Debt) and the Company will not issue any Disqualified Stock and will not permit any of its Restricted Subsidiaries to issue any shares of Preferred Stock; *provided, however,* that the Company and any Guarantor may Incur Indebtedness (including Acquired Debt) and the Company may issue shares of Disqualified Stock, if the Fixed Charge Coverage Ratio for the Company's most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date on which such additional Indebtedness is Incurred or such Disqualified Stock is issued would have been at least 2.5 to 1.0 (or, solely with respect to the Incurrence of Additional Notes pursuant to this Section 4.09(a) and, unless specifically stated, not for any other purposes under this Indenture, at least 2.9 to 1.0 prior to the first anniversary of the Issue Date and 3.0 to 1.0 thereafter (the "Additional Notes Incurrence Test")), determined on a *pro forma* basis (including a *pro forma* application of the net cash proceeds therefrom, including the effect of acquisitions or repayments or redemptions of Indebtedness to be funded by such proceeds), as if the additional Indebtedness had been Incurred, or the Disqualified Stock had been issued, as the case may be, at the beginning of such four-quarter period.

(b) The foregoing provisions of Section 4.09(a) will not prohibit the Incurrence of any of the following items of Indebtedness (collectively, "Permitted Debt"):

(1) the Incurrence by the Company or any Guarantor (including any Guarantees thereof) of Indebtedness pursuant to Credit Facilities in an aggregate principal amount not to exceed $32.5 million;

(2) the Incurrence by the Company and the Guarantors of Indebtedness represented by the Notes (including the related Notes Guarantees but excluding Additional Notes);

(3) the Incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness (including Capital Lease Obligations, mortgage financings or purchase money obligations) for the purpose of financing (or refinancing) all or any part of the purchase price or cost of construction or improvement of property (real or personal), plant or equipment used or useful in a Similar Business that, added to all other Indebtedness Incurred pursuant to this clause (3) and then outstanding, will not exceed $5.0 million;

(4) the Incurrence by the Company or any of its Restricted Subsidiaries of Permitted Refinancing Debt in exchange for, or the net cash proceeds of which are used to extend, refinance, renew, replace, defease or refund, Indebtedness that was Incurred pursuant to Section 4.09(a) or pursuant to clause (2) or (8) or this clause (4) of this Section 4.09(b);

(5) the Incurrence of intercompany indebtedness of the Company or any Restricted Subsidiary of the Company for so long as such Indebtedness is held by the Company or a Guarantor; *provided* that (i) such Indebtedness shall be unsecured and if owing by the Company or any Guarantor, contractually subordinated in all respects (other than with respect to the maturity thereof) to the obligations of the Company under the Notes or such Guarantor under its Notes Guarantee, as the case may be and (ii) if as of any date any Person other than the Company or a Guarantor owns or holds any such Indebtedness or holds a Lien in respect of such Indebtedness (other than Permitted Liens of the type described in clause (1) of the definition thereof that secure Priority Lien Obligations that are permitted under this Indenture or a Permitted Lien of the type described in clause (19) of the definition thereof), such date shall be deemed the incurrence of Indebtedness not permitted under this clause (5) by the issuer of such Indebtedness;

(6) Guarantees by the Company or any Restricted Subsidiary of the Company of Indebtedness of the Company or any Restricted Subsidiary of the Company otherwise permitted hereunder so long as the Person giving such Guarantee could have Incurred the Indebtedness that is being Guaranteed; *provided* that if the Indebtedness being guaranteed (x) is subordinated to the Notes or a Notes Guarantee, then the Guarantee must be subordinated to the same extent as the Indebtedness being guaranteed or (y) is owed by any Restricted Subsidiary of the Company that is not a Guarantor, such Guarantee shall be subordinated to the prior payment in full of the Notes in the case of the Company or the Notes Guarantees in the case of a Guarantor;

(7) the Incurrence by the Company or any of its Restricted Subsidiaries of Hedging Obligations that are Incurred for the purpose of fixing or hedging (A) interest rate risk with respect to any floating rate indebtedness that is permitted by the terms of this Indenture to be outstanding or (B) currency exchange risk in connection with existing financial obligations, in each case, Incurred in the ordinary course of business and not for purposes of speculation;

(8) the Incurrence of Existing Indebtedness (other than Indebtedness described in clause (1), (2) or (5) of Section 4.09(b);

(9) Indebtedness in respect of insurance or self-insurance and in the form of letters of credit, bank guarantees, performance, bid and surety bonds and completion guarantees provided by the Company or any of its Restricted Subsidiaries, in each case, Incurred in the ordinary course of business;

(10) the Incurrence by the Company or any of its Restricted Subsidiaries of Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently (except in the case of daylight overdrafts) drawn against insufficient funds in the ordinary course of business; *provided, however,* that such Indebtedness is extinguished within 10 days of its Incurrence;

(11) Indebtedness of the Company or any Restricted Subsidiary of the Company consisting of the financing of insurance premiums in the ordinary course of business;

(12) Indebtedness consisting of promissory notes or similar Indebtedness issued by the Company or any Restricted Subsidiary of the Company to current, future or former officers, directors and employees thereof, or to their respective estates, spouses or former spouses, in each case to finance the purchase or redemption of Equity Interests of the Company or a Restricted Subsidiary of the Company to the extent described in Section 4.07(b)(4); and

(13) Indebtedness arising from agreements of the Company or any of its Restricted Subsidiaries providing for indemnification, adjustment of purchase price or similar obligations, in each case, incurred in connection with the disposition of any business, assets or Subsidiary, other than Guarantees of Indebtedness incurred by any Person acquiring all or any portion of such business, assets or Subsidiary for the purpose of financing such acquisition; *provided* that the maximum aggregate liability in respect of all such Indebtedness shall at no time exceed the gross proceeds actually received by the Company or such Restricted Subsidiary in connection with such disposition.

(c) For purposes of determining compliance with this covenant, in the event that an item of Indebtedness meets the criteria of more than one of the categories of Indebtedness described in clauses (1) through (13) of Section 4.09(b) or Section 4.09(a), the Company shall, in its sole discretion, divide and classify such item of Indebtedness in any manner that complies with this Section 4.09 and will only be required to include the amount and type of such Indebtedness in one of such clauses or pursuant to Section 4.09(a), and may re-classify any such item of Indebtedness from time to time among such clauses or Section 4.09(a), so long as such item meets the applicable criteria for such category. For the avoidance of doubt, Indebtedness may be classified as Incurred in part pursuant to one of the clauses (1) through (13) of Section 4.09(b), and in part under one or more other clauses or under Section 4.09(a). Notwithstanding the foregoing, all Indebtedness outstanding and secured by Liens permitted pursuant to clause (1) of the definition of "Permitted Liens" and all Indebtedness outstanding under the Credit Agreement shall be treated as Incurred pursuant to clause (1) of Section 4.09(b), as applicable, and may not be reclassified, and all Indebtedness that is Parity Lien Debt may only be Incurred pursuant to (and reclassified as Incurred under) the Additional Notes Incurrence Test or clause (1) of Section 4.09(b), as applicable.

The principal amount of any Indebtedness incurred to refinance other Indebtedness, if incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

Accrual of interest and dividends, accretion of accreted value, issuance of securities paid-in-kind, amortization of original issue discount, changes to amounts outstanding in respect of Hedging Obligations solely as a result of fluctuations in foreign currency exchange rates or interest rates or by reason of fees, indemnities and compensation payable thereunder shall not be deemed to be an Incurrence of indebtedness for purposes of this covenant.

The Company will not incur, and will not permit any other Guarantor to incur, any Indebtedness that is contractually subordinated in right of payment to any other Indebtedness of the Company or such other Guarantor unless such Indebtedness is also contractually subordinated in right of payment to the Notes and the applicable Notes Guarantee on substantially identical terms; *provided, however,* that no Indebtedness will be deemed to be contractually subordinated in right of payment to any other Indebtedness solely by virtue of being unsecured or by virtue of being secured on a junior Lien or priority basis.

Section 4.10 Asset Sales.

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, make any Asset Sale (except with respect to an Event of Loss) unless:

(1) the Company, or the Restricted Subsidiary, as the case may be, receives consideration at the time of such Asset Sale at least equal to the Fair Market Value (measured at the time of contractually agreeing to such Asset Sale) of the assets or Equity Interests issued or sold or otherwise disposed of; and

(2) at least 75% of the consideration therefor received by the Company or such Restricted Subsidiary is in the form of cash or Cash Equivalents;

provided that the amount of (x) any liabilities (as shown on the Company's or such Restricted Subsidiary's most recent balance sheet) of the Company or any Restricted Subsidiary of the Company (other than contingent liabilities and liabilities that are by their terms subordinated to the Notes or any Notes Guarantee thereof) that are assumed by the transferee of any such assets and with respect to which the Company or such Restricted Subsidiary is unconditionally released from further liability; and (y) any securities, notes or other obligations received by the Company or any such Restricted Subsidiary from such transferee that are converted within 60 days by the Company or such Restricted Subsidiary into cash or Cash Equivalents (to the extent of the cash or Cash Equivalents received in that conversion), will be deemed to be cash for purposes of this provision.

(b) Within 365 days after the receipt of any Net Proceeds from an Asset Sale by the Company or a Restricted Subsidiary of the Company, the Company or such Restricted Subsidiary may apply such Net Proceeds at its option:

(1) to permanently reduce Indebtedness under any Credit Facility (and to correspondingly reduce commitments with respect thereto);

(2) with respect to Asset Sales of assets of a Restricted Subsidiary of the Company that is not a Guarantor, to permanently reduce Indebtedness of a Restricted Subsidiary of the Company that is not a Guarantor (and to correspondingly reduce commitments with respect thereto), other than Indebtedness owed to the Company or another Subsidiary of the Company; and/or

(3) to the making of a capital expenditure or to acquire assets that are used or useful in a Similar Business, including the making or purchase of loans, advances or other extensions of credit in the ordinary course of business.

(c) Pending the final application of any such Net Proceeds, the Company or a Restricted Subsidiary of the Company may temporarily reduce Indebtedness under any Credit Facility or otherwise invest such Net Proceeds in any manner that is not prohibited by this Indenture.

(d) Any Net Proceeds from Asset Sales that are not applied or invested (by election or as a result of the passage of time) as provided in Section 4.10(b) will be deemed to constitute "Excess Proceeds." When the aggregate amount of Excess Proceeds exceeds $7.5 million, the Company will be required to make an offer (an "Asset Sale Offer") to all Holders of Notes to purchase the maximum principal amount of Notes that may be purchased out of the Excess Proceeds. The offer price for such Asset Sale Offer shall be an amount in cash equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to, but excluding, the date of purchase (subject to the right of Holders of the Notes on the relevant record date to receive interest due on the relevant interest payment date), in accordance with the procedures set forth in Article 3.

(e) To the extent that the aggregate amount of Notes tendered pursuant to an Asset Sale Offer is less than the Excess Proceeds, the Company and its Restricted Subsidiaries may use any remaining Excess Proceeds for any purpose not otherwise prohibited by this Indenture. If the aggregate principal amount of Notes surrendered by Holders thereof exceeds the amount of the Excess Proceeds, the Trustee shall select the Notes to be purchased on a *pro rata* basis based upon principal balance (subject to adjustments so that no Notes in an unauthorized denomination are repurchased in part). Upon completion of such offer to purchase, the amount of Excess Proceeds shall be reset at zero.

(f) The notice, if mailed in a manner herein provided, shall be conclusively presumed to have been given, whether or not the Holder receives such notice. If (a) the notice is mailed in a manner herein provided and (b) any Holder fails to receive such notice or a Holder receives such notice but it is defective, such Holder's failure to receive such notice or such defect shall not affect the validity of the proceedings for the purchase of the Notes as to all other Holders that properly received such notice without defect. The Company shall comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with each repurchase of Notes pursuant to an Asset Sale Offer. To the extent that the provisions of any securities laws or regulations conflict with the Asset Sale provisions of this Indenture, the Company shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under this Section 4.10 by virtue of such compliance.

Section 4.11 Transactions with Affiliates.

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, make any payment to, or sell, lease, exchange, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any contract, agreement, understanding, loan, advance or Guarantee with, or for the benefit of, any Affiliate (each of the foregoing, an "Affiliate Transaction"), unless:

(1) such Affiliate Transaction is on terms that are no less favorable to the Company or the relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction at the time in an arm's-length transaction with a person who was not an Affiliate; and

(2) if such Affiliate Transaction involves an amount in excess of $5.0 million, the terms of the Affiliate Transaction are set forth in writing and a majority of the non-employee directors of the Company disinterested with respect to such Affiliate Transaction has determined in good faith that the criteria set forth in clause (1) are satisfied and has approved the relevant Affiliate Transaction as evidenced by a resolution of the Board of Directors of the Company set forth in an Officer's Certificate; and

(3) if such Affiliate Transaction or series of related Affiliate Transactions involves an amount in excess of $10.0 million, the Company obtains an opinion as to the fairness to the Company or such Restricted Subsidiary of such Affiliate Transaction from a financial point of view issued by an accounting, appraisal or investment banking firm of national standing in the United States or Canada or that such Affiliate Transaction is no more restrictive to the Company and its Subsidiaries than could reasonably be expected to be obtained at the time in an arm's-length transaction with a person who was not an Affiliate.

(b) The foregoing provisions of Section 4.11(a) will not apply to the following:

(1) any reasonable and customary employment agreement or compensation plan or arrangement and other benefits (including retirement, health, severance, stock option and other benefit plans) entered into by the Company or any of its Restricted Subsidiaries in the ordinary course of business of the Company or such Restricted Subsidiary;

(2) transactions exclusively between or among the Company and/or its Restricted Subsidiaries; *provided* that such transactions are not otherwise prohibited by this Indenture;

(3) reasonable and customary compensation of and indemnity arrangements in favor of, directors of the Company and its Subsidiaries;

(4) the issuance or transfer of Equity Interests (other than Disqualified Stock) of the Company to any Affiliate, director, officer, employee or consultant (or their respective estates, investment funds, investment vehicles, spouses or former spouses) of the Company or any of its Restricted Subsidiaries and the granting and performing of reasonable and customary registration rights with respect to such Equity Interests;

(5) Restricted Payments that are permitted by the provisions of Section 4.07 and Permitted Investments of the type described in clause (8) of the definition thereof;

(6) any agreement as in effect as of the Issue Date that is disclosed in the Final Offering Circular under the caption "Certain Relationships and Related Party Transactions", as such agreements may be amended, modified, supplemented, extended

or renewed from time to time, so long as any such amendment, modification, supplement, extension or renewal is not more disadvantageous to the Holders of the Notes in any material respect, when taken as a whole, than the terms of the agreements in effect on the Issue Date;

(7) any agreement between any Person and an Affiliate of such Person existing at the time such Person is acquired by, merged into or amalgamated, arranged or consolidated with the Company or a Restricted Subsidiary of the Company; provided that such agreement was not entered into in contemplation of such acquisition, merger, amalgamation, arrangement or consolidation and any amendment thereto (so long as any such amendment is not disadvantageous to the Holders of the Notes, when taken as a whole, as compared to the applicable agreement as in effect on the date of such acquisition, merger, amalgamation, arrangement or consolidation);

(8) transactions between the Company or any of its Restricted Subsidiaries and any Person that is an Affiliate solely because one or more of its directors is also a director of the Company or any Restricted Subsidiary of the Company; *provided* that such director abstains from voting as a director of the Company or such Restricted Subsidiary, as the case may be, on any matter involving such other Person;

(9) any merger, amalgamation, arrangement, consolidation or other reorganization of the Company with an Affiliate solely for the purpose and with the sole effect of forming a holding company or reincorporating the Company in a new jurisdiction;

(10) the entering into of a tax sharing agreement, or payments pursuant thereto, between the Company and one or more Subsidiaries, on the one hand, and any other Person with which the Company and such Subsidiaries are required or permitted to file a consolidated tax return or with which the Company and such Subsidiaries are part of a consolidated group for tax purposes, on the other hand, which payments by the Company and the Restricted Subsidiaries are not in excess of the tax liabilities that would have been payable by them on a stand-alone basis; and

(11) pledges of Equity Interests in or Indebtedness of Unrestricted Subsidiaries of the Company.

Section 4.12 Liens.

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or suffer to exist any Lien of any kind on any asset now owned or hereafter acquired, except Permitted Liens.

Any reference to a "Permitted Lien" is not intended to subordinate or postpone, and shall not be interpreted as subordinating or postponing, or as any agreement to subordinate or postpone, any Lien in favor of the Collateral Agent in respect of the Collateral.

Section 4.13 Corporate Existence.

Subject to Article 5, the Company shall do or cause to be done all things necessary to preserve and keep in full force and effect (i) its company existence, and the corporate, partnership, limited liability company or other existence of each of the Restricted Subsidiaries, in accordance with the respective organizational documents (as the same may be amended, supplemented or otherwise modified from time to time) of the Company or any such Restricted Subsidiary and (ii) the rights (charter and statutory), licenses and franchises of the Company and the Restricted Subsidiaries; provided that the Company shall not be required to preserve any such right, license or franchise, or the corporate, partnership, limited liability company or other existence of any of the Restricted Subsidiaries, if the Company in good faith shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and the Restricted Subsidiaries, taken as a whole.

Section 4.14 Offer to Repurchase Upon Change of Control.

(a) Within 30 days following any Change of Control, unless the Company has previously or concurrently mailed a redemption notice with respect to all of the outstanding Notes pursuant to Section 3.03 and Section 3.07, the Company will offer to repurchase all or any part (equal to $2,000 or an integral multiple of $1,000 in excess thereof) of each holder's Notes pursuant to the offer described below at a purchase price in cash equal to 101% of the aggregate principal amount thereof, plus accrued and unpaid interest, if any, to, but excluding, the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest on the relevant interest payment date) (the "Change of Control Payment") by mailing a notice to each holder with a copy to the Trustee (the "Change of Control Offer") stating:

(1) that a Change of Control has occurred and that such holder has the right to require the Company to purchase such Holder's Notes at a purchase price in cash equal to the Change of Control Payment;

(2) the circumstances and relevant facts regarding such Change of Control;

(3) the purchase date (which shall be no earlier than 30 days no later than 60 days from the date such notice is mailed); and

(4) the instructions, as determined by the Company, consistent with this Section 4.14 and Article 3, that a Holder must follow in order to have its Notes purchased.

The Company shall comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent such laws or regulations are applicable in connection with the repurchase of Notes pursuant to a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with the provisions of this Section 4.14, the Company shall comply with the applicable securities laws and regulations and shall not be deemed to have breached its obligations under this Section 4.14 by virtue thereof.

(b) The Company will not be required to make a Change of Control Offer upon a Change of Control if a third-party makes an offer to repurchase all of the outstanding Notes in the manner, at the times and otherwise in conformity with the requirements set forth in this Indenture applicable to a Change of Control Offer made by the Company and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

(c) A Change of Control Offer may be made in advance of a Change of Control, and conditioned upon such Change of Control occurring, if a definitive agreement is in place for the Change of Control at the time of making the Change of Control Offer.

(d) On a date that is at least 30 but no more than 60 days from the date on which the Company mails notice of the Change of Control (the "Change of Control Payment Date"), the Company will, to the extent lawful:

(1) accept for payment all Notes or portions thereof properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes or portions thereof so tendered; and

(3) deliver or cause to be delivered to the Trustee the Notes so accepted together with an Officer's Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Company.

(e) The Paying Agent will promptly mail to each Holder of Notes so tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate and mail (or cause to be transferred by book-entry) to each Holder a new Note equal in principal amount to any unpurchased portion of the Notes surrendered, if any; *provided* that each such new Note will be in a principal amount of $2,000 or an integral multiple of $1,000 in excess thereof. The Company will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

(f) Other than as specifically provided in this Section 4.14, any purchase pursuant to this Section 4.14 shall be made pursuant to the provisions of Sections 3.02, 3.05 and 3.06.

Section 4.15 Additional Guarantees.

(a) The Company will cause each future Restricted Subsidiary that is not a Guarantor that guarantees Indebtedness of the Company or any Guarantor under any Credit Facility after the Issue Date to:

(1) as promptly as reasonably practicable, execute and deliver (A) to the Trustee a supplemental indenture, pursuant to which such Restricted Subsidiary will unconditionally guarantee, on a senior secured basis, all of the Company's Obligations under the Indenture Documents on the terms set forth in this Indenture;

(2) execute and deliver to the Collateral Agent such amendments or supplements to the Collateral Documents necessary in order to grant to the Collateral

Agent, for the benefit of the Notes Secured Parties, a perfected security interest in the Equity Interests of such Subsidiary, subject to Permitted Liens and the Collateral Trust Agreement, which are owned by the Company or a Guarantor and are required to be pledged pursuant to the Collateral Documents;

(3) take such actions as are necessary to grant to the Collateral Agent for the benefit of the Notes Secured Parties a perfected security interest in the assets of such Subsidiary, subject to Permitted Liens and the Collateral Trust Agreement, including making appropriate fillings under the applicable PPSA or other applicable law, in each case as may be required by the Collateral Documents;

(4) take such further action and execute and deliver such other documents specified in the Indenture Documents or as otherwise may be reasonably requested by the Trustee or Collateral Agent to give effect to the foregoing; and

(5) deliver to the Trustee and the Collateral Agent an Opinion of Counsel that (i) such supplemental indenture and any other documents required to be delivered have been duly authorized, executed and delivered by such Subsidiary and constitute legal, valid, binding and enforceable obligations of such Subsidiary and (ii) the Collateral Documents to which such Subsidiary is a party create a valid perfected Lien on the Collateral covered thereby.

Section 4.16 Suspension of Covenants.

(a) If on any date (i) the Notes have Investment Grade Ratings from both Rating Agencies and (ii) no Default has occurred and is continuing under this Indenture (the occurrence of the events described in the foregoing clauses (i) and (ii) being collectively referred to as a "Covenant Suspension Event"), the Company and its Restricted Subsidiaries will not be subject to the following covenants (collectively, the "Suspended Covenants"):

(1) Section 4.07;

(2) Section 4.08;

(3) Section 4.09;

(4) Section 4.10, but only to the extent relating to properties or assets of the Company or any Restricted Subsidiary that do not constitute Collateral;

(5) Section 4.11; and

(6) Section 5.01(a)(3);

(b) In the event that the Company and its Restricted Subsidiaries are not subject to the Suspended Covenants under this Indenture for any period of time as a result of Section 4.16(a), and on any subsequent date (the "Reversion Date") one or both of the Rating Agencies withdraw their Investment Grade Rating or downgrade the rating assigned to the Notes below an

Investment Grade Rating, then the Company and its Restricted Subsidiaries will thereafter again be subject to the Suspended Covenants with respect to future events.

(c) The period of time between the Covenant Suspension Event and the Reversion Date is referred to in this description as the "Suspension Period." In the event of any such reinstatement, no action taken or omitted to be taken by the Company or any of its Restricted Subsidiaries prior to such reinstatement that would otherwise be a breach of any Suspended Covenant will give rise to a Default or Event of Default under this Indenture with respect to the Notes; provided that (x) with respect to Restricted Payments made after any such reinstatement, the amount of Restricted Payments made will be calculated as though Section 4.07 had been in effect prior to, but not during, the Suspension Period, and all events set forth in Section 4.07(a)(3) (including Consolidated Net Income earned) occurring during a Suspension Period shall be disregarded for purposes of determining the amount of Restricted Payments the Company or any of its Restricted Subsidiaries is permitted to make pursuant to such Section 4.07(a)(3) after the applicable Reversion Date, and (y) all Indebtedness incurred, or Disqualified Stock or Preferred Stock issued, during the Suspension Period will be classified to have been incurred or issued pursuant to Section 4.09(b)(8).

(d) No Subsidiaries of the Company shall be designated as Unrestricted Subsidiaries of the Company during any Suspension Period.

(e) The Company shall deliver promptly to the Trustee an Officer's Certificate notifying it of any such occurrence under this Section 4.16.

Section 4.17 Further Assurances; After Acquired Property.

The Company shall, and shall cause each Guarantor to, at their sole cost and expense, (i) execute and deliver all such agreements and instruments as may be necessary and as the Collateral Agent shall reasonably request to more fully or accurately describe the property intended to be Collateral or the obligations intended to be secured by the Collateral Documents and (ii) make such registrations and file any such notice filings or other agreements or instruments as may be reasonably necessary under applicable law to perfect (and maintain the perfection and priority of) the Liens created by the Collateral Documents, subject to Permitted Liens, at such times and at such places as the Collateral Agent may reasonably request, in each case subject to the terms of the Collateral Documents.

Section 4.18 Information Regarding Collateral.

The Company shall furnish to the Collateral Agent, with respect to the Company or any Guarantor, prompt written notice of any change in such Person's (i) organizational name, (ii) jurisdiction of organization or formation, (iii) identity or organizational structure or (iv) organizational identification number. The Company and the Guarantors shall make all registration and notice filings or such other filings that are required by applicable law in order for the Collateral Agent to continue at all times following such change to have a valid, legal and perfected security interest in all the Collateral.

Section 4.19 Designation of Resignation and Unrestricted Subsidiaries.

(a) The Board of Directors of the Company may designate any Restricted Subsidiary of the Company to be an Unrestricted Subsidiary if that designation would not cause a Default. If a Restricted Subsidiary of the Company is designated as an Unrestricted Subsidiary, the aggregate Fair Market Value of all outstanding Investments owned by the Company and its Restricted Subsidiaries in the Subsidiary designated as an Unrestricted Subsidiary will be deemed to be an Investment made as of the time of the designation and will reduce the amount available for Restricted Payments under Section 4.07 or under one or more clauses of the definition of Permitted Investments, as determined by the Company. That designation will only be permitted if the Restricted Payment or Investment would be permitted at the time of the designation.

(b) Any designation of a Subsidiary of the Company as an Unrestricted Subsidiary will be evidenced to the Trustee by filing with the Trustee a certified copy of a resolution of the Board of Directors of the Company giving effect to such designation and an Officer's Certificate certifying that such designation complied with the preceding conditions and was permitted by Section 4.07.

(c) The Company and its Restricted Subsidiaries will not permit any Unrestricted Subsidiary to incur, issue, assume, guarantee or otherwise become directly or indirectly liable with respect to any Indebtedness pursuant to which the lender has recourse to any of the assets of the Company or any of its Restricted Subsidiaries. The Board of Directors of the Company may at any time designate any Unrestricted Subsidiary to be a Restricted Subsidiary of the Company; *provided* that such designation will be deemed to be an incurrence of Indebtedness by a Restricted Subsidiary of the Company of any outstanding Indebtedness of such Unrestricted Subsidiary, and such designation will only be permitted if such Indebtedness (1) is permitted pursuant to Section 4.09 calculated on a *pro forma* basis as if such designation had occurred at the beginning of the four-quarter reference period; and (2) no Default or Event of Default would be in existence following such designation.

Section 4.20 Sale and Leaseback Transactions

(a) The Company will not, and will not permit any of its Restricted Subsidiaries to, enter into any Sale and Leaseback Transaction with respect to any property unless:

(1) the Company or such Restricted Subsidiary would be entitled to (A) incur Indebtedness in an amount equal to the Attributable Debt relating to such Sale and Leaseback Transaction pursuant to Section 4.09 and (B) Incur a Lien on such property securing such Attributable Debt pursuant to Section 4.12;

(2) the net proceeds of such Sale and Leaseback Transaction are at least equal to the Fair Market Value of the property that is the subject of such Sale and Leaseback Transaction; and

(3) the transfer of assets in such Sale and Leaseback Transaction is permitted by, and the Company applies the Net Proceeds of such transaction in compliance with, Section 4.10.

(b) Section 4.20(a) will not apply to transactions among the Company and any of the Guarantors, among the Guarantors or solely among Subsidiaries of the Company that are not Guarantors.

Section 4.21 Business Activities

The Company will not and will not permit any of its Restricted Subsidiaries to, engage in any business other than Similar Businesses, except to such extent as would not be material to the Company and its Restricted Subsidiaries taken as a whole.

Section 4.22 Additional Amounts.

(a) Payments made by the Company under or with respect to the Notes or any of the Guarantors with respect to any Notes Guarantee will be made free and clear of and without withholding or deduction for or on account of any present or future tax, duty, levy, assessment or other governmental charge, including any related interest, penalties or additions to tax ("Taxes"), unless the withholding or deduction of such Taxes is then required by law.

(b) If any deduction or withholding for, or on account of, any Taxes imposed or levied by or on behalf of (1) any jurisdiction in which the Company or any Guarantor is then organized, engaged in business for tax purposes or resident for tax purposes or any political subdivision thereof or therein or (2) any jurisdiction from or through which payment is made by or on behalf of the Company or any Guarantor (including the jurisdiction of any Paying Agent) or any political subdivision thereof or therein (each, a "Tax Jurisdiction") is at any time required to be made from any payments made by the Company under or with respect to the Notes or any of the Guarantors with respect to any Notes Guarantee, the Company or the relevant Guarantor, as applicable, will pay to each Holder of Notes that are outstanding on the date of the required payment, such additional amounts ("Additional Amounts") as may be necessary so that the net amount received by such Holder (including the Additional Amounts) after such withholding or deduction (including with respect to any Additional Amounts) will not be less than the amount such Holder would have received if such Taxes had not been withheld or deducted; *provided* that no Additional Amounts are payable with respect to a payment to a Holder of the Notes (an "Excluded holder"):

(1) with which the Company does not deal at arm's length (within the meaning of the Income Tax Act (Canada)) at the time of making such payment;

(2) which is subject to such Taxes by reason of its being connected with a relevant Tax Jurisdiction or any province or territory thereof otherwise than by the mere holding of the Notes or the receipt of payments in respect of such Notes or a Notes Guarantee;

(3) which, following a timely request by the Company, failed to provide any certification, documentation, information or other evidence concerning such Holder's (or its beneficial owner's) nationality, residence, entitlement to treaty benefits, identity or connection with a Tax Jurisdiction, if and to the extent that due and timely compliance is required by applicable law,

applicable regulation, published administrative practice or an applicable treaty as a precondition to exemption from, or a reduction in the rate of deduction or withholding of any Taxes as to which Additional Amounts would have otherwise been payable to such holder but for this clause; or

(4) any combination of clauses (1), (2) or (3).

The Company or the relevant Guarantor will also (x) make such withholding or deduction, and (y) remit the full amount deducted or withheld to the relevant authority in accordance with applicable law.

(c) The Company or the relevant Guarantor will furnish, within 30 days after the date the payment of any Taxes are due pursuant to applicable law, to the Trustee on behalf of the Holders of Notes that are outstanding on the date of the required payment, copies of tax receipts, if any (or other documentation), evidencing the payments of Taxes made by the Company, or a Guarantor, as the case may be, on behalf of the Holders.

(d) The Company and the Guarantors will indemnify and hold harmless each Holder of Notes that are outstanding on the date of the required payment (other than an Excluded holder) and upon written request reimburse each such Holder for the amount of:

(1) any Taxes so levied or imposed and paid by such Holder as a result of payments made under or with respect to the Notes;

(2) any liability (including penalties, interest and expense) arising therefrom or with respect thereto; and

(3) any Taxes imposed with respect to any reimbursement under clause (1) or (2) of this Section 4.22(d).

(e) In addition to the other obligations set forth in this Section 4.22, the Company and the Guarantors will also pay and indemnify each Holder for any present or future stamp, issue, registration, transfer, court or documentary taxes, or any other excise or property taxes, charges or similar levies (including penalties, interest and any other liabilities related thereto) which are levied by any relevant Tax Jurisdiction on the execution, delivery, issuance, or registration of any of the Indenture Documents or any other document referred to therein, or the receipt of any payments with respect thereto, or enforcement of, any of the Notes or any Notes Guarantee.

(f) At least 30 days prior to each date on which any payment under or with respect to the Notes is due and payable, if the Company or a Guarantor becomes obligated to pay Additional Amounts with respect to such payment, the Company or the relevant Guarantor, as applicable, will deliver to the Trustee an Officer's Certificate stating the fact that such Additional Amounts will be payable, and the amounts so payable and will set forth such other information as is necessary to enable the Trustee to pay such Additional Amounts to the Holders of the Notes on the payment date.

(g) Whenever in this Indenture there is mentioned, in any context:

(1) the payment of principal (and premium, if any);

(2) purchase prices in connection with a repurchase of Notes;

(3) interest; or

(4) any other amount payable on or with respect to any of the Notes or any Guarantee,

such mention shall be deemed to include mention of the payment of Additional Amounts provided for in this Section 4.22 to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

(h) The obligations set forth in this Section 4.22 will survive any termination, defeasance or discharge of this Indenture, any transfer by a Holder or beneficial owner of its Notes, and apply, *mutatis mutandis*, to any jurisdiction in which any successor Person to the Company or any Guarantor is incorporated, engaged in business for tax purposes or resident for tax purposes or any jurisdiction from or through which such Person makes any payment on the Notes (or any Notes Guarantee) and any department or political subdivision thereof or therein.

Section 4.23 Currency of Payment.

The principal of, and interest and premium (if any) on, the Notes will be payable in Canadian dollars.

Section 4.24 Registration Rights.

In the event the Company is at any time while any Notes are outstanding no longer subject to the reporting requirements of Section 13 or Section 15(d) of the Exchange Act, the Company shall use its reasonable best efforts to cause the registration of the Notes pursuant to the Securities Act such that the Notes will be freely tradable. The Company may, at its option, effect such registration on any available registration statement then available to the Company (including an exchange offer registration statement). The Company will be deemed to have fully satisfied its obligations under this Section 4.24 with respect to any Holder of Notes if such Holder's Notes are freely tradable pursuant to Rule 144 of the Securities Act without reliance on the current public information requirements of Rule 144.

ARTICLE 5

SUCCESSORS

Section 5.01 Merger, Consolidation or Sale of Assets.

(a) The Company may not, in any transaction or series of related transactions, amalgamate, arrange or consolidate with or merge with or into (whether or not the Company survives), or sell, assign, convey, transfer, lease or otherwise dispose of all or substantially all of its property and assets whether as an entirety or substantially as an entirety, to any Person, unless:

(1) either;

(A) if the transaction or series of transactions is an amalgamation, arrangement or consolidation with or a merger of the Company with or into any other Person, the Company shall be the surviving Person of such amalgamation, arrangement, merger or consolidation; or

(B) the Person formed by any amalgamation, arrangement, consolidation or merger with or into the Company or to which all or substantially all of the properties and assets of the Company and its Restricted Subsidiaries, taken as a whole, are sold, assigned, conveyed, transferred, leased or otherwise disposed of (the "Successor Company") shall be a corporation organized and existing under the federal laws of Canada or the laws of any province thereof or the laws of the United States, any state thereof or the District of Columbia, and such Person shall expressly assume by (i) a supplemental indenture executed and delivered to the Trustee, all of the obligations of the Company under the Notes and this Indenture and, in each case, the Indenture, as so supplemented, shall remain in full force and effect and (ii) an amendment, supplement or other instrument, executed and delivered to the Trustee, all obligations of the Company under the Collateral Documents, and in connection therewith shall cause such instruments to be filed and recorded in such jurisdictions and take such other actions as may be required by applicable law to perfect or continue the perfection of the Lien created under the Collateral Documents on the Collateral owned by or transferred to the surviving entity; and

(2) immediately after giving effect to such transaction or series of transactions on a *pro forma* basis (including any Indebtedness Incurred or anticipated to be Incurred in connection with or in respect of such transaction or series of transactions), no Default or Event of Default shall have occurred and be continuing; and

(3) immediately after giving *pro forma* effect to such transaction as if such transaction had occurred at the beginning of the applicable period (but without giving effect to the costs and expenses of such transaction), the Company or the Successor Company would be permitted to Incur at least $1.00 of additional Indebtedness pursuant to the Fixed Charge Coverage Ratio test set forth in Section 4.09(a).

(b) Notwithstanding anything to the contrary contained in Section 5.01(a), clauses (2) and (3) of Section 5.01(a) shall not apply to any transaction of the Company with a Restricted Subsidiary of the Company or for the purpose of reincorporating the Company in any jurisdiction in Canada or the United States.

In connection with any amalgamation, arrangement, consolidation, merger, sale, assignment, conveyance, transfer, lease or other disposition contemplated by Section 5.01(a), the Company shall deliver, or cause to be delivered, to the Trustee an Officer's Certificate stating that such amalgamation, arrangement, consolidation, merger, sale, assignment, conveyance, transfer, lease or other disposition and the supplemental indenture in respect thereof comply with the requirements of this Indenture and an Opinion of Counsel.

The successor entity shall succeed to, and be substituted for, and may exercise every right and power of the predecessor company under the applicable Indenture Documents, and the predecessor company shall be released from all its obligations and covenants under the applicable Indenture Documents.

(c) The Company will not permit any Guarantor, in any transaction or series of related transactions, to amalgamate, arrange or consolidate with or merge into (whether or not such Guarantor survives), or sell, assign, convey, transfer, lease or otherwise dispose of all or substantially all of its properties and assets to, any Person, unless either:

(1) either:

(A) if the transaction or series of transactions is an amalgamation, arrangement, or consolidation of such Guarantor with or a merger of such Guarantor with or into any other Person, such Guarantor shall be the surviving Person of such amalgamation, arrangement, consolidation or merger; or

(B) the Person formed by any amalgamation, arrangement, consolidation or merger with or into such Guarantor, or to which all or substantially all of the properties and assets of such Guarantor and its Subsidiaries, taken as a whole, as the case may be, are sold, assigned, conveyed, transferred, leased or otherwise disposed of shall be a corporation, partnership, limited liability company or trust organized and existing under the federal laws of Canada or the laws of any province thereof or the laws of the United States, any state thereof or the District of Columbia and shall expressly assume by (i) a supplemental indenture executed and delivered to the Trustee, all of the obligations of such Guarantor under its Notes Guarantee and this Indenture and, in each case, the Indenture, as so supplemented, shall remain in full force and effect and (ii) an amendment, supplement or other instrument, executed and delivered to the Trustee, all obligations of such Guarantor under the Collateral Documents, and in connection therewith shall cause such instruments to be filed and recorded in such jurisdictions and take such other actions as may be required by applicable law to perfect or continue the perfection of the Lien created under the Collateral Documents on the Collateral owned by or transferred to the surviving entity; or

(C) the transaction is made in compliance with Section 4.10.

(d) Sections 5.01(a), (b) and (c) shall not apply to any transaction or series of transactions involving the sale, assignment, conveyance, transfer, lease or other disposition of any properties or assets by any Subsidiary of the Company to the Company or any Guarantor, or the amalgamation, arrangement, consolidation or merger of any Subsidiary of the Company with or into the Company or any Guarantor, or, for the avoidance of doubt, the consolidation or merger of any Subsidiary of the Company that is not a Guarantor with or into any other Subsidiary of the Company that is not a Guarantor.

In connection with any amalgamation, arrangement, consolidation, merger, sale, assignment, conveyance, transfer, lease or other disposition contemplated by Section 5.01(c)(1), such Guarantor shall deliver, or cause to be delivered, to the Trustee an Officer's Certificate stating that such amalgamation, arrangement, consolidation, merger, sale, assignment, conveyance, transfer, lease or other disposition and the supplemental indenture in respect thereof comply with the requirements of this Indenture and an Opinion of Counsel.

The successor entity shall succeed to, and be substituted for, and may exercise every right and power of the predecessor company under this Indenture and the Notes Guarantee, and the predecessor company shall be released from all its obligations under this Indenture and the Notes Guarantee.

Section 5.02 Successor Corporation Substituted.

Upon any consolidation, amalgamation or merger, or any sale, assignment, transfer, lease, conveyance or other disposition of all or substantially all of the assets of the Company in accordance with Section 5.01, the successor corporation formed by such consolidation or into or with which the Company is merged or amalgamated or to which such sale, assignment, transfer, lease, conveyance or other disposition is made shall succeed to, and be substituted for (so that from and after the date of such consolidation, amalgamation, merger, sale, lease, conveyance or other disposition, the provisions of this Indenture referring to the Company shall refer instead to the successor corporation and not to the Company), and may exercise every right and power of the Company under this Indenture, the Collateral Documents and the Notes with the same effect as if such successor Person had been named as the Company herein; provided that the predecessor Company shall not be relieved from the obligation to pay the principal of and interest, if any, on the Notes except in the case of a sale, assignment, transfer, conveyance or other disposition of all of the Company's assets that meets the requirements of Section 5.01

ARTICLE 6

DEFAULTS AND REMEDIES

Section 6.01 Events of Default.

(a) An "Event of Default" wherever used herein, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) default for 30 days in the payment when due of interest on the Notes;

(2) default in payment when due of the principal, or premium, if any, of any Note when due at maturity, upon optional redemption, upon required purchase, upon acceleration or otherwise;

(3) failure by the Company or any of its Restricted Subsidiaries to comply with its obligations under Section 4.10, Section 4.14 or Section 5.01;

(4) failure to perform any other covenant or agreement of the Company or any of its Restricted Subsidiaries under the Indenture Documents for 30 days (or, in the case of Section 4.03, 90 days) after written notice to the Company by the Trustee or the Holders of at least 25% in aggregate principal amount of the Notes then outstanding voting as a single class;

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any Indebtedness for money borrowed by the Company or any of its Restricted Subsidiaries (or the payment of which is Guaranteed by the Company or any of its Restricted Subsidiaries) whether such Indebtedness or Guarantee now exists, or is created after the Issue Date, which default (A) is caused by a failure to pay principal at final stated maturity (after giving effect to all applicable grace periods provided in such Indebtedness) (a "Payment Default") or (B) results in the acceleration of such Indebtedness prior to its final stated maturity and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a Payment Default or the maturity of which has been so accelerated, aggregates in excess of $12.5 million (or its foreign currency equivalent);

(6) failure by the Company or any of its Restricted Subsidiaries to pay final and non-appealable judgments aggregating in excess of $12.5 million (or its foreign currency equivalent), which judgments are not paid, discharged or stayed for a period of 60 days following such judgment becoming final, and in the event such judgment is covered by insurance, any enforcement proceeding has been commenced by any creditor upon such judgment or decree which is not promptly stayed;

(7) (i) any security interest created by any Collateral Document ceases to be in full force and effect (except as permitted by the terms of this Indenture or the Collateral Documents) or (ii) the breach or repudiation by the Company or any of its Restricted Subsidiaries of any of their obligations under any Collateral Document; provided that, in the case of clauses (i) and (ii), such cessation, breach or repudiation, individually or in the aggregate, results in Collateral having a Fair Market Value in excess of $5.0 million not being subject to a valid, perfected security interest;

(8) except as permitted by this Indenture, any Notes Guarantee of a Significant Subsidiary of the Company or any group of Guarantors that, when taken together (determined as of the most recent consolidated financial statements of the Company for a fiscal quarter end provided as required pursuant to Section 4.03), would constitute a Significant Subsidiary of the Company shall be held in any judicial proceeding to be unenforceable or invalid or shall cease for any reason to be in full force and effect or any Guarantor that is a Significant Subsidiary of the Company or any group of Guarantors that, when taken together, would constitute a Significant Subsidiary of the Company, or any Person acting on behalf of any such Guarantor or Guarantors, shall deny or disaffirm its obligations under its Notes Guarantee; and

(9) the Company or any Significant Subsidiary (or group of Restricted Subsidiaries that together (determined as of the most recent consolidated financial

statements of the Company for a fiscal quarter end provided as required pursuant to Section 4.03) would constitute a Significant Subsidiary), pursuant to or within the meaning of any Bankruptcy Law:

(i) commences proceedings to be adjudicated bankrupt or insolvent;

(ii) consents to the institution of bankruptcy or insolvency proceedings against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under applicable Bankruptcy Law;

(iii) consents to the appointment of a receiver, liquidator, assignee, trustee, sequestrator or other similar official of it or for all or substantially all of its property;

(iv) makes a general assignment for the benefit of its creditors; or

(v) generally is not paying its debts as they become due;

(10) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(i) is for relief against the Company or any Significant Subsidiary (or group of Restricted Subsidiaries that together (determined as of the most recent consolidated financial statements of the Company for a fiscal quarter end provided as required pursuant to Section 4.03) would constitute a Significant Subsidiary) in a proceeding in which the Company or any such Restricted Subsidiary that is a Significant Subsidiary or any such group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary, is to be adjudicated bankrupt or insolvent;

(ii) appoints a receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or any Significant Subsidiary (or group of Restricted Subsidiaries that together (determined as of the most recent consolidated financial statements of the Company for a fiscal quarter end provided as required pursuant to Section 4.03) would constitute a Significant Subsidiary), or for all or substantially all of the property of the Company or any Significant Subsidiary (or group of Restricted Subsidiaries that together (determined as of the most recent consolidated financial statements of the Company for a fiscal quarter end provided as required pursuant to Section 4.03) would constitute a Significant Subsidiary); or

(iii) orders the liquidation of the Company or any Significant Subsidiary (or group of Restricted Subsidiaries that together (determined as of the most recent consolidated financial statements of the Company for a fiscal quarter end provided as required pursuant to Section 4.03) would constitute a Significant Subsidiary);

and the order or decree remains unstayed and in effect for 60 consecutive days.

(b) In the event of any Event of Default specified in clause (5) of Section 6.01(a), such Event of Default and all consequences thereof (excluding any resulting payment default, other than as a result of acceleration of the Notes) shall be annulled, waived and rescinded,

automatically and without any action by the Trustee or the Holders of Notes, if within 20 days after such Event of Default arose the Company delivers an Officer's Certificate to the Trustee stating that:

(1) the Indebtedness or Guarantee that is the basis for such Event of Default has been rescinded, cured or discharged, or holders thereof have rescinded or waived the acceleration, notice or action (as the case may be) giving rise to such Event of Default;

(2) the annulment of the acceleration of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction; and

(3) all existing Events of Default, except nonpayment of principal, premium or interest on the Notes that became due solely because of the acceleration of the Notes, have been cured or waived.

(c) If a Default is deemed to occur solely because a Default (the "Initial Default") already existed, and such Initial Default is subsequently cured and is not continuing, the Default or Event of Default resulting solely because the Initial Default existed shall be deemed cured, and will be deemed annulled, waived and rescinded without any further action required.

Section 6.02 Acceleration.

If any Event of Default (other than an Event of Default specified in clause (9) or (10) of Section 6.01(a)) occurs and is continuing under this Indenture, the Trustee or the Holders of at least 25% in principal amount of the then total outstanding Notes may declare the principal, premium, if any, interest and any other monetary obligations on all the then outstanding Notes to be due and payable immediately. Upon the effectiveness of such declaration, such principal and interest shall be due and payable immediately.

Notwithstanding the foregoing, in the case of an Event of Default arising under clause (9) or (10) of Section 6.01(a), all outstanding Notes shall be due and payable immediately without further action or notice.

Section 6.03 Other Remedies.

If an Event of Default occurs and is continuing, the Trustee may pursue, or may direct the Collateral Agent to pursue, subject to the Collateral Trust Agreement, any available remedy to collect the payment of principal, premium, if any, and interest on the Notes or to enforce the performance of any provision of the Notes or this Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder of a Note in exercising any right or remedy accruing upon an Event of Default shall not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law.

Section 6.04 Waiver of Past Defaults.

The Holders of at least a majority in aggregate principal amount of the Notes then outstanding by notice to the Trustee may on behalf of the Holders of all of the Notes waive any existing Default or Event of Default and its consequences under this Indenture except a continuing Default or Event of Default in the payment of principal, premium, if any, or interest on the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration). Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.05 Control by Majority.

Subject to the terms of the Collateral Documents, Holders of a majority in principal amount of the then total outstanding Notes may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. The Trustee, however, may refuse to follow any direction that conflicts with law or this Indenture or that the Trustee determines is unduly prejudicial to the rights of any other Holder of a Note (it being understood that the Trustee does not have an affirmative duty to ascertain whether or not such direction is unduly prejudicial to such Holders) or that would involve the Trustee in personal liability.

Section 6.06 Limitation on Suits.

Subject to Section 6.07, no Holder of a Note may pursue any remedy with respect to this Indenture or the Notes unless:

(1) such Holder has previously given the Trustee notice that an Event of Default is continuing;

(2) Holders of at least 25% in principal amount of the total outstanding Notes have requested the Trustee to pursue the remedy;

(3) Holders of the Notes have offered and, if requested, provided to the Trustee indemnity or security satisfactory to the Trustee against any loss, liability or expense in relation to such Holder's pursuit of such remedy;

(4) the Trustee has not complied with such request within 60 days after the receipt thereof and the offer of security or indemnity; and

(5) Holders of a majority in principal amount of the total outstanding Notes have not given the Trustee a direction inconsistent with such request within such 60-day period.

A Holder of a Note may not use this Indenture to prejudice the rights of another Holder of a Note or to obtain a preference or priority over another Holder of a Note (it being

understood that the Trustee has no affirmative duty to ascertain whether or not any such use by any Holder is prejudicial to another Holder).

Section 6.07 Rights of Holders of Notes to Receive Payment.

Notwithstanding any other provision of this Indenture, the right of any Holder of a Note to receive payment of principal, premium, if any, and interest on the Note, on or after the respective due dates expressed in the Note (including in connection with an Asset Sale Offer or a Change of Control Offer), or to bring suit for the enforcement of any such payment on or after such respective dates, shall not be impaired or affected without the consent of such Holder.

Section 6.08 Collection Suit by Trustee.

If an Event of Default specified in Section 6.01(a)(1) or (2) occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Company for the whole amount of principal of, premium, if any, and interest remaining unpaid on the Notes and interest on overdue principal and, to the extent lawful, interest and such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

Section 6.09 Restoration of Rights and Remedies.

If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceedings, the Company, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding has been instituted.

Section 6.10 Rights and Remedies Cumulative.

Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes in Section 2.07, no right or remedy herein conferred upon or reserved to the Trustee, the Collateral Agent or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 6.11 Delay or Omission Not Waiver.

No delay or omission of the Trustee, the Collateral Agent or of any Holder of any Note to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee, the Collateral Agent or to

the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee, the Collateral Agent or by the Holders, as the case may be.

Section 6.12 Trustee May File Proofs of Claim.

The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee and the Collateral Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, the Collateral Agent and their respective agents and counsel) and the Holders of the Notes allowed in any judicial proceedings relative to the Company (or any other obligor upon the Notes including the Guarantors), its creditors or its property and shall be entitled and empowered to participate as a member in any official committee of creditors appointed in such matter and to collect, receive and distribute any money or other property payable or deliverable on any such claims and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee and the Collateral Agent shall consent to the making of such payments directly to the Holders, to pay to the Trustee and the Collateral Agent any amount due to them for the reasonable compensation, expenses, disbursements and advances of the Trustee, the Collateral Agent and their respective agents and counsel, and any other amounts due the Trustee and the Collateral Agent under Section 7.06. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, the Collateral Agent, their agents and counsel, and any other amounts due the Trustee and the Collateral Agent under Section 7.06 out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties that the Holders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained shall be deemed to authorize the Trustee and the Collateral Agent to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder, or to authorize the Trustee and the Collateral Agent to vote in respect of the claim of any Holder in any such proceeding.

Section 6.13 Priorities.

Subject to the terms of the Collateral Documents, with respect to any proceeds of Collateral, any money or property collected by the Trustee or the Collateral Agent pursuant to this Article 6 and any money or other property distributable in respect of any Grantor's Obligations under this Indenture after an Event of Default shall be applied in the following order:

FIRST: to pay Obligations in respect of any reasonable expenses, reimbursements or indemnities then due to the Trustee or the Collateral Agent;

SECOND: to pay interest then due and payable in respect of the Notes;

THIRD: to pay or prepay principal payments in respect of the Notes; and

FOURTH: to pay all other Obligations with respect to the Notes, the Notes Guarantees and this Indenture;

provided, however, that if sufficient funds are not available to fund all payments required to be made in any of clauses FIRST through FOURTH above, the available funds being applied to the Obligations specified in any such clause (unless otherwise specified in such clause) shall be allocated to the payment of such Obligations ratably, based on the proportion of the relevant party's interest in the aggregate outstanding Obligations described in such clause.

The Trustee may fix a record date and payment date for any payment to Holders of Notes pursuant to this Section 6.13.

Section 6.14 Undertaking for Costs.

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.14 does not apply to a suit by the Trustee, a suit by a Holder of a Note pursuant to Section 6.07, or a suit by Holders of more than 10% in principal amount of the then outstanding Notes.

ARTICLE 7

TRUSTEE

Section 7.01 Duties of Trustee.

(a) If an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default:

(i) the duties of the Trustee shall be determined solely by the express provisions of this Indenture and the Trustee need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(ii) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein).

(c) The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(i) this paragraph does not limit the effect of paragraph (b) of this Section 7.01;

(ii) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved in a court of competent jurisdiction that the Trustee was negligent in ascertaining the pertinent facts;

(iii) the Trustee shall not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05; and

(iv) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or indemnity satisfactory to it against such risk or liability is not assured to it.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b) and (c) of this Section 7.01.

(e) The Trustee shall be under no obligation to exercise any of its rights or powers under this Indenture at the request or direction of any of the Holders of the Notes unless the Holders have offered to the Trustee indemnity or security satisfactory to the Trustee in its sole discretion against any loss, liability, cost or expense in relation to such exercise.

(f) The Trustee shall not be liable for interest on any money received by it except as the Trustee may agree in writing with the Company. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

Section 7.02 Rights of Trustee.

(a) The Trustee may conclusively rely, as to the truth of statements and the correctness of the opinions expressed therein, upon any document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney at the sole cost of the Company and shall incur no liability or additional liability of any kind by reason of such inquiry or investigation.

(b) Before the Trustee acts or refrains from acting, it may require an Officer's Certificate or an Opinion of Counsel or both. The Trustee shall not be liable for any action it takes or omits to take in good faith in reliance on such Officer's Certificate or Opinion of Counsel. The Trustee may consult with counsel of its selection and the advice of such counsel or

any Opinion of Counsel shall be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(c) The Trustee may act through its attorneys and agents and shall not be responsible for the misconduct or negligence of any agent or attorney appointed with due care.

(d) The Trustee shall not be liable for any action it takes or omits to take in good faith that it believes to be authorized or within the rights or powers conferred upon it by this Indenture.

(e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Company shall be sufficient if signed by an Officer of the Company.

(f) The Trustee shall not be deemed to have notice of any Default or Event of Default unless a Responsible Officer of the Trustee has actual knowledge thereof or unless written notice of any event which is in fact such a Default is received by the Trustee at the Corporate Trust Office of the Trustee, and such notice references the Notes and this Indenture. Delivery of reports to the Trustee pursuant to Section 4.03 shall not constitute actual knowledge of, or notice to, the Trustee of the information contained therein.

(g) In no event shall the Trustee be responsible or liable for any special, indirect, punitive, incidental or consequential loss or damage of any kind whatsoever (including, but not limited to, lost profits) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(h) The rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and each agent, custodian and other Person employed to act hereunder.

(i) The Trustee shall not be required to give any bond or surety in respect of the performance of its powers and duties hereunder.

(j) The Trustee may request that the Company and any Subsidiary Guarantor deliver an Officer's Certificate setting forth the names of the individuals and/or titles of Officers (with specimen signatures) authorized at such times to take specific actions pursuant to this Indenture, which Officer's Certificate may be signed by any persons specified as so authorized in any certificate previously delivered and not superseded.

(k) The Trustee shall receive and retain the financial reports and statements of the Company as provided herein, but shall have no duties whatsoever with respect to the contents thereof, including no duty to review or analyze such reports or statements to determine compliance with covenants or other obligations of the Company.

Section 7.03 Individual Rights of Trustee.

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Company or any Affiliate of the Company with the same rights it would have if it were not Trustee. However, in the event that the Trustee acquires any conflicting interest it must eliminate such conflict within 90 days or resign. Any Agent may do the same with like rights and duties. The Trustee is also subject to Section 7.09.

Section 7.04 Trustee's Disclaimer.

The Trustee shall not be responsible for and makes no representation as to the validity or adequacy of this Indenture, the Notes, the Collateral Documents or the Final Offering Circular, and it shall not be accountable for the Company's use of the proceeds from the Notes or any money paid to the Company or upon the Company's direction under any provision of this Indenture, it shall not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it shall not be responsible for any statement or recital herein or any statement in the Notes, in the Offering Circular or any other document in connection with the sale of the Notes or pursuant to this Indenture other than its certificate of authentication.

Section 7.05 Notice of Defaults.

If a Default occurs and is continuing and if it is known to the Trustee, the Trustee shall mail or otherwise deliver in accordance with the procedures of CDS to Holders of Notes a notice of the Default within 90 days after it occurs, unless such default shall have been cured or waived. Except in the case of a Default relating to the payment of principal, premium, if any, or interest on any Note, the Trustee may withhold from the Holders notice of any continuing Default if and so long as the Board of Directors, the executive committee or a trust committee of directors or Responsible Officers of the Trustee in good faith determines that withholding the notice is in the interests of the Holders of the Notes.

Section 7.06 Compensation and Indemnity.

The Company shall pay to the Trustee from time to time such compensation for its acceptance of this Indenture and services provided hereunder as Trustee and Paying Agent, and as Collateral Agent hereunder and under the Collateral Documents, as the parties shall agree in writing from time to time. The Trustee's and the Collateral Agent's compensation shall not be limited by any law on compensation of a trustee of an express trust. The Company shall reimburse the Trustee and the Collateral Agent promptly upon request for all reasonable disbursements, advances and expenses incurred or made by them in addition to the compensation for their services. Such expenses shall include the reasonable compensation, disbursements and expenses of the Trustee's and the Collateral Agent's agents and counsel. Any amount due under this Section 7.06 and unpaid 30 days after request for such payment shall bear interest from the expiration of such 30 days at a rate per annum equal to the then current rate charged by the Trustee from time to time, payable on demand. After default, all amounts so payable and the interest thereon payable out of any funds coming into the possession of the Trustee or its

successors in the trusts hereunder in priority to any payment of the principal of, or interest or Premium, if any, on, the Notes.

The Company and the Guarantors, jointly and severally, shall indemnify the Trustee and the Collateral Agent for, and hold the Trustee and the Collateral Agent, their officers, directors, employees, representatives and agents, harmless against, any and all loss, damage, claim, liability or expense (including attorneys' fees) incurred by it in connection with the acceptance or administration of this trust and the performance of its duties hereunder and under the Collateral Documents (including the costs and expenses of enforcing this Indenture against the Company or any of the Guarantors (including this Section 7.06) or defending itself against any claim whether asserted by any Holder, the Company or any Subsidiary Guarantor, or liability in connection with the acceptance, exercise or performance of any of its powers or duties hereunder). The Trustee or the Collateral Agent shall notify the Company promptly of any claim for which it may seek indemnity. Failure by the Trustee or the Collateral Agent to so notify the Company shall not relieve the Company of its obligations hereunder. The Company and the Guarantors shall defend the claim and the Trustee and the Collateral Agent may have separate counsel and the Company shall pay the fees and expenses of such counsel. The Company need not reimburse any expense or indemnify against any loss, liability or expense incurred by the Trustee or the Collateral Agent through the Trustee's or the Collateral Agent's own willful misconduct or gross negligence.

The obligations of the Company and the Guarantors under this Section 7.06 shall survive the satisfaction and discharge of this Indenture or the earlier resignation or removal of the Trustee or the Collateral Agent, as applicable.

To secure the payment obligations of the Company and the Guarantors in this Section 7.06, the Trustee and the Collateral Agent shall have a Lien prior to the Notes and rights of the Holders on all money or property held or collected by the Trustee or the Collateral Agent, except that held in trust to pay principal and interest on particular Notes. Such Lien shall survive the satisfaction and discharge of this Indenture.

When the Trustee or the Collateral Agent incurs expenses or renders services after an Event of Default specified in Section 6.01(a)(9) or (10) occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

Section 7.07 Replacement of Trustee.

A resignation or removal of the Trustee and appointment of a successor Trustee shall become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.07. The Trustee may resign in writing at any time and be discharged from the trust hereby created by so notifying the Company. The Holders of a majority in principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee and the Company in writing. The Company may remove the Trustee if:

(a) the Trustee fails to comply with Section 7.09;

(b) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(c) a custodian or public officer takes charge of the Trustee or its property; or

(d) the Trustee becomes incapable of acting.

If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Company shall promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Company.

If a successor Trustee does not take office within 30 days after the retiring Trustee resigns or is removed, the retiring Trustee (at the Company's expense), the Company or the Holders of at least 10% in principal amount of the then outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee.

If the Trustee, after written request by any Holder who has been a Holder for at least six months, fails to comply with Section 7.09, such Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

A successor Trustee shall deliver a written acceptance of its appointment to the retiring Trustee and to the Company. Thereupon, the resignation or removal of the retiring Trustee shall become effective, and the successor Trustee shall have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee shall mail a notice of its succession to Holders. The retiring Trustee shall promptly transfer all property held by it as Trustee to the successor Trustee; *provided* all sums owing to the Trustee hereunder have been paid and subject to the Lien provided for in Section 7.06. Notwithstanding replacement of the Trustee pursuant to this Section 7.07, the Company's obligations under Section 7.06 shall continue for the benefit of the retiring Trustee.

Section 7.08 Successor Trustee by Merger, Etc.

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act shall be the successor Trustee.

Section 7.09 Eligibility; Disqualification.

There shall at all times be a Trustee hereunder (acting singly or together with a – co-Trustee) that (a) is a corporation organized and doing business under the laws of the United States of America or of any state thereof that is authorized under such laws to exercise corporate trustee power, that satisfies the requirements of TIA § 310(a)(1), (2) and (5), that is subject to supervision or examination by federal or state authorities and (b) is authorized to carry on the business of a trust company in all provinces of Canada.

Section 7.10 Collateral Documents.

By their acceptance of the Notes, the Holders hereby authorize and direct the Trustee and Collateral Agent, as the case may be, to execute and deliver the Collateral Documents in which the Trustee or the Collateral Agent, as applicable, is named as a party, including the Collateral Documents executed after the Issue Date. It is hereby expressly acknowledged and agreed that, in doing so, the Trustee and the Collateral Agent are not responsible for the terms or contents of such agreements, or for the validity or enforceability thereof, or the sufficiency thereof for any purpose. Whether or not so expressly stated therein, in entering into, or taking (or forbearing from) any action under or pursuant to, the Collateral Documents, the Trustee and the Collateral Agent each shall have all of the rights, immunities, indemnities and other protections granted to it under this Indenture (in addition to those that may be granted to it under the terms of such other agreement or agreements).

Section 7.11 Preferential Collection of Claims Against Company.

The Trustee shall be subject to TIA § 311(a), excluding any creditor relationship listed in TIA § 311(b). A Trustee that has resigned or been removed shall be subject to TIA § 311(a) to the extent indicated.

Section 7.12 Calculations in Respect of the Notes.

The Company shall be responsible for making calculations called for under the Notes, including, but not limited to, determination of premiums, Additional Notes, original issue discount, conversion rates and adjustments, if any. The Company shall make the calculations in good faith and, absent manifest error, its calculations shall be final and binding on the Holders of the Notes. The Company shall provide a schedule of its calculations to the Trustee when applicable, and the Trustee shall be entitled to rely conclusively on the accuracy of the Company's calculations without independent verification.

Section 7.13 Brokerage Confirmations.

The Company acknowledges that regulations of the Comptroller of the Currency grant the Company the right to receive brokerage confirmations of the Note transactions as they occur. To the extent contemplated by law, the Company specifically waives any such notification relating to the Notes transactions contemplated herein; *provided, however,* that the Trustee shall send to the Company periodic cash transaction statements that describe all investment transactions.

Section 7.14 Third Party Interests.

Each party to this Indenture hereby represents to the Trustee that any account to be opened by, or interest to be held by, the Trustee in connection with this Indenture, for or to the credit of such party, either (i) is not intended to be used by or on behalf of any third party; or (ii) is intended to be used by or on behalf of a third party, in which case such party hereto agrees to complete and execute forthwith a declaration in the Trustee's prescribed form as to the particulars of such third party.

Section 7.15 Trustee Not Bound to Act.

The Trustee shall retain the right not to act and shall not be liable for refusing to act if, due to a lack of information or for any other reason whatsoever, the Trustee, in its sole judgment, determines that such act might cause it to be in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline. Further, should the Trustee, in its sole judgment, determine at any time that its acting under this Indenture has resulted in its being in non-compliance with any applicable anti-money laundering or anti-terrorist legislation, regulation or guideline, then it shall have the right to resign on 10 days' written notice to the other parties to this Indenture, provided (i) that the Trustee's written notice shall describe the circumstances of such non-compliance; and (ii) that if such circumstances are rectified to the Trustee's satisfaction within such 10-day period, then such resignation shall not be effective.

Section 7.16 Privacy Laws.

The parties acknowledge that Canadian federal and/or provincial legislation that addresses the protection of individuals' personal information (collectively, "Privacy Laws") applies to obligations and activities under this Indenture. Despite any other provision of this Indenture, no party to this Indenture shall take or direct any action that would contravene, or cause the other to contravene, applicable Privacy Laws. The Company shall, prior to transferring or causing to be transferred personal information to the Trustee, obtain and retain required consents of the relevant individuals to the collection, use and disclosure of their personal information, or shall have determined that such consents either have previously been given upon which the parties can rely or are not required under the Privacy Laws. The Trustee shall use commercially reasonable efforts to ensure that its services hereunder comply with Privacy Laws.

Section 7.17 SEC Reporting.

The Company confirms that it has either (i) a class of securities registered pursuant to Section 12 of the Exchange Act; or (ii) a reporting obligation pursuant to Section 15(d) of the Exchange Act, and has provided the Trustee with an Officers' Certificate (in a form provided by the Trustee) certifying such reporting obligation and other information as requested by the Trustee. The Company covenants that in the event that any such registration or reporting obligation shall be terminated by the Company in accordance with the Exchange Act, the Company shall promptly notify the Trustee of such termination and such other information as the Trustee may require at the time. The Company acknowledges that the Trustee is relying upon the foregoing representation and covenants in order to meet certain SEC obligations with respect to those clients who are filing with the SEC.

Section 7.18 Trustee Not Liable in Respect of Depository

The Trustee shall not have any liability whatsoever for:

(1) any aspect of the records relating to or payments made on account of beneficial ownership interests in the Notes held by and registered in the name of a Depository or any Book-Entry-Only ("BEO") participant;

(2) maintaining, supervising or reviewing any records relating to such beneficial ownership interests; or

(3) any advice or representation made or given by or with respect to a Depository and made or given herein with respect to rules of such Depository or any action to be taken by a Depository or at the direction of a BEO participant.

Section 7.19 Interests in Global Note

Notes issued to a Depository in the form of a Global Note shall be subject to the following:

(1) the Trustee may deal with the Depository as the authorized representative of the beneficial owners of such Notes;

(2) the rights of the beneficial owners of such Notes shall be exercised only through such Depository;

(3) such Depository will make book-entry transfers among the BEO participants and will receive and transmit distributions of principal and interest on the Notes to the BEO participants; and

(4) the BEO participants shall have no rights under this Indenture or under or with respect to any of the Notes held on their behalf by such Depository, and the Depository may be treated by the Trustee and its agents, employees, officers and directors as the absolute owner of the Notes represented by such Global Notes for all purposes whatsoever.

Section 7.20 Joint Trustees

The rights, powers, duties and obligations conferred and imposed upon each Trustee are conferred and imposed upon and shall be exercised and performed by the U.S. Trustee and the Canadian Trustee either jointly or severally, except to the extent otherwise provided herein and except to the extent that either Trustee shall be incompetent or unqualified to perform such act, in which event such rights, powers, duties and obligations shall be exercised and performed by a Trustee which is not so incompetent or unqualified to the extent it can do so under applicable law, and except that neither Trustee shall be liable or responsible for the acts or omissions of the other Trustee. If the Trustees are unable to agree jointly to act or refrain from acting with respect to any right, power, duty or obligation conferred jointly upon the Trustees hereunder, the U.S. Trustee shall be entitled to act without the Canadian Trustee, and any action by the U.S. Trustee, or decision of the U.S. Trustee to act or refrain from acting, shall be binding upon the Canadian Trustee and each other Person as if the Canadian Trustee so acted or refrained from acting but, in such case, the Canadian Trustee shall have no liability for any acts or omissions by the U.S. Trustee. The performance or discharge by the Canadian Trustee of any rights, powers, duties or responsibilities under this Indenture shall be made in compliance with the laws of Ontario and the federal laws of Canada applicable therein.

ARTICLE 8

LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01 Option to Effect Legal Defeasance and Covenant Defeasance.

The Company may, at its option and at any time, elect to have either Section 8.02 or 8.03 applied to all outstanding Notes upon compliance with the conditions set forth below in this Article 8.

Section 8.02 Legal Defeasance and Discharge.

Upon the Company's exercise under Section 8.01 of the option applicable to this Section 8.02, the Company and the Guarantors shall, subject to the satisfaction of the conditions set forth in Section 8.04, be deemed to have been discharged from their obligations with respect to all outstanding Notes and Notes Guarantee on the date the conditions set forth below are satisfied ("Legal Defeasance"). For this purpose, Legal Defeasance means that the Company shall be deemed to have paid and discharged the entire Indebtedness represented by the outstanding Notes, which shall thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 and the other Sections of this Indenture referred to in clauses (a) and (b) below, and to have satisfied all its other obligations under such Notes and this Indenture and the Collateral Documents, including the obligations of the Guarantors (and the Trustee, on demand of and at the expense of the Company, shall execute proper instruments acknowledging the same), except for the following provisions which shall survive until otherwise terminated or discharged hereunder:

(a) the rights of Holders of Notes to receive payments in respect of the principal of, premium, if any, and interest on the Notes when such payments are due solely out of the trust created pursuant to this Indenture referred to in Section 8.04;

(b) the Company's obligations with respect to Notes concerning issuing temporary Notes, registration of such Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(c) the rights, powers, trusts, duties and immunities of the Trustee, and the Company's obligations in connection therewith; and

(d) this Section 8.02.

Subject to compliance with this Article 8, the Company may exercise its option under this Section 8.02 notwithstanding the prior exercise of its option under Section 8.03.

Section 8.03 Covenant Defeasance.

Upon the Company's exercise under Section 8.01 of the option applicable to this Section 8.03, the Company and the Guarantors shall, subject to the satisfaction of the conditions set forth in Section 8.04, be released from their obligations under the covenants contained in Sections 3.09, 4.03, 4.04, 4.05, 4.07, 4.08, 4.09, 4.10, 4.11, 4.12, 4.13, 4.14, 4.15, 4.17, 4.18,

4.19, 4.22 and 4.23, Section 5.01(a)(3) and Section 5.01(c) with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.04 are satisfied ("Covenant Defeasance"), and the Notes shall thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but shall continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes shall not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes, the Company may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply shall not constitute a Default or an Event of Default under Section 6.01, but, except as specified above, the remainder of this Indenture and such Notes shall be unaffected thereby. In addition, upon the Company's, exercise under Section 8.01 of the option applicable to this Section 8.03, subject to the satisfaction of the conditions set forth in Section 8.04, Sections 6.01(a)(3), 6.01(a)(4), 6.01(a)(5), 6.01(a)(6), 6.01(a)(7), 6.01(8), 6.01(a)(9) (solely with respect to Significant Subsidiaries (or group of Restricted Subsidiaries that together (determined as of the most recent consolidated financial statements of the Company for a fiscal quarter end provided as required pursuant to Section 4.03) would constitute a Significant Subsidiary)), and 6.01(a)(10) (solely with respect to Significant Subsidiaries (or group of Restricted Subsidiaries that together (determined as of the most recent consolidated financial statements of the Company for a fiscal quarter end provided as required pursuant to Section 4.03) would constitute a Significant Subsidiary)), shall not constitute Events of Default.

Section 8.04 Conditions to Legal or Covenant Defeasance.

The following shall be the conditions to the application of either Section 8.02 or 8.03 to the outstanding Notes:

(1) the Company must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders of the Notes, cash in Canadian dollars, non-callable Canadian Government Securities or a combination thereof, in such amounts as will be sufficient, in the opinion of a nationally recognized firm of independent certified public accountants, to pay the principal of, premium, if any, and interest due on the Notes on the Stated Maturity or on the applicable Redemption Date, as the case may be, of such principal, premium, if any, or interest on such Notes and the Company must specify whether such Notes are being defeased to maturity or to a particular Redemption Date;

(2) in the case of Legal Defeasance, the Company shall have delivered to the Trustee an Opinion of Counsel in the United States reasonably acceptable to the Trustee confirming that, subject to customary assumptions and exclusions,

(a) the Company has received from, or there has been published by, the United States Internal Revenue Service a ruling, or

(b) since the issuance of the Notes, there has been a change in the applicable U.S. federal income tax law,

in either case to the effect that, and based thereon such Opinion of Counsel shall confirm that, subject to customary assumptions and exclusions, the Holders of the Notes shall not recognize income, gain or loss for U.S. federal income tax purposes, as applicable, as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;

(3) in the case of Covenant Defeasance, the Company shall have delivered to the Trustee an Opinion of Counsel in the United States reasonably acceptable to the Trustee confirming that, subject to customary assumptions and exclusions, the Holders of the Notes shall not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to such tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(4) no Default or Event of Default shall have occurred and be continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit and the granting of Liens with respect thereto);

(5) such deposit, defeasance and discharge or deposit and defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture) to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries is bound;

(6) the Company must have delivered to the Trustee an Officer's Certificate stating that the deposit was not made by the Company with the intent of preferring the Holders of the Notes over the other creditors of the Company or with the intent of defeating, hindering, delaying or defrauding creditors of the Company or others; and

(7) the Company must have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent provided for in this Indenture relating to the deposit, defeasance and discharge or the deposit and defeasance have been complied with.

Section 8.05 Deposited Money and Government Securities to Be Held in Trust; Other Miscellaneous Provisions.

Subject to Section 8.06, all money and Canadian Government Securities (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the "Trustee") pursuant to Section 8.04 in respect of the outstanding Notes shall be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company or any of the Company's Subsidiaries acting as Paying Agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium and interest, but such money need not be segregated from other funds except to the extent required by law.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or Government Securities deposited pursuant to Section 8.04 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Anything in this Article 8 to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon the request of the Company any money or Canadian Government Securities held by it as provided in Section 8.04 which, in the opinion of a nationally recognized firm of independent certified public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(a)), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 8.06 Repayment to Company.

Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of, premium or interest on any Note and remaining unclaimed for two years after such principal, and premium or interest has become due and payable shall be paid to the Company on its request or (if then held by the Company) shall be discharged from such trust; and the Holder of such Note shall thereafter, as an unsecured creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease.

Section 8.07 Reinstatement.

If the Trustee or Paying Agent is unable to apply any Canadian dollars or Canadian Government Securities in accordance with Section 8.02 or 8.03, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Company's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 8.02 or 8.03, as the case may be; provided that, if the Company makes any payment of principal of, premium or interest on any Note following the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money held by the Trustee or Paying Agent.

ARTICLE 9

AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01 Without Consent of Holders of Notes.

Notwithstanding the first paragraph of Section 9.02, the Company, any Guarantor (with respect to a Notes Guarantee or this Indenture) and the Trustee and, if applicable, the Collateral Agent, may amend or supplement any Indenture Document to:

(1) cure any ambiguity, defect or inconsistency or to make a modification of a formal, minor or technical nature or to correct a manifest error;

(2) provide for uncertificated Notes in addition to or in place of certificated Notes;

(3) comply with Article 5;

(4) provide for the assumption of the Company's or any Guarantor's obligations to Holders of Notes in the case of an amalgamation, arrangement, merger or consolidation or sale of all or substantially all of the Company's or such Guarantor's assets; provided that the Company delivers to the Trustee:

(A) an Opinion of Counsel to the effect that Holders of the Notes will not recognize income, gain or loss for U.S. Federal income tax purposes as a result of such assumption by a successor corporation and will be subject to U.S. Federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such assumption had not occurred, and

(B) an Opinion of Counsel in Canada to the effect that Holders of the Notes will not recognize income, gain or loss for Canadian tax purposes as a result of such assumption by a successor corporation and will be subject to Canadian taxes (including withholding taxes) on the same amounts, in the same manner and at the same times as would have been the case if such assumption had not occurred;

(5) add Guarantees with respect to the Notes or to secure the Notes;

(6) add to the covenants of the Company or any Guarantor for the benefit of the Holders of the Notes or surrender any right or power conferred upon the Company or any Guarantor;

(7) make any change that would provide any additional rights or benefits to the Holders of Notes or that does not adversely affect the legal rights under this Indenture Documents of any such Holder;

(8) if it becomes necessary to qualify the Indenture under the Trust Indenture Act or similar applicable laws of Canada or any province thereof, to comply with the TIA or such similar applicable laws of Canada or any province thereof;

(9) (i) enter into additional or supplemental Collateral Documents or (ii) release Collateral or Guarantors in accordance with the terms of this Indenture and the Collateral Documents;

(10) evidence and provide for the acceptance and appointment of a successor trustee pursuant to the requirements of this Indenture;

(11) make any amendment to the provisions of this Indenture relating to the transfer and legending of Notes as permitted by this Indenture, including to facilitate the

issuance and administration of the Notes or to comply with the rules of any applicable securities depository; provided, however, that (i) compliance with this Indenture as so amended would not result in Notes being transferred in violation of the Securities Act or any applicable securities law and (ii) such amendment does not materially and adversely affect the rights of Holders to transfer Notes;

(12) conform the text of the Indenture Documents to any provision of this Description of Notes to the extent that such provision in this Description of Notes was intended to be a verbatim recitation of a provision of the Indenture Documents; or

(13) provide for or confirm the issuance of Additional Notes in accordance with the terms of this Indenture.

Upon the request of the Company accompanied by a resolution of its board of directors authorizing the execution of any such amended or supplemental indenture, and upon receipt by the Trustee of the documents described in Section 7.02, the Trustee and/or the Collateral Agent shall join with the Company and the Guarantors in the execution of any amended or supplemental indenture or security documents, intercreditor agreement or amendments thereto, in each case, authorized or permitted by the terms of this Indenture and to make any further appropriate agreements and stipulations that may be therein contained, but the Trustee and/or the Collateral Agent shall not be obligated to enter into such amended or supplemental indenture or security documents, intercreditor agreement or any amendment thereto that affects their own rights, duties or immunities under this Indenture or otherwise. The delivery of an Opinion of Counsel and an Officer's Certificate may be required, upon request by the Trustee, in connection with the addition of a Guarantor under this Indenture upon execution and delivery by such Guarantor and the Trustee of a supplemental indenture to this Indenture, the form of which is attached as Exhibit D.

Section 9.02 With Consent of Holders of Notes.

Except as provided below in this Section 9.02, the Company and the Trustee and the Collateral Agent may amend or supplement any Indenture Document with the consent of the Holders of at least a majority in principal amount of the Notes (including Additional Notes, if any) then outstanding voting as a single class (including, without limitation, consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes), and, subject to Sections 6.04 and 6.07, any existing Default or Event of Default (other than a Default or Event of Default in the payment of the principal of, premium or interest on the Notes, except a payment default resulting from an acceleration that has been rescinded) or compliance with any provision of the Indenture Documents may be waived with the consent of the Holders of at least a majority in principal amount of the then outstanding Notes (including Additional Notes, if any) voting as a single class (including consents obtained in connection with a tender offer or exchange offer for, or purchase of, the Notes). Section 2.08 and Section 2.09 shall determine which Notes are considered to be "outstanding" for the purposes of this Section 9.02.

Upon the request of the Company accompanied by a resolution of its Board of Directors authorizing the execution of any such amended or supplemental indenture, and upon the filing with the Trustee of evidence satisfactory to the Trustee of the consent of the Holders of

Notes as aforesaid, and upon receipt by the Trustee of the documents described in Section 7.02, the Trustee and/or the Collateral Agent shall join with the Company in the execution of such amended or supplemental indenture or security documents or intercreditor agreement unless such amended or supplemental indenture directly affects their own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee and/or the Collateral Agent may in its discretion, but shall not be obligated to, enter into such amended or supplemental indenture or security documents or intercreditor agreement.

It shall not be necessary for the consent of the Holders of Notes under this Section 9.02 to approve the particular form of any proposed amendment or waiver, but it shall be sufficient if such consent approves the substance thereof.

After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Company shall mail to Holders of Notes a notice briefly describing the amendment, supplement or waiver. Any failure of the Company to mail such notice to all Holders (or any defect in such notice), however, shall not in any way impair or affect the validity of any such amended or supplemental indenture or waiver.

Without the consent of each affected Holder of Notes, an amendment or waiver may not (with respect to any Notes held by a non-consenting Holder):

(1) reduce the principal amount of Notes whose Holders must consent to an amendment, supplement or waiver;

(2) reduce the principal of, premium, if any, or extend the fixed maturity of any Note or alter the provisions with respect to the redemption of the Notes (other than with respect to Section 4.10 or Section 4.14 prior to the time at which an obligation to make such an offer has arisen or provisions relating to notice);

(3) reduce the rate of or extend the time for payment of interest on any Note;

(4) waive a Default in the payment of principal of, premium, if any, or interest on the Notes (except a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of the then outstanding Notes and a waiver of the payment default that resulted from such acceleration);

(5) make any Note payable in any currency other than Canadian dollars;

(6) make any change in the provisions of this Indenture relating to waivers of past Defaults or the rights of Holders of Notes to receive payments of principal of, premium, if any, or interest on the Notes;

(7) release any Guarantor from any of its obligations under its Notes Guarantee or this Indenture, except in accordance with the terms of this Indenture; or

(8) make any change in the foregoing or succeeding amendment and waiver provisions.

In addition, any amendment to, or waiver of, the provisions of the Indenture Documents that has the effect of releasing all or substantially all of the Collateral from the Liens securing the Notes will require the consent of the Holders of at least 66 ⅔% in aggregate principal amount of the Notes then outstanding.

Section 9.03 Revocation and Effect of Consents.

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder of a Note is a continuing consent by the Holder of a Note and every subsequent Holder of a Note or portion of a Note that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder of a Note or subsequent Holder of a Note may revoke the consent as to its Note if the Trustee receives written notice of revocation before the date the waiver, supplement or amendment becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder.

The Company may, but shall not be obligated to, fix a record date for the purpose of determining the Holders entitled to consent to any amendment, supplement or waiver. If a record date is fixed, then, notwithstanding the preceding paragraph, those Persons who were Holders at such record date (or their duly designated proxies), and only such Persons, shall be entitled to consent to such amendment, supplement, or waiver or to revoke any consent previously given, whether or not such Persons continue to be Holders after such record date. No such consent shall be valid or effective for more than 120 days after such record date unless the consent of the requisite number of Holders has been obtained.

Section 9.04 Notation on or Exchange of Notes.

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Company in exchange for all Notes may issue and the Trustee shall, upon receipt of an Authentication Order, authenticate new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note shall not affect the validity and effect of such amendment, supplement or waiver.

Section 9.05 Trustee and Collateral Agent to Sign Amendments, Etc.

The Trustee and Collateral Agent shall sign any amendment, supplement or waiver authorized pursuant to this Article 9, except that the Trustee or the Collateral Agent, as applicable, need not sign any amendment, supplement or waiver that the Trustee or Collateral Agent, as applicable, determines in its reasonable discretion that such amendment, supplement or waiver adversely affects the rights, duties, liabilities or immunities of the Trustee or Collateral Agent, as applicable. The Company may not sign an amendment, supplement or waiver until the Board of Directors of the Company approves it. In executing any amendment, supplement or waiver to any Notes Document, the Trustee and Collateral Agent shall be entitled to receive and (subject to Section 7.01) shall be fully protected in relying upon, in addition to the documents required by Section 13.02, an Officer's Certificate and an Opinion of Counsel stating that the execution of such amended or supplemental indenture is authorized or permitted by this

Indenture and that such amendment, supplement or waiver is the legal, valid and binding obligation of the Company and any Guarantors party thereto, enforceable against them in accordance with its terms, subject to customary exceptions, and complies with the provisions hereof.

Section 9.06 Payment for Consents.

The Company will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder of Notes for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Notes or any other Indenture Document unless such consideration is offered to be paid and is paid to all Holders of the Notes that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement.

Section 9.07 Compliance with the Trust Indenture Act.

Every amendment to this Indenture or the Notes shall be set forth in a supplemental indenture hereto that complies with the TIA.

ARTICLE 10

GUARANTEES

Section 10.01 Guarantee.

Subject to this Article 10, each of the Guarantors hereby, jointly and severally, unconditionally guarantees to each Holder of a Note authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of this Indenture, the Notes or the obligations of the Company hereunder or thereunder, that: (a) the principal of, interest and premium on the Notes shall be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of and interest on the Notes, if any, if lawful, and all other obligations of the Company to the Holders, the Trustee or the Collateral Agent hereunder or thereunder shall be promptly paid in full or performed, all in accordance with the terms hereof and thereof; and (b) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that same shall be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at stated maturity, by acceleration or otherwise. Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantors shall be jointly and severally obligated to pay or perform the same immediately. Each Subsidiary Guarantor agrees that this is a guarantee of payment and not a guarantee of collection.

The Guarantors hereby agree that their obligations hereunder shall be unconditional, irrespective of the validity, regularity or enforceability of the Notes, this Indenture or the obligations of the Company hereunder or thereunder, the absence of any action to enforce the same, any waiver or consent by any Holder of the Notes with respect to any provisions hereof or thereof, the recovery of any judgment against the Company, any action to enforce the same or

any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor. Each Subsidiary Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Company, any right to require a proceeding first against the Company, protest, notice and all demands whatsoever and covenants that this Guarantee shall not be discharged except by complete performance of the obligations contained in the Notes and this Indenture.

Each Subsidiary Guarantor also agrees to pay any and all costs and expenses (including reasonable attorneys' fees) incurred by the Trustee or any Holder in enforcing any rights under this Section 10.01.

If any Holder or the Trustee is required by any court or otherwise to return to the Company, the Guarantors or any custodian, trustee, liquidator or other similar official acting in relation to either the Company or the Guarantors, any amount paid either to the Trustee or such Holder, this Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect.

Each Subsidiary Guarantor agrees that it shall not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment in full of all obligations guaranteed hereby. Each Subsidiary Guarantor further agrees that, as between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (x) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article 6 for the purposes of this Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (y) in the event of any declaration of acceleration of such obligations as provided in Article 6, such obligations (whether or not due and payable) shall forthwith become due and payable by the Guarantors for the purpose of this Guarantee. The Guarantors shall have the right to seek contribution from any non-paying Subsidiary Guarantor so long as the exercise of such right does not impair the rights of the Holders under the Guarantees.

Each Guarantee shall remain in full force and effect and continue to be effective should any petition be filed by or against the Company for liquidation or reorganization, should the Company become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of the Company's assets, and shall, to the fullest extent permitted by law, continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Notes are, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee on the Notes or Guarantees, whether as a "voidable preference", "fraudulent transfer" or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Notes shall, to the fullest extent permitted by law, be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

In case any provision of any Guarantee shall be invalid, illegal or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

The Guarantee issued by any Subsidiary Guarantor shall be a general senior obligation of such Subsidiary Guarantor and shall be *pari passu* in right of payment with all existing and future senior Indebtedness of such Subsidiary Guarantor, if any.

Each payment to be made by a Subsidiary Guarantor in respect of its Guarantee shall be made without set-off, counterclaim, reduction or diminution of any kind or nature.

Section 10.02 Limitation on Subsidiary Guarantor Liability.

Each Subsidiary Guarantor, and by its acceptance of Notes, each Holder, hereby confirms that it is the intention of all such parties that the Guarantee of such Subsidiary Guarantor not constitute a fraudulent transfer or conveyance for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law or similar foreign law for the relief of debtors to the extent applicable to any Guarantee. To effectuate the foregoing intention, the Trustee, the Holders and the Guarantors hereby irrevocably agree that the obligations of each Subsidiary Guarantor shall be limited to the maximum amount as will, after giving effect to such maximum amount and all other contingent and fixed liabilities of such Subsidiary Guarantor that are relevant under such laws and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Subsidiary Guarantor in respect of the obligations of such other Subsidiary Guarantor under this Article 10, result in the obligations of such Subsidiary Guarantor under its Guarantee not constituting a fraudulent conveyance or fraudulent transfer under applicable law. Each Subsidiary Guarantor that makes a payment under its Guarantee shall be entitled upon payment in full of all guaranteed Obligations under this Indenture to a contribution from each other Subsidiary Guarantor in an amount equal to such other Subsidiary Guarantor's pro rata portion of such payment based on the respective net assets of all the Guarantors at the time of such payment determined in accordance with GAAP.

Section 10.03 Execution and Delivery.

To evidence its Guarantee set forth in Section 10.01, each Subsidiary Guarantor hereby agrees that this Indenture shall be executed on behalf of such Subsidiary Guarantor by one of its Officers.

Each Subsidiary Guarantor hereby agrees that its Guarantee set forth in Section 10.01 shall remain in full force and effect notwithstanding the absence of the endorsement of any notation of such Guarantee on the Notes.

If an Officer whose signature is on this Indenture no longer holds that office at the time the Trustee authenticates the Note, the Guarantee shall be valid nevertheless.

The delivery of any Note by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of the Guarantee set forth in this Indenture on behalf of the Guarantors.

If required by Section 4.15, the Company shall cause any newly created or acquired Restricted Subsidiary to comply with the provisions of Section 4.15 and this Article 10, to the extent applicable.

The Guarantee of each Subsidiary Guarantor shall remain in full force and effect and continue to be effective notwithstanding the execution and delivery of any future Guarantee by any Restricted Subsidiary.

Section 10.04 Subrogation.

Each Subsidiary Guarantor shall be subrogated to all rights of Holders of Notes against the Company in respect of any amounts paid by any Subsidiary Guarantor pursuant to the provisions of Section 10.01; provided that, if an Event of Default has occurred and is continuing, no Subsidiary Guarantor shall be entitled to enforce or receive any payments arising out of, or based upon, such right of subrogation until all amounts then due and payable by the Company under this Indenture or the Notes shall have been paid in full.

Section 10.05 Benefits Acknowledged.

Each Subsidiary Guarantor acknowledges that it will receive direct and indirect benefits from the financing arrangements contemplated by this Indenture and that the guarantee and waivers made by it pursuant to its Guarantee are knowingly made in contemplation of such benefits.

Section 10.06 Release of Guarantees.

A Guarantee by a Guarantor shall be automatically and unconditionally released and discharged, and no further action by such Guarantor, the Company or the Trustee is required for the release of such Guarantor's Guarantee, upon:

(1) (A) any sale or other disposition of all or substantially all of the assets of such Subsidiary Guarantor (including by way of amalgamation, arrangement, exchange offer, merger or consolidation) to a Person that is not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary of the Company, if the sale or other disposition complies with Section 4.10 of this Indenture;

(B) any sale, issuance or other disposition of Capital Stock of such Guarantor to a Person that is not (either before or after giving effect to such transaction) the Company or a Restricted Subsidiary of the Company, if the sale, issuance or other disposition complies with Section 4.10 of this Indenture and such Guarantor ceases to be a Restricted Subsidiary of the Company as a result of such sale, issuance or other disposition;

(C) the designation by the Company of such Guarantor or any Restricted Subsidiary of the Company of which such Guarantor is a Subsidiary to be an Unrestricted Subsidiary in accordance with the applicable provisions of this Indenture;

(D) the requirement that such Guarantor become a Guarantor under the provisions of Section 4.15 of this Indenture at such time as such Guarantor shall cease to Guarantee any Indebtedness of the Company or any other Guarantor under any Credit Facility; or

(E) the Company exercising its Legal Defeasance option or Covenant Defeasance option in accordance with Article 8 of this Indenture or the Company's obligations under this Indenture being discharged in accordance with Article 12 of this Indenture; and

(2) such Guarantor delivering to the Trustee an Officer's Certificate and an Opinion of Counsel, each stating that all conditions precedent provided for in this Indenture relating to the transaction permitting the release of such Guarantee have been complied with.

ARTICLE 11

COLLATERAL

Section 11.01 Grant of Security Interests; Collateral Trust Agreement.

(a) The Company and the Guarantors:

(1) shall grant a security interest in the Collateral as set forth in the Collateral Documents to the Collateral Agent for the benefit of the Holders, the Trustee and the Collateral Agent to secure the due and punctual payment of the principal of, premium, if any, and interest on the Notes and amounts due hereunder and under the Note Guarantees when and as the same shall be due and payable, whether at Stated Maturity thereof, on an Interest Payment Date, by acceleration, purchase, repurchase, redemption or otherwise, and interest on the overdue principal of, premium, if any, and interest (to the extent permitted by law), if any, on the Notes and the performance of all other Obligations of the Company and the Guarantors to the Holders, the Collateral Agent and the Trustee under this Indenture, the Collateral Documents, the Note Guarantees and the Notes, subject to the terms of the Collateral Trust Agreement and any other Permitted Liens;

(2) hereby covenant (A) to perform and observe their obligations under the Collateral Documents and (B) take any and all commercially reasonable actions (including without limitation the covenants set forth in the Collateral Documents and in this Article 11) required to cause the Collateral Documents to create and maintain, as security for the Obligations contained in this Indenture, the Notes, the Collateral Documents and the Note Guarantees, valid and enforceable, perfected (except as expressly provided herein or therein) security interests in and on all the Collateral, in favor of the Collateral Agent, superior to and prior to the rights of all third Persons, and subject to no other Liens (other than Permitted Liens), in each case, except as expressly permitted herein or therein (including, without limitation, in the Collateral Trust Agreement); and

(3) shall do or cause to be done, at their sole cost and expense, all such actions and things as may be necessary, or as may be required by the provisions of the Collateral Documents, to confirm to the Collateral Agent the security interests in the Collateral contemplated hereby and by the Collateral Documents, as from time to time constituted, so as to render the Collateral available for the security and benefit of this Indenture and of

the Notes and Note Guarantees secured hereby, according to the intent and purpose herein and therein expressed.

(b) Each Holder, by its acceptance of a Note:

(1) appoints the Collateral Agent to act as its agent (and by its signature below, the Collateral Agent accepts such appointment); and

(2) consents and agrees to the terms of each Collateral Document, as the same may be in effect or may be amended, restated, supplemented or otherwise modified from time to time in accordance with their respective terms, and authorizes and directs the Collateral Agent to enter into the Collateral Documents and to perform its obligations and exercise its rights thereunder in accordance therewith.

(c) Subject to the terms of this Indenture and the Collateral Documents, the Trustee will determine the circumstances and manner in which the Collateral will be disposed of, including, but not limited to, the determination of whether to release all or any portion of the Collateral from the Liens created by the Collateral Documents and whether to foreclose on the Collateral following a Default or Event of Default.

Section 11.02 Recording and Opinions.

(a) The Company shall, and shall cause each of the Guarantors to, at their sole cost and expense, take or cause to be taken all commercially reasonable action required to perfect (except as expressly provided in the Collateral Documents), maintain (with the priority required under the Collateral Documents), preserve and protect the security interests in the Collateral granted by the Collateral Documents, including (i) the filing of financing statements, continuation statements, collateral assignments and any instruments of further assurance, in such manner and in such places as may be required by law to preserve and protect fully the rights of the Holders, the Collateral Agent, and the Trustee under this Indenture and the Collateral Documents to all property comprising the Collateral pursuant to the terms of the Collateral Documents, and (ii) the delivery of the certificates, if any, evidencing the certificated securities pledged under the Collateral Documents, duly endorsed in blank or accompanied by undated stock powers or other instruments of transfer executed in blank. The Company shall from time to time promptly pay all financing and continuation statement recording and/or filing fees, charges and recording and similar taxes relating to this Indenture, the Collateral Documents and any amendments hereto or thereto and any other instruments of further assurance required pursuant thereto. Neither the Company nor any Guarantor will be permitted to take any action, or omit to take any action, which action or omission might or would have the result of materially impairing the security interest with respect to the Collateral for the benefit of the Collateral Agent, the Trustee or the Holders except as expressly set forth herein or the Collateral Documents.

(b) If property of a type constituting Collateral is acquired by the Company or any Guarantor that is not automatically subject to a Lien or perfected security interest under the Collateral Documents or there is a new Guarantor, then the Company or such Guarantor will, as soon as reasonably practicable after such property's acquisition or such Subsidiary becoming a

Guarantor and in any event within 10 Business Days, grant Liens on such property (or, in the case of a new Guarantor, all of its assets constituting the type that is Collateral) in favor of the Collateral Agent and deliver certain certificates (including in the case of real property title insurance) and any filings or other documentation in respect thereof as required by this Indenture or the Collateral Documents and take all necessary steps to perfect the security interest represented by such Liens.

(c) The Company shall furnish to the Trustee and the Collateral Agent (if other than the Trustee), on or within one month of December 31 of each year, commencing December 31, 2012, an Opinion of Counsel either (1) stating that, in the opinion of such counsel, all action necessary to perfect or continue the perfection of the security interests created by the Collateral Documents have been taken, and reciting the details of such action or referring to prior Opinions of Counsel in which such details are given; or (2) stating that, in the opinion of such counsel, no such action is necessary to perfect or continue the perfection of any security interest created under any of the Collateral Documents.

Section 11.03 Release of Collateral.

(a) Subject to the terms of the Collateral Trust Agreement, the Company and the Guarantors will be entitled to releases of assets included in the Collateral from the Liens securing Obligations under this Indenture under any one or more of the following circumstances:

(1) upon satisfaction and discharge of the Indenture pursuant to Article 12;

(2) upon a Legal Defeasance or Covenant Defeasance of the Notes pursuant to Article 8;

(3) upon payment in full and discharge of all Notes outstanding under this Indenture and all Obligations that are outstanding, due and payable under the Indenture at the time the Notes are paid in full and discharged; or

(4) in whole or in part, with the consent of the Holders of the requisite percentage of Notes in accordance Article 9.

(b) [Intentionally Omitted]

(c) Subject to the terms of the Collateral Trust Agreement, upon receipt of any necessary or proper instruments of termination, satisfaction or release prepared by the Company or any Guarantor, as the case may be, the Collateral Agent shall execute, deliver or acknowledge such instruments or releases to evidence the release of any Collateral permitted to be released pursuant to this Indenture or the Collateral Documents; *provided* that the Company or such Guarantor, as the case may be, execute and deliver an Officer's Certificate to the Trustee and Collateral Agent certifying that the release of such Collateral is permitted under the terms of the Indenture and that all conditions precedent to such release have been satisfied.

(d) The release of any Collateral from the terms of the Collateral Documents shall not be deemed to impair the security under this Indenture in contravention of the provisions hereof if

and to the extent the Collateral is released pursuant to this Indenture and the Collateral Documents.

Section 11.04 Form and Sufficiency of Release.

In the event that the Company or any Guarantor has sold, exchanged, or otherwise disposed of or proposes to sell, exchange or otherwise dispose of any portion of the Collateral that may be sold, exchanged or otherwise disposed of by the Company or any Guarantor to any Person other than the Company or a Guarantor, and the Company or any Guarantor requests in writing that the Collateral Agent furnish a written disclaimer, release or quit-claim of any interest in such property under this Indenture and the Collateral Documents, the Collateral Agent shall execute, acknowledge and deliver to the Company or such Guarantor (in proper form prepared by the Company or such Guarantor) such an instrument promptly after satisfaction of the conditions set forth herein for delivery of any such release, including the delivery to the Collateral Agent of an Officer's Certificate and Opinion of Counsel that all conditions thereto have been satisfied. Notwithstanding the preceding sentence, all purchasers and grantees of any property or rights purporting to be released herefrom shall be entitled to rely upon any release executed by the Collateral Agent hereunder as sufficient for the purpose of this Indenture and as constituting a good and valid release of the property therein described from the Lien of this Indenture or of the Collateral Documents.

Section 11.05 Authorization of Actions to be Taken by the Collateral Agent Under the Collateral Documents.

Subject to the provisions of the applicable Collateral Documents, the Trustee and each Holder, by acceptance of any Notes agrees that (a) the Collateral Agent shall execute and deliver, as applicable, the Collateral Documents, and all agreements, documents and instruments incidental thereto, and act in accordance with the terms thereof, (b) the Collateral Agent may, in its sole discretion and without the consent of the Trustee or the Holders, take all actions it deems necessary or appropriate in order to (i) enforce any of the terms of the Collateral Documents and (ii) collect and receive any and all amounts payable in respect of the Obligations of the Company and the Guarantors hereunder and under the Notes, the Note Guarantees and the Collateral Documents and (c) the Collateral Agent shall have power to institute and to maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Collateral by any act that may be unlawful or in violation of the Collateral Documents or this Indenture, and suits and proceedings as the Collateral Agent may deem expedient to preserve or protect its interests and the interests of the Trustee and the Holders in the Collateral (including the power to institute and maintain suits or proceedings to restrain the enforcement of or compliance with any legislative or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid if the enforcement of, or compliance with, such enactment, rule or order would impair the security interest thereunder or be prejudicial to the interests of the Collateral Agent, the Holders or the Trustee). Notwithstanding the foregoing, the Collateral Agent may, at the expense of the Company, request the direction of the Holders with respect to any such actions and upon receipt of the written consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes, shall take such actions; *provided* that all actions so taken shall, at all times, be in conformity with the requirements of the Collateral Trust Agreement.

Section 11.06 Authorization of Receipt of Funds by the Trustee Under the Collateral Documents.

The Collateral Agent is authorized to receive any funds for the benefit of itself, the Trustee and the Holders distributed under the Collateral Documents and to the extent not prohibited under the Collateral Trust Agreement, for turnover to the Trustee to make further distributions of such funds to itself, the Trustee and the Holders in accordance with the provisions of this Indenture.

Section 11.07 Replacement of Collateral Agent.

A resignation or removal of the Collateral Agent and appointment of a successor Collateral Agent shall be effected pursuant to the terms of the Collateral Trust Agreement and this Section 11.07.

Subject to the appointment and acceptance of a successor Collateral Agent as provided below, the Collateral Agent may resign at any time by giving notice thereof to the Company, the Guarantors, the Trustee and the Holders. Upon receipt of such notice, the Company shall appoint a successor Collateral Agent. Upon acceptance by a successor Collateral Agent of an appointment to serve as Collateral Agent hereunder and under the Collateral Trust Agreement and the other Indenture Documents, such successor Collateral Agent shall thereupon succeed to and become vested with all the rights, powers, duties and obligations of the retiring Collateral Agent without further act. Any successor to the Collateral Agent by merger or acquisition of stock or acquisition of the corporate trust business shall continue to be Collateral Agent hereunder without further act on the part of the parties hereto, unless such successor resigns as provided above.

Section 11.08 Equal and Ratable Sharing of Collateral by Holders of Parity Lien Debt.

(a) The Holders of Notes, the Trustee and the Collateral Agent agree that, notwithstanding:

(1) anything to the contrary contained in the Collateral Documents;

(2) the time of incurrence of any Series of Parity Lien Debt;

(3) the order or method of attachment or perfection of any Liens securing any Series of Parity Lien Debt;

(4) the time or order of filing or recording of financing statements, mortgages or other documents filed or recorded to perfect any Lien upon any Collateral;

(5) the time of taking possession or control over any Collateral;

(6) that any Parity Lien may not have been perfected or may be or have become subordinated, by equitable subordination or otherwise, to any other Lien; or

(7) the rules for determining priority under any law governing relative priorities of Liens,

(i) all Liens at any time granted to secure any of the Parity Lien Debt will secure, equally and ratably, all present and future Parity Lien Obligations; and (ii) all proceeds from enforcement of all Liens at any time granted to secure any of the Parity Lien Debt and other Parity Lien Obligations will be allocated and distributed equally and ratably on account of the Parity Lien Debt and other Parity Lien Obligations; *provided*, that in the absence of an Event of Default, the Company shall be entitled to utilize cash proceeds of Collateral in the ordinary course of its business or as may be required by its financing agreements.

(b) Section 11.08(a) is intended for the benefit of, and will be enforceable as a third party beneficiary by, each present and future holder of Parity Lien Obligations, each present and future Parity Debt Representative and the Collateral Agent as holder of Parity Liens. The Parity Debt Representative of each future Series of Parity Lien Debt will be required to deliver a Parity Debt Sharing Confirmation to the Collateral Agent and the Trustee at the time of incurrence of such Series of Parity Lien Debt.

Section 11.09 Ranking of Note Liens.

(a) The Holders of Notes, the Trustee and the Collateral Agent agree that, notwithstanding:

(1) anything to the contrary contained in the Collateral Documents;

(2) the time of incurrence of any Series of Secured Debt;

(3) the order or method of attachment or perfection of any Liens securing any Series of Secured Debt;

(4) the time or order of filing or recording of financing statements, mortgages or other documents filed or recorded to perfect any Lien upon any Collateral;

(5) the time of taking possession or control over any Collateral;

(6) that any Priority Lien may not have been perfected or may be or have become subordinated, by equitable subordination or otherwise, to any other Lien; or

(7) the rules for determining priority under any law governing relative priorities of Liens,

all Liens at any time granted to secure any of the Parity Lien Obligations will be subject and subordinate to all Priority Liens securing Priority Lien Obligations.

(b) Section 11.09(a) is intended for the benefit of, and will be enforceable as a third party beneficiary by, each present and future holder of Priority Lien Obligations, each present and future Priority Debt Representative and the Collateral Agent as holder of Priority Liens. No other Person will be entitled to rely on, have the benefit of or enforce this provision. The Parity

Debt Representative of each future Series of Parity Lien Debt will be required to deliver a Parity Debt Sharing Confirmation to the Collateral Agent and each Priority Debt Representative at the time of incurrence of such Series of Parity Lien Debt.

(c) Section 11.09(a) is intended solely to set forth the relative ranking, as Liens, of the Parity Liens securing Parity Lien Debt as against the Priority Liens. Neither the Notes nor any other Parity Lien Obligations nor the exercise or enforcement of any right or remedy for the payment or collection thereof are intended to be, or will ever be by reason of the foregoing provision, in any respect subordinated, deferred, postponed, restricted or prejudiced.

Section 11.10 Relative Rights.

(a) The Holders of Notes, the Trustee and the Collateral Agent agree that nothing in the Note Documents will:

(1) impair, as between the Company and the Holders of the Notes, the obligation of the Company to pay principal of, premium and interest, if any, on the Notes in accordance with their terms or any other obligation of the Company or any other Obligor under the Note Documents;

(2) affect the relative rights of Holders of Notes as against any other creditors of the Company or any other Obligor under the Note Documents (other than holders of Priority Liens or other Parity Liens);

(3) restrict the right of any Holder of Notes to sue for payments that are then due and owing (but not enforce any judgment in respect thereof against any Collateral to the extent specifically prohibited by the Collateral Trust Agreement;

(4) restrict or prevent any Holder of Notes or other Parity Lien Obligations, the Trustee, the Collateral Agent or other Person on their behalf from exercising any of its rights or remedies upon a Default or Event of Default not specifically restricted or prohibited by the Collateral Trust Agreement; and

(5) restrict or prevent any Holder of Notes or other Parity Lien Obligations, the Trustee, the Collateral Agent or any other Person on their behalf from taking any lawful action in a bankruptcy, insolvency, liquidation or similar proceeding not specifically restricted or prohibited by the Collateral Trust Agreement.

Section 11.11 Further Assurances.

(a) Neither the Company nor any Guarantor will enter into any agreement that requires the proceeds received from any sale of Collateral to be applied to repay, redeem, defease or otherwise acquire or retire any Indebtedness of any Person, other than as permitted or required to by this Indenture or the Collateral Documents.

(b) The Company shall, and shall cause any Guarantor to, at their sole cost and expense, (i) execute and deliver all such agreements and instruments and take all further action as the Collateral Agent or the Trustee may reasonably request to more fully or accurately

describe the property intended to be Collateral or the obligations intended to be secured by the Collateral Documents; and (ii) file any such notice filings or other agreements or instruments as may be reasonably necessary under applicable law to perfect the Liens created by the Collateral Documents.

ARTICLE 12

SATISFACTION AND DISCHARGE

Section 12.01 Satisfaction and Discharge.

(a) This Indenture will be discharged and will cease to be of further effect (except as to surviving rights and immunities of the Trustee and rights of registration of transfer or exchange of Notes, as expressly provided for herein) as to all outstanding Notes if:

(1) the Company will have paid or caused to be paid the principal of, premium, if any, and interest as and when the same will have become due and payable; all outstanding Notes (except lost, stolen or destroyed Notes which have been replaced or paid) have been delivered to the Trustee for cancellation; or all Notes not theretofore delivered to the Trustee for cancellation (i) have become due and payable by reason of the mailing of a notice of redemption or (ii) (A) shall become due and payable at their Stated Maturity within one (1) year or (B) are to be called for redemption within one year under arrangements reasonably satisfactory to the Trustee, and the Company has irrevocably deposited or caused to be deposited with the Trustee funds in trust of cash in Canadian dollars, non-callable Canadian Government Securities, or a combination thereof in an amount sufficient to pay and discharge the principal, premium, if any, and interest on the Notes to the date of Stated Maturity or such redemption, as the case may be;

(2) the Company has paid all other sums payable by it under the Indenture Documents; and

(3) the Company has delivered an Officer's Certificate and an Opinion of Counsel stating that all conditions have been met.

Notwithstanding the satisfaction and discharge of this Indenture, if money shall have been deposited with the Trustee pursuant to Section 12.01(a)(3), the provisions of Section 12.02 and Section 8.06 shall survive.

Section 12.02 Application of Trust Money.

Subject to the provisions of Section 8.06, all money deposited with the Trustee pursuant to Section 12.01 shall be held in trust and applied by it, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal (and premium, if any) and interest for whose

payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

If the Trustee or Paying Agent is unable to apply any money or Government Securities in accordance with Section 12.01 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Company's and any Subsidiary Guarantor's obligations under this Indenture and the Notes shall be revived and reinstated as though no deposit had occurred pursuant to Section 12.01; provided that if the Company has made any payment of principal of, premium or interest on any Notes because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such Notes to receive such payment from the money or Government Securities held by the Trustee or Paying Agent.

ARTICLE 13

MISCELLANEOUS

Section 13.01 Notices.

Any notice or communication by the Company, any Subsidiary Guarantor, the Trustee or the Collateral Agent to the others is duly given if in writing and published, delivered in person or mailed by first-class mail (registered or certified, return receipt requested), fax or overnight air courier guaranteeing next day delivery, to the others' address:

If to the Company and/or any Guarantor:

The Cash Store Financial Services Inc.
17631 – 103 Avenue
Edmonton, Alberta, Canada T5S 1N8
Attention: Nancy Bland, Chief Financial Officer

with copies to:

Cassels Brock & Blackwell LLP
40 King Street West, Suite 2100
Toronto, Ontario, Canada M5H 3C2
Attention: Paul Stein

Paul, Weiss, Rifkind, Wharton & Garrison LLP
77 King Street West, Suite 3100
Toronto, Ontario, Canada M5K 1J3
Attention: Adam M. Givertz

If to the Trustee or the Collateral Agent:

Computershare Trust Company of Canada
100 University Avenue
9th Floor, North Tower
Toronto, Ontario M5J 2Y1
Attention: Manager, Corporate Trust
Fax: 416-981-9777

Computershare Trust Company, N.A.
Attn: John Wahl or Rose Stroud
350 Indiana Street, Suite 750
Golden, CO 80401
Facsimile: 303-262-0608

With a copy to:

William A Harris
Computershare
480 Washington Boulevard, Jersey City NJ 07310
Facsimile: 201-680-4610

The Company, any Subsidiary Guarantor, the Trustee or the Collateral Agent, by notice to the others, may designate additional or different addresses for subsequent notices or communications.

Any notice or communication mailed to a Holder shall be mailed to the Holder at the Holder's address as it appears on the registration books of the Registrar and shall be sufficiently given if so mailed within the time prescribed.

All notices and communications (other than those sent to Holders) shall be deemed to have been duly given: on the first date on which publication is made, if published; at the time delivered by hand, if personally delivered; five calendar days after being deposited in the mail, postage prepaid, if mailed by first-class mail; when receipt acknowledged, if faxed; and the next Business Day after timely delivery to the courier, if sent by overnight air courier guaranteeing next day delivery; provided that any notice or communication delivered to the Trustee or the Collateral Agent shall be deemed effective upon actual receipt thereof.

Any notice or communication to a Holder shall be mailed by first-class mail, certified or registered, return receipt requested, or by overnight air courier guaranteeing next day delivery to its address shown on the register kept by the Registrar. Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders.

If a notice or communication is mailed in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Company mails a notice or communication to Holders, the Company shall mail a copy to the Trustee, the Collateral Agent and each Agent at the same time.

Section 13.02 Certificate and Opinion as to Conditions Precedent.

Upon any request or application by the Company or any of the Guarantors to the Trustee to take any action under this Indenture, the Company or such Guarantor, as the case may be, shall furnish to the Trustee or, if such action relates to a Collateral Document, the Collateral Agent:

(a) An Officer's Certificate in form and substance reasonably satisfactory to the Trustee or the Collateral Agent, as applicable (which shall include the statements set forth in Section 13.03) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been satisfied; provided that an Officer's Certificate shall not be required in connection with the issuance of Notes or the entering into any of the Notes Documents on the Issue Date; and

(b) An Opinion of Counsel in form and substance reasonably satisfactory to the Trustee or the Collateral Agent, as applicable (which shall include the statements set forth in Section 13.03), stating that, in the opinion of such counsel, all such conditions precedent and covenants have been satisfied.

Section 13.03 Statements Required in Certificate or Opinion.

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (other than a certificate provided pursuant to TIA § 314(a)(4)) shall comply with the provisions of TIA § 314(e) and also shall include:

(a) a statement that the Person making such certificate or opinion has read such covenant or condition;

(b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(c) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with (and, in the case of an Opinion of Counsel, may be limited to reliance on an Officer's Certificate as to matters of fact); and

(d) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been complied with.

Section 13.04 Rules by Trustee and Agents.

The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

Section 13.05 No Personal Liability of Directors, Officers, Employees, Incorporators, Members, Partners and Stockholders.

No past, present or future director, officer, employee, incorporator, member, partner or stockholder of the Company or any Subsidiary Guarantor or any of their parent companies or entities shall have any liability for any obligations of the Company or the Guarantors under the Notes, the Notes Guarantees, the Collateral Documents or this Indenture or for any claim based on, in respect of, or by reason of such obligations or their creation. Each Holder by accepting Notes waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

Section 13.06 Governing Law.

THIS INDENTURE, THE NOTES, AND ANY GUARANTEE WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

Section 13.07 Waiver of Jury Trial.

THE ISSUER, EACH OF THE GUARANTORS, THE TRUSTEE AND THE COLLATERAL AGENT HEREBY IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS INDENTURE, THE NOTES OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 13.08 Consent to Service and Jurisdiction; Appointment of Agent; Etc.

(a) The Company, each Guarantor, the Collateral Agent and the Trustee agree that any legal suit, action or proceeding arising out of or relating to any Indenture Document or Collateral Document, and each of the Company and the Guarantors agrees that any legal suit, action or proceeding arising out of or relating to the Notes or the Notes Guarantees, may be instituted in any federal or state court in the Borough of Manhattan, The City of New York, waives any objection which it may now or hereafter have to the laying of the venue of any such legal suit, action or proceeding, waives any immunity from jurisdiction or to service of process in respect of any such suit, action or proceeding, and irrevocably submits to the jurisdiction of any such court in any such suit, action or proceeding.

(b) Each of the Company, the Trustee, the Collateral Agent and the Guarantors further submits to the jurisdiction of the courts of its own corporate domicile in any legal suit, action or proceeding arising out of or relating to the Indenture Documents, the Collateral Documents, the Notes or the Notes Guarantee.

(c) (1) Each of the Company and the Guarantors hereby designates and appoints CT Corporation System ("CT Corporation"), 111 Eighth Avenue, New York, 10011, as its authorized agent upon which process may be served in any legal suit, action or proceeding arising out of or relating to the Indenture Documents, the Collateral Documents, the Notes or the

Notes Guarantees which may be instituted in any State or U.S. federal court in The City of New York and County of New York, and further:

(2) agrees that service of process upon such agent, and written notice of said service to the Company or a Guarantor by the Person serving the same, shall be deemed in every respect effective service of process upon the Company (if such notice is given to the Company) or upon such Guarantor (if such notice is given to a Guarantor) in any such suit, action or proceeding, and irrevocably consents, to the fullest extent it may effectively do so under applicable law, to the service of process of any of the aforementioned courts in any such suit, action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, to the above-mentioned authorized agent or successor authorized agent, as the case may be, such service to become effective 30 days after such mailing,

(3) agrees that a final action in any such suit or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other lawful manner,

(4) designates its domicile, the domicile of CT Corporation specified above and any domicile CT Corporation may have in the future as its domicile to receive any notice hereunder (including service of process),

(5) agrees to take any and all action, including the execution and filing of all such instruments and documents, as may be necessary to continue such designation and appointment in full force and effect for so long as the Notes remain outstanding, or until the designation and irrevocable appointment of a successor authorized agent and such successor's acceptance of such appointment, but in no event shall the appointment continue beyond the date on which all amounts in respect of the interest and principal and premium, if any, on the Notes and any other amounts payable hereunder have become due and have been paid in full to the Trustee, and

(6) agrees that nothing herein shall affect the right of the Trustee, the Collateral Agent or any Holder to serve process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against any of the Company or the Guarantors in any jurisdiction.

Section 13.09 Foreign Currency Equivalents

For purposes of determining compliance with any Canadian dollar-denominated restriction or amount, the Canadian dollar equivalent principal amount of any amount denominated in a foreign currency will be the Canadian Dollar Equivalent calculated on the date the Indebtedness was incurred, in the case of term debt, or first committed, in the case of revolving credit debt or other transaction was entered into; provided that if such Indebtedness is incurred to refinance other Indebtedness denominated in a currency other than Canadian dollars, and such refinancing would cause the applicable Canadian dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such Canadian dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the

principal amount of such Indebtedness being refinanced. Notwithstanding any other provision in this Indenture, no restriction or amount will be exceeded solely as a result of fluctuations in the exchange rate of currencies.

Section 13.10 Force Majeure.

In no event shall the Trustee or the Collateral Agent be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including without limitation strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, epidemics, governmental action or judicial order, earthquakes , or other similar causes, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services. Performance times under this Indenture shall be extended for a period of time equivalent to the time lost because of any delay that is excusable under this Section 13.10.

Section 13.11 No Adverse Interpretation of Other Agreements.

This Indenture may not be used to interpret any other indenture, loan or debt agreement of the Company or the Restricted Subsidiaries or of any other Person. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 13.12 Successors.

All agreements of the Company in this Indenture and the Notes shall bind its respective successors. All agreements of the Trustee in this Indenture shall bind its successors. All agreements of each Subsidiary Guarantor in this Indenture shall bind its successors, except as otherwise provided in Section 10.05.

Section 13.13 Severability.

In case any provision in this Indenture or in the Notes shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 13.14 Counterpart Originals.

The parties may sign any number of copies of this Indenture. Each signed copy shall be an original, but all of them together represent the same agreement. The exchange of copies of this Indenture and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this Indenture as to the parties hereto and may be used in lieu of the original Indenture for all purposes. Signatures of the parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

Section 13.15 Table of Contents, Headings.

The Table of Contents and headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and shall in no way modify or restrict any of the terms or provisions hereof.

Section 13.16 Collateral Trust Agreement Governs.

Reference is made to the Collateral Trust Agreement. Each Holder, by its acceptance of a Note, (a) consents to the payment priority provided for in the Collateral Trust Agreement, (b) agrees that it will be bound by and will take no actions contrary to the provisions of the Collateral Trust Agreement and (c) authorizes and instructs the Collateral Agent to enter into the Collateral Trust Agreement as Collateral Agent and on behalf of such Holder. The foregoing provisions are intended as an inducement to the lenders under the Credit Agreement to extend credit and such lenders are intended third party beneficiaries of such provisions and the provisions of the Collateral Trust Agreement.

Section 13.17 U.S.A. Patriot Act.

The parties hereto acknowledge that in accordance with Section 326 of the U.S.A. Patriot Act, the Trustee, like all financial institutions, and in order to help fight the funding of terrorism and money laundering, is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account with the Trustee. The parties to this Indenture agree that they will provide the Trustee with such information as it may reasonably request as required in order for the Trustee to satisfy the requirements of the U.S.A. Patriot Act.

Section 13.18 Communication by Holders of Notes with Other Holders of Notes.

Holders of the Notes may communicate pursuant to TIA § 312(b) with other Holders of Notes with respect to their rights under this Indenture or the Notes. The Company, the Trustee, the Registrar and anyone else shall have the protection of TIA § 312(c).

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

THE CASH STORE FINANCIAL SERVICES INC.

By: _____

Name: Gordon Reykdal
Title: Chairman and CEO

[Signature page to the Indenture]

7252331 CANADA INC.

By: _____
Name: Gordon Reykdal
Title: Chairman and CEO

5515433 MANITOBA INC.

By: _____
Name: Gordon Reykdal
Title: Chairman and CEO

[Signature page to the Indenture]

THE CASH STORE INC.

By: _____
Name: Gordon Reykdal
Title: Chairman and CEO

INSTALOANS INC.

By: _____
Name: Gordon Reykdal
Title: Chairman and CEO

TCS CASH STORE INC.

By: _____
Name: Gordon Reykdal
Title: Chairman and CEO

THE CASH STORE FINANCIAL LIMITED

By: _____
Name: Gordon Reykdal
Title: Chairman and CEO

IN THE PRESENCE OF

_____
Name of Witness
Nancy Bland

17, 26323 TWP Rd 532A

Spruce Grove, Alberta, T7X 4M1
Address

THE CASH STORE LIMITED

By: _____
Name: Gordon Reykdal
Title: Chairman and CEO

IN THE PRESENCE OF

_____
Name of Witness
Nancy Bland

17, 26323 TWP Rd 532A

Spruce Grove, Alberta, T7X 4M1
Address

[Signature page to the Indenture]

CSF INSURANCE SERVICES LIMITED

By: _____
Name: Gordon Reykdal
Title: Chairman and CEO

IN THE PRESENCE OF

_____
Name of Witness
Nancy Bland

17, 26323 TWP Rd 532A

Spruce Grove, Alberta, T7X 4M1
Address

COMPUTERSHARE TRUST COMPANY OF CANADA,
as Canadian Trustee

By: _____
Name: Kemi Atawo
Title: Corporate Trust Officer

By: _____
Name: Charles Cuschieri
Title: Associate Trust Officer

[Signature page to the Indenture]

COMPUTERSHARE TRUST COMPANY, N.A.,
as U.S. Trustee

By: _____

Name: **John M. Wahl**
Title: **Corporate Trust Officer**

COMPUTERSHARE TRUST COMPANY OF CANADA,
as Collateral Agent

By: _____
Name: Kemi Atawo
Title: Corporate Trust Officer

By: _____
Name: Danny Snider
Title: Corporate Trust Officer

[Signature page to the Indenture]

SCHEDULE I

List of Guarantors

Subsidiary	**Jurisdiction of Incorporation**
7252331 Canada Inc.	Canada
5515433 Manitoba Inc.	Manitoba
The Cash Store Inc.	Alberta
Instaloans Inc.	Alberta
TCS – Cash Store Inc.	Alberta
The Cash Store Financial Limited	United Kingdom
The Cash Store Limited	United Kingdom
CSF Insurance Services Limited	United Kingdom

EXHIBIT A

[Face of Note]

[Insert the Global Note Legend, if applicable pursuant to the provisions of the Indenture]

[Insert the Private Placement Legend, if applicable pursuant to the provisions of the Indenture]

[Insert the Regulation S Legend, if applicable, pursuant to the provisions of the Indenture]

CUSIP [ ]
ISIN [ ][1]

[RULE 144A][REGULATION S] GLOBAL NOTE
representing up to
$[_____]
11 ½% Senior Secured Notes due 2017

No. ___ [$_____]

The Cash Store Financial Services Inc.

promises to pay to [CDS & CO.] or registered assigns, the principal sum [set forth on the Schedule of Exchanges of Interests in the Global Note attached hereto] [of _____ Canadian Dollars] on January 31, 2017.

Interest Payment Dates: January 31 and July 31

Record Dates: January 15 and July 15

[1] Rule 144A Note CUSIP: 14756FAB9
Rule 144A Note ISIN: CA 14756FAB90
Regulation S Note CUSIP: C21768AA1
Regulation S Note ISIN: CA C21768AA11

IN WITNESS HEREOF, the Company has caused this instrument to be duly executed.

Dated:

THE CASH STORE FINANCIAL SERVICES INC.

By:_____
Authorized Signatory

COMPUTERSHARE TRUST COMPANY OF CANADA, as Trustee

By:_____
Authorized Signatory

[Back of Note]

11 ½% Senior Secured Notes due 2017

Capitalized terms used herein shall have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

1. INTEREST. The Cash Store Financial Services Inc., an Ontario corporation, promises to pay interest on the principal amount of this Note at 11 ½% per annum from January 31, 2012 (or the most recent Interest Payment Date) until maturity. The Company will pay interest semi-annually in arrears on January 31 and July 31 of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each, an "Interest Payment Date"). Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance; provided that the first Interest Payment Date shall be July 31, 2012. The Company will pay interest (including Post-Petition Interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, from time to time on demand at the interest rate on the Notes plus 2.0% per annum; it shall pay interest (including Post-Petition Interest in any proceeding under any Bankruptcy Law) on overdue installments of interest, if any (without regard to any applicable grace periods), from time to time on demand at the interest rate on the Notes plus 2.0% per annum, to the extent lawful. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

2. METHOD OF PAYMENT. The Company will pay interest on the Notes, if any, to the Persons who are registered Holders of Notes at the close of business on the January 15 or July 15 (whether or not a Business Day), as the case may be, next preceding the Interest Payment Date, even if such Notes are cancelled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. Payment of interest, if any, may be made by check mailed to the Holders at their addresses set forth in the register of Holders, provided that payment by wire transfer of immediately available funds will be required with respect to principal of and interest, premium, if any, on all Global Notes and all other Notes the Holders of which shall have provided wire transfer instructions to the Company or the Paying Agent. Such payment shall be in the currency of Canada as at the time of payment is legal tender for payment of public and private debts.

3. PAYING AGENT AND REGISTRAR. Initially, the Trustee under the Indenture will act as Paying Agent and Registrar. The Company may change any Paying Agent or Registrar without prior written notice to the Holders. The Company or any of the Company's Subsidiaries may act in as paying agent or registrar.

4. INDENTURE. The Company issued the Notes under an Indenture, dated as of January 31, 2012 (the "Indenture"), among the Company., the Guarantors named therein and the Trustee. This Note is one of a duly authorized issue of notes of the Company designated as its 11 ½% Senior Secured Notes due 2017. The Company may issue Additional Notes pursuant to Sections 2.01 and 2.15 of the Indenture, so long as the incurrence thereof is permitted by Sections 4.09 and 4.12 of the Indenture. The terms of the Notes include those stated in the Indenture. The Notes are subject to all such terms, and Holders are referred to the Indenture for

a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling.

5. OPTIONAL REDEMPTION.

(a) Except as set forth below under clauses 5(b), 5(d) and 5(e) hereof, the Notes will not be redeemable at the Company's option before July 31, 2014.

(b) At any time prior to July 31, 2014, the Company may redeem all or a part of the Notes, upon notice as described under Section 3.03 of the Indenture, at a redemption price equal to 100% of the principal amount of the Notes redeemed plus the Applicable Premium as of, and accrued and unpaid interest, if any, to, but excluding the date of redemption (any applicable date of redemption hereunder, the "Redemption Date"), subject to the rights of Holders on the relevant Record Date to receive interest due on the relevant Interest Payment Date.

(c) On and after July 31, 2014, the Company may redeem the Notes, in whole or in part, upon notice as described under Section 3.03 of the Indenture, at the redemption prices (expressed as percentages of principal amount of the Notes to be redeemed) set forth below, plus accrued and unpaid interest thereon, if any, to, but excluding the applicable Redemption Date, subject to the right of Holders of record on the relevant Record Date to receive interest due on the relevant Interest Payment Date, if redeemed during the periods indicated below:

For the period below	Percentage
On or after July 31, 2014	103.084%
On or after January 31, 2015	102.091%
On or after July 31, 2015	101.127%
On or after January 31, 2016	100.194%
On or after July 31, 2016	100.000%

(d) Prior to July 31, 2014, the Company shall be entitled at its option on one or more occasions to redeem up to 35% of the aggregate principal amount of the Notes (including any Additional Notes) originally issued under the Indenture at a redemption price of 111.500% of the principal amount of the Notes redeemed, plus accrued and unpaid interest, if any, to, but excluding, the Redemption Date (subject to the right of Holders of the Notes on the relevant Record Date to receive interest due on the relevant Interest Payment Date) if (i) such redemption is made with the proceeds of one or more Equity Offerings; (ii) at least 65% of the aggregate principal amount of the Notes (including Additional Notes) originally issued under the Indenture remain outstanding immediately after the occurrence of such redemption (excluding Notes held by the Company or any of its Subsidiaries); and (iii) the redemption occurs within 90 days of such Equity Offering.

(e) The Company may at any time redeem all of the outstanding Notes, in whole but not in part, at a redemption price of 100% of the principal amount of the Notes, plus accrued and unpaid interest, if any, to, but excluding, the date of redemption, and all

Additional Amounts (if any) then due and which will become due on the Redemption Date as a result of the redemption or otherwise, if on the next date on which any amount would be payable in respect of the Notes, the Company has become or would become obligated to pay any Additional Amounts in respect of the Notes, and the Company cannot avoid any such payment obligation by taking reasonable measures available to it, as a result of (i) any change in or amendment to the laws (or regulations promulgated thereunder) of a relevant Tax Jurisdiction, or (ii) any change in or amendment to any official position regarding the application or interpretation of such laws or regulations, which change or amendment is announced and is effective on or after the Issue Date (or, if the applicable relevant Tax Jurisdiction became a Tax Jurisdiction on a date after the Issue Date, such later date).

(f) Any redemption pursuant to this paragraph 5 shall be made pursuant to the provisions of Sections 3.01 through 3.07 of the Indenture.

6. MANDATORY REDEMPTION. The Company shall not be required to make any mandatory redemption or sinking fund payments with respect to the Notes.

7. NOTICE OF REDEMPTION. Subject to Section 3.03 of the Indenture, notice of redemption will be delivered or mailed by first-class mail, postage prepaid, at least 30 days but not more than 60 days before the Redemption Date (except that redemption notices may be mailed more than 60 days prior to the Redemption Date if the notice is issued in connection with Article 8 or Article 12 of the Indenture) to each Holder whose Notes are to be redeemed at its registered address. Notes in denominations larger than $2,000 may be redeemed in part but only in whole multiples of $1,000, unless all of the Notes held by a Holder are to be redeemed. On and after the redemption date interest ceases to accrue on Notes or portions thereof called for redemption.

8. OFFERS TO REPURCHASE.

(a) Upon the occurrence of a Change of Control, the Company shall make an offer (a "Change of Control Offer") to each Holder to repurchase all or any part (equal to $2,000 or an integral multiple of $1,000 in excess thereof) of each Holder's Notes at a purchase price equal to 101% of the aggregate principal amount thereof plus accrued and unpaid interest, if any, to, but excluding, the date of purchase (the "Change of Control Payment"). The Change of Control Offer shall be made in accordance with Section 4.14 of the Indenture.

(b) When the aggregate amount of Excess Proceeds exceeds $7.5 million, the Company will be required to make an Asset Sale Offer to all Holders of Notes to purchase the maximum principal amount of Notes that may be purchased out of the Excess Proceeds. The offer price for such Asset Sale Offer shall be an amount in cash equal to 100% of the principal amount thereof, plus accrued and unpaid interest, if any, to, but excluding, the date of purchase (subject to the right of Holders of the Notes on the relevant record date to receive interest due on the relevant interest payment date), in accordance with the procedures set forth in Article 3. To the extent that the aggregate amount of Notes tendered pursuant to an Asset Sale Offer is less than the Excess Proceeds, the Company and its Restricted Subsidiaries may use any remaining Excess Proceeds for any purpose not otherwise prohibited by this Indenture. If the aggregate principal amount of Notes surrendered by Holders thereof exceeds the amount of the

Excess Proceeds, the Trustee shall select the Notes to be purchased on a *pro rata* basis based upon principal balance (subject to adjustments so that no Notes in an unauthorized denomination are repurchased in part). Upon completion of such offer to purchase, the amount of Excess Proceeds shall be reset at zero.

9. DENOMINATIONS, TRANSFER, EXCHANGE. The Notes are in registered form without coupons in denominations of $2,000 and integral multiples of $1,000 in excess thereof. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Company may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Company need not exchange or register the transfer of any Note or portion of a Note selected for redemption or tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer, an Asset Sale Offer or other tender offer, in whole or in part, except for the unredeemed portion of any Note being redeemed in part. Also, the Company need not exchange or register the transfer of any Notes for a period of 15 Business Days before a selection of Notes to be redeemed.

10. PERSONS DEEMED OWNERS. The registered Holder of a Note may be treated as its owner for all purposes.

11. AMENDMENT, SUPPLEMENT AND WAIVER. The Indenture, the Notes Guarantees or the Notes may be amended or supplemented as provided in the Indenture.

12. DEFAULTS AND REMEDIES. The Events of Default relating to the Notes are defined in Section 6.01 of the Indenture. If any Event of Default occurs and is continuing, the Trustee or the Holders of at least 25% in principal amount of the then total outstanding Notes may declare the principal, premium, if any, interest and any other monetary obligations on all the then outstanding Notes to be due and payable immediately. Notwithstanding the foregoing, in the case of an Event of Default arising from certain events of bankruptcy or insolvency, all outstanding Notes will become due and payable immediately without further action or notice. Holders may not enforce the Indenture, the Notes or the Notes Guarantees except as provided in the Indenture. Subject to certain limitations, Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders of the Notes notice of any continuing Default (except a Default relating to the payment of principal, premium, if any, or interest) if and so long as it determines that withholding notice is in their interest. Except as provided in the Indenture, the Holders of a majority in aggregate principal amount of the then outstanding Notes by notice to the Trustee may on behalf of the Holders of all of the Notes waive any existing Default and its consequences under the Indenture and rescind an acceleration and its consequences if the rescission would not conflict with any judgment or decree and if all existing Events of Default (except nonpayment of principal, interest, if any, or premium that has become due solely because of the acceleration) have been cured or waived. The Company and each Guarantor is required to deliver to the Trustee annually a statement regarding compliance with the Indenture, and the Company is required within five Business Days after becoming aware of any Default, to deliver to the Trustee a statement specifying such event.

13. AUTHENTICATION. This Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose until authenticated by the manual signature of the Trustee.

14. GOVERNING LAW. THE INDENTURE, THE NOTES AND ANY NOTES GUARANTEE WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

15. SECURITY. The Notes and the Notes Guarantees will be secured by the Collateral on the terms and subject to the conditions set forth in the Indenture and the Collateral Documents. The Trustee and the Collateral Agent, as the case may be, hold the Collateral in trust for the benefit of the Trustee and the Holders, in each case pursuant to the Collateral Documents. Each Holder, by accepting this Note, consents and agrees to the terms of the Collateral Documents as the same may be in effect or may be amended from time to time in accordance with their terms and the Indenture and authorizes and directs the Collateral Agent to enter into the Collateral Documents and to perform its obligations and exercise its rights thereunder in accordance therewith.

16. COUNTERPARTS. This Note may be executed in counterparts, each of which shall be an original and all of which, when taken together, shall constitute one binding Note.

17. CUSIP NUMBERS. Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP and ISIN numbers to be printed on the Notes, and the Trustee may use CUSIP or ISIN numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of such numbers either as printed on the Notes or as contained in any notice of redemption, and reliance may be placed only on the other identification numbers placed thereon.

The Company will furnish to any Holder upon written request and without charge a copy of the Indenture. Requests may be made to the Company at the following address:

The Cash Store Financial Services Inc.
17631 – 103 Avenue
Edmonton, Alberta, Canada T5S 1N8
Attention: Nancy Bland, Chief Financial Officer

ASSIGNMENT FORM

To assign this Note, fill in the form below:

I or (we) assign and transfer this Note to:_____
(Insert assignee's legal name)

_____
(Insert assignee's soc. sec. or tax I.D. no.)

_____

_____

_____

_____
(Print or type assignee's name, address and zip code)

and irrevocably appoint _____
to transfer this Note on the books of the Company. The agent may substitute another to act for him.

Date: _____

Your Signature:_____
(Sign exactly as your name appears on the face of this Note)

Signature Guarantee:* _____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

OPTION OF HOLDER TO ELECT PURCHASE

If you want to elect to have this Note purchased by the Company pursuant to Section 4.10 or 4.14 of the Indenture, check the appropriate box below:

[ ] Section 4.10 [ ] Section 4.14

If you want to elect to have only part of this Note purchased by the Company pursuant to Section 4.10 or Section 4.14 of the Indenture, state the amount you elect to have purchased:

$_____

Date: _____

Your Signature: _____
(Sign exactly as your name appears on the face of this Note)

Signature Guarantee:* _____

* Participant in a recognized Signature Guarantee Medallion Program (or other signature guarantor acceptable to the Trustee).

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL NOTE*

The initial outstanding principal amount of this Global Note is $_____. The following exchanges of a part of this Global Note for an interest in another Global Note or for a Definitive Note, or exchanges of a part of another Global or Definitive Note for an interest in this Global Note, have been made:

Date of Exchange	Amount of decrease in Principal Amount	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease or increase	Signature of authorized officer of Trustee or Note Custodian

* This schedule should be included only if the Note is issued in global form.

EXHIBIT B

FORM OF CERTIFICATE OF TRANSFER
c/o The Cash Store Financial Services Inc.
17631 – 103 Avenue
Edmonton, Alberta, Canada T5S 1N8
Attention: Chief Financial Officer

c/o Computershare Trust Company of Canada
100 University Avenue
9th Floor, North Tower
Toronto, Ontario M5J 2Y1
Attention: Manager, Corporate Trust
Fax: 416-981-9777

c/o Computershare Trust Company, N.A.
Attn: John Wahl or Rose Stroud
350 Indiana Street, Suite 750
Golden, CO 80401
Facsimile: 303-262-0608

Re: 11 ½% Senior Secured Notes due 2017

Reference is hereby made to the Indenture, dated as of January 31, 2012 (the "Indenture"), among The Cash Store Financial Services Inc., the Guarantors named therein and the Trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____ (the "Transferor") owns and proposes to transfer the Note[s] or interest in such Note[s] specified in Annex A hereto, in the principal amount of $_____ in such Note[s] or interests (the "Transfer"), to _____ (the "Transferee"), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. [ ] CHECK IF TRANSFEREE WILL TAKE DELIVERY OF A BENEFICIAL INTEREST IN THE 144A GLOBAL NOTE OR A DEFINITIVE NOTE PURSUANT TO RULE 144A. The Transfer is being effected pursuant to and in accordance with Rule 144A under the United States Securities Act of 1933, as amended (the "Securities Act"), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Definitive Note is being transferred to a Person that the Transferor reasonably believes is purchasing the beneficial interest or Definitive Note for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States.

2. [ ] CHECK IF TRANSFEREE WILL TAKE DELIVERY OF A BENEFICIAL INTEREST IN THE REGULATION S GLOBAL NOTE OR A DEFINITIVE NOTE PURSUANT TO REGULATION S. The Transfer is being effected pursuant to and in accordance with applicable securities laws and regulations in Canada and Rule 903 or Rule 904, as applicable, under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is in accordance with, or pursuant to an exemption from, or in a transaction not subject to, the dealer registration and prospectus requirements under any applicable securities laws in Canada and not being made to a person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act and (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act. Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will be subject to the restrictions on Transfer enumerated in the Indenture (including the Canadian resales restriction for so long as applicable) and the Securities Act.

3. [ ] CHECK AND COMPLETE IF TRANSFEREE WILL TAKE DELIVERY OF A BENEFICIAL INTEREST IN THE DEFINITIVE NOTE PURSUANT TO ANY PROVISION OF THE SECURITIES ACT OTHER THAN RULE 144A OR REGULATION S. The Transfer is being effected in compliance with the transfer restrictions applicable to beneficial interests in Restricted Global Notes and Restricted Definitive Notes and pursuant to and in accordance with applicable securities laws and regulations in Canada and the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):

(a) [ ] such Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and applicable securities laws and regulations in Canada;

or

(b) [ ] such Transfer is being effected to the Company or a subsidiary thereof;

or

(c) [ ] such Transfer is being effected pursuant to an effective registration statement under the Securities Act and, if applicable, in compliance with the prospectus delivery requirements of the Securities Act.

4. [ ] CHECK IF TRANSFEREE WILL TAKE DELIVERY OF A BENEFICIAL INTEREST IN AN UNRESTRICTED GLOBAL NOTE OR OF AN UNRESTRICTED DEFINITIVE NOTE.

(a) [ ] CHECK IF TRANSFER IS PURSUANT TO RULE 144. (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with applicable securities laws and regulations in Canada and the transfer restrictions contained in the Indenture (including the Canadian resales restriction for so long as applicable) and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture (subject to the Canadian resales restriction for so long as applicable).

(b) [ ] CHECK IF TRANSFER IS PURSUANT TO REGULATION S. (i) The Transfer is being effected pursuant to and in accordance with applicable securities laws and regulations in Canada and with Rule 903 or Rule 904 under the Securities Act, as applicable, and in compliance with the transfer restrictions contained in the Indenture (including the Canadian resales restriction for so long as applicable) and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture (subject to the Canadian resales restriction for so long as applicable).

(c) [ ] CHECK IF TRANSFER IS PURSUANT TO OTHER EXEMPTION. (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with applicable securities laws and regulations in Canada and the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Definitive Note will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes or Restricted Definitive Notes and in the Indenture (subject to the Canadian resales restriction for so long as applicable).

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

[Insert Name of Transferor]

By: _____

Name:

Title:

Dated: _____ __ _____ _____

ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE OF (a) OR (b)]

(a) [ ] a beneficial interest in the:

(i) [ ] 144A Global Note (CUSIP [•]), or

(ii) [ ] Regulation S Global Note (CUSIP [•]), or

(b) [ ] a Restricted Definitive Note.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

(a) [ ] a beneficial interest in the:

(i) [ ] 144A Global Note (CUSIP [•]), or

(ii) [ ] Regulation S Global Note (CUSIP [•]), or

(iii) [ ] Unrestricted Global Note (CUSIP [ ]); or

(b) [ ] a Restricted Definitive Note; or

(c) [ ] an Unrestricted Definitive Note, in accordance with the terms of the Indenture.

EXHIBIT C

FORM OF CERTIFICATE OF EXCHANGE
c/o The Cash Store Financial Services Inc.
c/o The Cash Store Financial Services Inc.
17631 – 103 Avenue
Edmonton, Alberta, Canada T5S 1N8
Attention: Chief Financial Officer

c/o Computershare Trust Company of Canada
100 University Avenue
9th Floor, North Tower
Toronto, Ontario M5J 2Y1
Attention: Manager, Corporate Trust
Fax: 416-981-9777

c/o Computershare Trust Company, N.A.
Attn: John Wahl or Rose Stroud
350 Indiana Street, Suite 750
Golden, CO 80401
Facsimile: 303-262-0608

Re: 11 ½% Senior Secured Notes due 2017

Reference is hereby made to the Indenture, dated as of January 31, 2012 (the "Indenture"), among The Cash Store Financial Services Inc., the Guarantors named therein and the Trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____ (the "Owner") owns and proposes to exchange the Note[s] or interest in such Note[s] specified herein, in the principal amount of $_____ in such Note[s] or interests (the "Exchange"). In connection with the Exchange, the Owner hereby certifies that:

1. EXCHANGE OF RESTRICTED DEFINITIVE NOTES OR BENEFICIAL INTERESTS IN A RESTRICTED GLOBAL NOTE FOR UNRESTRICTED DEFINITIVE NOTES OR BENEFICIAL INTERESTS IN AN UNRESTRICTED GLOBAL NOTE

(a) [ ] CHECK IF EXCHANGE IS FROM BENEFICIAL INTEREST IN A RESTRICTED GLOBAL NOTE TO BENEFICIAL INTEREST IN AN UNRESTRICTED GLOBAL NOTE. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a beneficial interest in an Unrestricted Global Note in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with

applicable securities laws and regulations in Canada and the United States Securities Act of 1933, as amended (the "Securities Act"), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Note is being acquired in compliance with applicable securities laws and regulations in Canada and any applicable blue sky securities laws of any state of the United States.

(b) [ ] CHECK IF EXCHANGE IS FROM BENEFICIAL INTEREST IN A RESTRICTED GLOBAL NOTE TO UNRESTRICTED DEFINITIVE NOTE. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with applicable securities laws and regulations in Canada and the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Definitive Note is being acquired in compliance with applicable securities laws and regulations in Canada and any applicable blue sky securities laws of any state of the United States.

(c) [ ] CHECK IF EXCHANGE IS FROM RESTRICTED DEFINITIVE NOTE TO BENEFICIAL INTEREST IN AN UNRESTRICTED GLOBAL NOTE. In connection with the Owner's Exchange of a Restricted Definitive Note for a beneficial interest in an Unrestricted Global Note, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with applicable securities laws and regulations in Canada and the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with applicable securities laws and regulations in Canada and any applicable blue sky securities laws of any state of the United States.

(d) [ ] CHECK IF EXCHANGE IS FROM RESTRICTED DEFINITIVE NOTE TO UNRESTRICTED DEFINITIVE NOTE. In connection with the Owner's Exchange of a Restricted Definitive Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with applicable securities laws and regulations in Canada and the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with applicable securities laws and regulations in Canada and any applicable blue sky securities laws of any state of the United States.

2. EXCHANGE OF RESTRICTED DEFINITIVE NOTES OR BENEFICIAL INTERESTS IN RESTRICTED GLOBAL NOTES FOR RESTRICTED DEFINITIVE NOTES OR BENEFICIAL INTERESTS IN RESTRICTED GLOBAL NOTES

(a) [ ] CHECK IF EXCHANGE IS FROM BENEFICIAL INTEREST IN A RESTRICTED GLOBAL NOTE TO RESTRICTED DEFINITIVE NOTE. In connection with the Exchange of the Owner's beneficial interest in a Restricted Global Note for a Restricted Definitive Note with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Note is being acquired for the Owner's own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Note issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Note and in the Indenture (including the Canadian resales restriction for so long as applicable) and the Securities Act and applicable securities laws and regulations in Canada.

(b) [ ] CHECK IF EXCHANGE IS FROM RESTRICTED DEFINITIVE NOTE TO BENEFICIAL INTEREST IN A RESTRICTED GLOBAL NOTE. In connection with the Exchange of the Owner's Restricted Definitive Note for a beneficial interest in the [CHECK ONE] [ ] 144A Global Note [ ] Regulation S Global Note, with an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with applicable securities laws and regulations in Canada and the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Note and in the Indenture (including the Canadian resales restriction for so long as applicable) and the Securities Act and applicable securities laws and regulations in Canada.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company.

[Insert Name of Transferor]

By: _____
Name:
Title:

Dated: _____

EXHIBIT D

[FORM OF SUPPLEMENTAL INDENTURE
TO BE DELIVERED BY SUBSEQUENT GUARANTORS]

Supplemental Indenture (this "Supplemental Indenture"), dated as of _____, among _____ (the "Guaranteeing Subsidiary"), a subsidiary of The Cash Store Financial Service Inc., an Ontario corporation, as Company (under the Indenture referred to below), each of the other Guarantors (under the Indenture referred to below) party hereto and [●]as trustee (under the Indenture referred to below) (the "Trustee").

W I T N E S S E T H

WHEREAS, each of the Company and the Guarantors has heretofore executed and delivered to the Trustee an indenture (the "Indenture"), dated as of January 31, 2012, providing for the issuance of an unlimited aggregate principal amount of 11 ½% senior secured notes due 2017 (the "Notes");

WHEREAS, the Indenture provides that under certain circumstances the Guaranteeing Subsidiary shall execute and deliver to the Trustee a supplemental indenture pursuant to which the Guaranteeing Subsidiary shall unconditionally guarantee all of the Company's Obligations under the Notes and the Indenture on the terms and conditions set forth herein and under the Indenture (the "Guarantee"); and

WHEREAS, pursuant to Section 9.01 of the Indenture, the Trustee is authorized to execute and deliver this Supplemental Indenture;

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. Capitalized Terms. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. Agreement to Guarantee. The Guaranteeing Subsidiary hereby agrees to be a Guarantor under the Indenture and to be bound by the terms of the Indenture applicable to Guarantors, including Article 10 thereof.

3. Execution and Delivery. The Guaranteeing Subsidiary agrees that the Guarantee shall remain in full force and effect notwithstanding the absence of the endorsement of any notation of such Guarantee on the Notes.

4. Governing Law. THIS SUPPLEMENTAL INDENTURE WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

5. Counterparts. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

6. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

7. The Trustee. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Guaranteeing Subsidiary.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed, all as of the date first above written.

[GUARANTEEING SUBSIDIARY],
as Guaranteeing Subsidiary

By:_____
Name:
Title:

THE CASH STORE FINANCIAL SERVICES INC.,
as Company

By:_____
Name:
Title:

[•],
as Trustee

By:_____
Name:
Title:

THIS IS EXHIBIT "G" TO THE AFFIDAVIT

OF STEVEN CARLSTROM SWORN BEFORE

ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

BROKER AGREEMENT

BETWEEN

TRIMOR ANNUITY FOCUST LIMITED PARTNERSHIP #5

AND

THE CASH STORE INC.

DATED: February 1, 2012

TABLE OF CONTENTS

BROKER INDEMNITY PROVISIONS & SUBORDINATION

ARTICLE 8
GENERAL

SCHEDULES:

BROKER AGREEMENT

This Broker Agreement made as of the 5 day of June, 2012,

BETWEEN:

Trimor Annuity Focus Limited Partnership #5, an Alberta corporation with offices in the City of **Calgary**, Alberta (hereinafter referred to as "**Financier**")

- and -

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

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

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

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

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

ARTICLE 1
INTERPRETATION

1.1 DEFINITIONS

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

a. "Applicable Law" means all applicable provisions of laws, statutes, rules, regulations, ordinances, official directives, treaties and orders of all Governmental Bodies (including those of constitutional, federal, provincial, state, local, municipal, foreign, international, and multinational origins) and judgments, orders and decrees of all courts, arbitrators, commissions, administrative tribunals, or bodies exercising similar functions (including the principles of common law resulting therefrom);

b. "Broker Customer" means a customer of Broker who retains Broker to find a lender for a loan to the customer;

c. "Broker Fees" means the fees charged to Broker Customers by the Broker inconsideration of arranging Loans to the Broker Customers.

d. "Broker Services" means all services to be provided by Broker to Financier as provided for in this Agreement, including without limitation, the satisfaction of Documentation & Funding Requirements, and the provision of Loan Services and Maintenance and Facilitation Services;

e. "Business Day" means a day other than a day directed by the *Bills of Exchange Act* (Canada) to be observed as a legal holiday or non-juridical day;

f. "Confidential Material" means all plans, specifications, drawings, sketches, models, samples, data, computer programs, documentation, and other technical and business information, in written, graphic or other form, relating to Financier's or Broker's business, plans or products;

g. "Designated Broker Bank Account" means the bank account of Broker designated by Broker for the purposes of temporarily receiving funds from Financier (if loans are made by Financier way of cash advance) before they are advanced to a Broker Customer;

h. "Designated Financier Bank Account" means, the bank branch and account designated by Financier from time to time where (and into which) deposits of cash and cheques received from Broker Customers, in respect of such Financier funded loans, are to be cleared (deposited) to from time to time;

i. "Documentation & Funding Requirements" means Financier's requirements for: (i) collection (from or in respect of each Broker Customer and proposed loan) of documents and information, (ii) verification or the delivery and communication of such documents and information to Financier by Broker before any loan is advanced using Financier's funds or credit, the current requirements of Financier being set out in Schedule "B" (but which Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker), and (iii) the funding of the Loans;

j. "Government Authorization" means any approval, consent, license, permit, waiver, or other authorization issued, granted, given, or otherwise made available by or under the authority of any Governmental Body or pursuant to any Applicable Law;

k. "Governmental Body" means any (i) nation, province, state, county, city, town, village, district, or other jurisdiction of any nature; (ii) federal, provincial, state, local, municipal, foreign, or other government; (iii) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal); (iv) multi-national organization or body; or (v) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature;

l. "Loan" means a loan made by Financier to a Broker Customer which has been facilitated by the Broker in accordance with this Agreement and includes, for greater certainty, a loan made through virtual or electronic locations accessed by Broker Customer's on line or through other electronic means;

m. "Loan Facilitation Services" means assisting Broker's customers applying for loans, satisfying the Documentation and Funding Requirements and assisting Broker's Customers efforts in repaying any Loan;

n. "Loan Services" means the services and activities for: (i) collection of principal and interest on Loans from Broker Customers in the normal course (and forwarding same to Financier for repayment of the principal and interest owing on Loans), (ii) the contacting of Broker Customers for reminder and other purposes, and (iii) the delivery of documents and information to Financier as established by Financier from time to time, the current requirements being set out in Schedule "C" (which Schedule may be amended from time to time only by mutual written agreement of Financier and Broker);

o. "Loan Selection Criteria" means the criteria that Broker must assure any loan presented to Financier for consideration satisfies, the current criteria of Financier being set out in Schedule "A" (but which Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker);

p. "Maintenance and Facilitation Services" means ongoing services of the Broker in the facilitation, improvement, and development of Brokers delivery of the Loan Services and and the provision thereof including, but not limited to, business form development, software development, web site hosting and development, policy development, product development, marketing, staff training and professional development, credit card and bank account services.

q. "Party" means a party to this Agreement;

r. "Person" means any individual, body corporate, partnership, trust, trustee, executor, administrator, legal representative, unincorporated organization, union, or Governmental Body;

s. "Principal Contact" means each individual designated in writing by Financier who is authorized to make decisions and provide instructions on behalf of Financier from time to time, the current individual being set out in Schedule "A";

t. "Records" means all agreements, documents, writings, papers, computer files, books of account and other paper or electronic records relating to or being records of any Loan or Loan application or relating to any Broker Customer including, without limitation, any computer programmes and software, text or data files, disks, tapes and related operator manuals containing or pertaining to those records;

u. "Recorded Debt" means the amount of principal and accrued interest on a Loan (a) with all payments received from the corresponding Broker Customer in payment of such principal and interest deducted from the amount outstanding, (b) but adding back any such payments that have already been reversed at the time of calculation.

v. "Regulated Jurisdiction" means a province that has been designated by the Governor in Council for the purposes of section 347.1 of the Criminal Code (Canada).

w. "Representatives" means with respect to a Person all of such Person's directors, officers, employees, consultants, counsel, auditors, representatives, advisors or agents ("Insiders") and all of such Person's Affiliates and franchisees and their respective Insiders;

x. "Term" means the period from the effective date of this Agreement until the earlier of: (i) the end of the later of the Initial Term and, if applicable, the last of any Renewal Periods

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

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

1.2 HEADINGS

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

1.3 INTERPRETATION NOT AFFECTED BY HEADINGS

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

1.4 PARTY DRAFTING AGREEMENT

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

1.5 GENDER AND NUMBER

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

1.6 SCHEDULES

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

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

ARTICLE 2
LOAN AMOUNTS, SELECTION, DOCUMENTATION AND MANAGEMENT

2.1 FINANCIER AGREEMENT WITH BROKER

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

2.2 LOAN AMOUNT LIMIT(S)

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

2.3 LOAN SELECTION

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

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

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

2.4 LOAN DOCUMENTATION & FUNDING REQUIREMENTS

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

2.5 LOAN FUNDING BY FINANCIER

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

a. by arranging for the amount of the Loan to be advanced by cheque or electronic funds drawn by Financier directly in favour of the Broker Customer (Financier will have up to 3 Business Days to arrange for issuance of a cheque or electronic funds transfer);

b. by wire transfer of funds to the Designated Broker Bank Account (for redirection/payment to, or for the benefit of, the Broker Customer);

c. by cheque drawn by Financier payable to Broker for deposit to the Designated Broker Bank Account (for redirection/payment to, of for the benefit of, the Broker Customer);

d. by Financier arranging through Broker for delivery of a cash card or other value card for use by the Broker Customer with an advance limit equal to the authorized amount of the Loan.

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

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

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

2.6 LOAN SERVICES

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

2.7 SYSTEM INTEGRITY

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

2.8 LOAN MANAGEMENT POLICY & PROCEDURES MANUAL

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

2.9 EXCHANGING LOANS BETWEEN LENDERS

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

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

(b) The Exchanged Other Lender Loans have a value, inclusive of accrued interest, that equals or exceeds the accrued value, inclusive of accrued interest, of the Exchanged Financier Loans (or to the extent that there is any material shortfall in that regard, that Other Lender receiving the assignment has been repaid a cash amount equal to such difference);

(c) None of the Exchanged Other Lender Loans are then in default or, if any are in default, the aggregate amount of such loans in default do not exceed in amount the Exchanged Financier Loans then in default:

(d) All Exchanged Other Lender Loans meet the Loan Selection Criteria; and,

(e) Broker amends its records accordingly so that from and after such assignment all Exchanged Other Lender Loans and all receipts and dealings with Exchanged Other Lender Loans are accounted for, and in all other respects treated, as Loans made by Financier.

2.10 USAGE OF LOAN ADVANCES

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

2.11 Regulated Jurisdictions

(a) In Regulated Jurisdictions, loans may be made to Broker Customers upon the following terms:

(i) Provided that the loans been done in compliance with the laws and regulations of the Regulated Jurisdiction, Broker may make loans to Broker Customers in a Regulated Jurisdiction and may fund such loans from the funds otherwise available for loans hereunder, including funds held by Broker as a "float" in anticipation of loan approvals.

(ii) Broker shall be the lender of record and shall in the first instance make the loan to the Broker Customer on Broker's own behalf as Lender on its own behalf and not as agent for Financier.

(iii) Broker shall promptly thereafter assign to Financier the entirety of the loan and the Broker's interest therein and shall thereafter deal with, collect, maintain and enforce such loan on Financier's behalf in all respects (subject to the provisions of this section 2.12 and subject to additional requirements or restrictions as may be imposed by any applicable laws and regulations of the Regulated Jurisdiction) as though it was any other loan made hereunder.

(iv) Broker shall in respect of each such loan, pay to Financier a loan participation fee in an amount equal 59% per annum of the principal of all loans collected for the agreed term of the loan, (calculated, for greater certainty, before deduction therefrom of Brokers own fees to the Customer) or at such other rate as Broker and Financier may from time to time agree to within the reporting provided to the Financier on a monthly basis.

(v) In the absence of the execution of any formal assignment of the loan to Financier as contemplated hereunder, any such loan shall be deemed to have been assigned to Financier immediately after advance to the Broker Customer without the requirement of further documentation evidencing or affecting the same.

(vi) It is anticipated that variations to the within terms may be required from time to time to better facilitate the foregoing and/or to accommodate the rules and regulations of particular Regulated Jurisdictions in which event the same shall, at Broker's discretion, be included in the terms of section 2.12 provided that doing so has no material adverse impact upon, and imposes no additional liabilities or obligations upon Financier.

(b) The provisions of this Agreement, including section 2.12, are subject to any further or additional agreements respecting loans in Regulated Jurisdictions as Broker and Financier may agree to from time to time.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 REPRESENTATIONS AND WARRANTIES OF BROKER

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

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

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

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

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

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

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

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

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

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

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

3.2 REPRESENTATIONS AND WARRANTIES OF FINANCIER

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 4
CONFIDENTIALITY PROVISIONS

4.1 PROTECTION OF INFORMATION

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

a. is or becomes publicly available through no act or omission of the other Party or the other Party's Representatives;

b. is subsequently obtained lawfully from a third party, which, after reasonable inquiry, the other Party does not know to be bound to the first Party to restrict the use or disclosure of such information;

c. is already in the Other Party's possession at the time of disclosure, without restriction on disclosure; or

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

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

ARTICLE 5
INSPECTIONS & AUDITS

5.1 INSPECTIONS & AUDITS

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

ARTICLE 6
TERM OF AGREEMENT

6.1 INITIAL TERM

Unless terminated earlier pursuant to the provisions of this Agreement, the initial term of this Agreement will be for the period commencing on the date of this Agreement and ending XX year(s) thereafter (the "**Initial Term**").

6.2 RENEWAL OF TERM

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

6.3 TERMINATION NOTICE AT END OF CURRENT TERM

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

Party not less than 90 days before the end of such period stating that the Party is irrevocably electing to not renew the term of this Agreement.

6.4 OBLIGATIONS OF BROKER AT END OF TERM

Upon the ending of the Term:

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

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

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

6.5 OBLIGATION OF FINANCIER AT END OF TERM

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

ARTICLE 7
BROKER INDEMNITY PROVISIONS & SUBORDINATION

7.1 INDEMNITY OF FINANCIER BY BROKER

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

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

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

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

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

7.2 SUBORDINATION BY BROKER IN FAVOUR OF FINANCIER

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

ARTICLE 8
GENERAL

8.1 FURTHER ASSURANCES

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

8.2 ENTIRE AGREEMENT

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

8.3 GOVERNING LAW

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

8.4 ASSIGNMENTS & ENUREMENT

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

8.5 RELATIONSHIP OF PARTIES

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

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

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

8.6 TIME OF ESSENCE

Time shall be of the essence in this Agreement.

8.7 NOTICES

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

- on the date of hand delivery or courier, if delivered personally or by courier;

  a. 5 Business Days after delivery thereof if delivered by regular mail (if mailed within Canada); or

  b. twenty-four (24) hours after delivery thereof if delivered by telecopy or email.

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

Financier - Trimor Annuity Focus Limited Partnership #5
Suite 1550, 335 – 8th Ave. SW
Royal Bank Building
Calgary, AB
T2P 1C9
Attention: Erin Armstrong
Fax: (403) 218-6376

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

8.8 INVALIDITY OF PROVISIONS

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

8.9 WAIVER & APPROVALS

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver of any provision of this Agreement (other than deemed waivers pursuant to the specific terms of this Agreement), including without limitation, this Section shall be effective otherwise than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of the Party making such waiver. For greater certainty, any waiver, consent, variation, approval or amendment from any Party shall be deemed sufficiently given in writing if such writing is in the form of electronic mail, electronic messaging or other electronic means that is capable of being retained by the recipient thereof.

8.10 AMENDMENT

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

8.11 PUBLIC ANNOUNCEMENTS

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

8.12 COUNTERPART EXECUTION

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

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

FINANCIER: Trimor Annuity Focus Ltd. Partnership #5 by its general partner 1518534 Alberta Ltd.

Per: _____

THE CASH STORE INC.

Per: _____

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

LOAN SELECTION CRITERIA, ET. AL.

(Note: The contents of this Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker.)
(Amendments to this Schedule only take effect with respect to Loans initiated after the amendment to the Schedule)

Loan Selection Criteria for Most Loans

1. A Loan shall not be made if after making the Loan the aggregate Recorded Debt for Loans would exceed the applicable maximums specified in this Schedule "A".

2. The interest rate charged on the loan shall be 59% per annum (or such other amount as may be agreed to by the Parties from time to time) or as determined by provincial regulations calculated excluding date of funding until accrued debt is paid in full, has been identified as an insurance claim, is written-off, has been placed with a credit counselling agency or is otherwise governed by applicable law.

3. The gross amount of the loan shall not be more than seventy per cent (70%) of the Broker Customer's net take home pay after all deductions as determined from the most recent pay stub or bank statement provided by the Broker Customer. (Note: This criterion is not applicable to loans secured against vehicles.)

4. The term of the loan (i.e. the time between funding and the due date) shall not be more than the lesser of the Broker Customer's next pay date and 18 days. (Note: This criterion is not applicable to loans secured against vehicles or Signature Loans.)

5. The Broker Customer must be an individual (i.e. not a corporation or other legal entity). (Note: This criterion is not applicable to loans secured against vehicles).

6. The Broker Customer must be at least 18 years old and the legal age for contracting purposes in the jurisdiction in which the Broker Customer is resident.

7. The Broker Customer must have evidence of employment or other income immediately preceding the date of application or in the case of signature loans please see below.

8. The Broker Customer must have evidence that the Broker Customer has an active bank account with a branch of a financial institution located within Canada. (Note: This criterion is not applicable to loans secured against vehicles.)

9. If the Broker Customer has indicated employment income is direct deposited then, the account statements provided by the Broker Customer should indicate that the payments being received from the current employer are being deposited to the bank account.

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

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

1. The amount of the loan shall not be more than 25% of the motor vehicle's "black book rough value" as indicated on the CanadianBlackBook.com website. Vehicles not listed on such web site may be used as collateral only if alternative resources such as such as Trader.ca, ebay, Adesa online are used. Industry contacts may be used only if the contact will provide written appraisal of the value of the collateral.

2. The term of the loan (i.e. the time between funding and the due date) shall not be more than 35 days.

3. A registration history search (i.e. vehicle information report) or another valid vehicle registration document against the Vehicle Identification Number must indicate that the vehicle has been registered within the province where the vehicle is located for not less than 14 days and confirm that the Broker Customer is the last registered owner indicated in the records.

4. The vehicle must be insured within provincial law; including collision and comprehensive coverage (glass coverage may be excluded).

5. The PPSA searches against both (1) the Vehicle Identification Number and (2) the full legal name of the Broker Customer (including all inexact matches which should be selected and printed as part of the search result) do not disclose any registration of any type other than:
   (a) registrations which are clearly against a person who is not the Broker Customer (Broker shall bear the responsibility for making this determination and shall indemnify Financier if Broker incorrectly concludes that a registration does not apply to the Broker Customer);
   (b) registrations which are against specific items of household furniture or equipment (and proceeds of same) and claim no other interests in other collateral; and
   (c) registrations which are clearly against a vehicle which is not the Broker Customer's vehicle and does not include a claim for any form of "proceeds" (Broker shall bear the responsibility for making this determination and shall indemnify Financier if Broker incorrectly concludes that a registration does not apply to the vehicle).

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

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

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

Additional/Special Requirements for Signature Loans:

1. A Signature Loan is a loan to a customer who is generally but not limited to someone on a fixed monthly income. Examples include, but are not limited to, Family Allowance, Widow's Allowance, Canada Pension, Old Age Security, Worker's Compensation, Disability Pension or Social Assistance.

2. The gross amount of the loan shall not be more than 70% of the Broker Customer's fixed income pay (as determined from the most recent cheque provided by the Broker Customer), subject to any applicable federal or provincial legislation.

3. The term of the loan shall not be more than 35 days.

4. The Broker Customer must have evidence of continuous payments of fixed monthly income for one (1) month immediately preceding the date of application.

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

LOAN DOCUMENTATION & FUNDING REQUIREMENTS

(Note: The contents of this Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker.)
(Amendments to this Schedule only take effect with respect to Loans initiated after the amendment to the Schedule)

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

Documentation Requirements for All Loans:

1. A Broker Retainer Agreement signed by the Broker Customer evidencing Broker Customer's retainer of Broker to find and select a lender for Broker Customer and to provide the Loan Facilitation Services for the Broker Customer.

2. A Loan Application Form in form reasonably satisfactory to (or otherwise previously approved by) Financier signed by the Broker Customer. The Loan Application Form must be fully executed.

3. A Disclosure Document in form(s) satisfactory to (or otherwise previously approved by) Financier, setting out for the proposed loan all payments that will be required to be made by the Broker Customer including the repayment of principal and interest. This document(s) will include the names of both Financier and Broker identifying which payments are made to Financier and which are made to the Broker. Broker shall assure that this document(s) includes all required disclosures under Applicable Law (including without limitation under federal interest laws and provincial cost of credit legislation).

4. A photocopy of one piece of identification which could include at least one government issued photo identification. The Broker Customer's photo identification may include a current or expired passport or a current driver's license or a current provincial picture identification card or a current Canadian Department of National Defence (DND) picture identification card or any other current provincial or federally recognized picture identification. Other acceptable identification, where photo identification is not available, includes a current version of a provincial health insurance card, social insurance number card, birth certificate, native or Métis status card, citizenship card, employment picture identification (current employer only), or subsidiary issued card, other competitor payday loan card, store credit card, other credit card, union card, or current Canadian VISA.

5. A photocopy of a recent vehicle registration, utility, telephone, or cable TV bill issued in the Broker Customer's name (or legal spouse or roommate) with an address that conforms to the residential address provided by the Broker Customer (billing period of statement must end not more than 40 days before the date the loan application is made)

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

6. Photocopy of pay stub evidencing a source of income.

7. Photocopy of most recent bank statement of one the following types:
   (a) a mailed out account statement with an end of period cut-off date not more than 45 days before the date the loan application is made and must include Broker Customer's name and the corresponding bank account identification number;
   (b) an ATM generated account statement with an end of period cut-off date not more than 5 days before the date the loan application is made and must be for at least a 14 day period and must include Broker Customer's bank account identification number;
   (c) a personal computer (internet) generated account statement with an end of period cut-off date not more than 5 days before the date the loan application is made and must be for at least a 30 day period and must include Broker Customer's name and the corresponding bank account identification number; evidencing that Broker Customer has an active chequing account.

8. Promissory Note in form satisfactory to (or otherwise previously approved by) Financier, where provincial or federal legislation will allow.

9. Security Agreement in form satisfactory to (or otherwise previously approved by) Financier.

10. Receipt signed by Broker Customer for funds advanced to Broker Customer (or for cheque delivered to Broker Customer if Broker Customer elects to receive funds by way of subsequently delivered cheque).

11. Optional Payment Plan, if any, in form satisfactory to Financier and Broker. This collection measure is only to be used where allowable by provincial and/or federal legislation.

12. An alternative means of payment should the Broker Customer neglect to make the required payment in one or both, if available, of the following forms:
   (a) Pre-Authorized Debit Agreement made out to Broker and signed by Broker Customer for amount of interest and principal in form satisfactory to Financier.
   (b) Personalized cheque made out to Broker and signed by Broker Customer for amount of principal and interest. Cheque must be drawn against the account that corresponds to the account statements received. [(a)]

13. Broker Customer Receipt including summary of amounts due on maturity of loan and due dates in form satisfactory to Financier

Notes:

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

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

16. A registration history search against the Vehicle Identification Number.

17. A vehicle PPSA Security Agreement (in form satisfactory to Financier) executed by the Broker Customer.

18. Evidence that a PPSA registration against the Customer's name (with Financier as secured party) and the VIN of the vehicle has been registered in the PPSA registry.

19. A copy of the valuation (i.e. print off of the web pages) indicated on www.canadablackbook.com for the vehicle or similar as identified above.

20. A PPSA current search against (a) the Vehicle Identification Number for the vehicle and (b) the Customer's name, showing no other competing registrations other than the PPSA registrations in favour of Financier carried out forthwith after the registration referred to in paragraph 19 above.

21. A vehicle condition report (in form satisfactory to Financier) fully completed by employees of Broker at the time of application.

22. A photocopy of the Broker Customer's vehicle registration and insurance documents for the vehicle.

23. An electronic (or Polaroid) photograph of the vehicle (need not be printed but must be electronically stored so that it can be printed).

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

LOAN SERVICES

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

Services to be Provided by and Responsibilities of Broker

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

1. Broker shall record applications by Broker Customers to receive loans and communicate those applications which meet the Loan Selection Criteria of Financier.

2. Broker shall verify the following information from the Loan Application Form for a Broker Customer:
   (a) source of income;
   (b) picture ID is accurate;
   (c) banking information matches;

   and ensure that a personalized cheque and/or a Pre-authorized Debit Form are made out for the amount of the principal and interest owing.

3. Where applicable pursuant to the Loan Selection Criteria established by Financier, Broker shall apply pre-set loan evaluation and limiting criteria to the loan applications to determine whether the proposed loan meets Financier's pre-set criteria.

4. Broker shall maintain a database of information concerning Broker Customers with such information as Broker, acting with commercial reasonableness, deems appropriate and practical.

5. Broker shall verify the status of any electronic communication made by Broker and shall establish and maintain a back-up procedure for the reconstruction of any such lost or damaged electronic communication that is to be or has been transmitted.

6. Where applicable, Broker shall review confirmation screens before transmitting any information to Financier (or Financier's agent(s) or service bureau(s)) and shall verify that the information gathered in accordance with this Agreement is accurately recorded from the information provided to Broker before providing or transmitting it.

7. Broker shall to the extent it deems it economic and practical, send and receive batch file information to/from other databases and systems (for example, but without limitation, bank account activity, service bureau activity and cash card facility information) necessary for Broker to integrate into Broker's data base in order to accumulate and report information required by this Agreement.

8. Broker shall to the extent it deems it economic and practical, collect most documents necessary to satisfy the Documentation & Funding Requirements for each Loan.

9. Broker shall, if requested by Financier, deliver to Financier those documents, or portions thereof, where required by the Loan Selection Criteria and Documentation & Funding Requirements.

10. Broker shall track and calculate all interest accruing due from the Broker Customer to Financier.

11. Broker shall track all payments received from Broker Customers on Loans and for each such payment record (a) the date the payment was received by Broker (if the payment is handled by Broker before delivery to Financier), (b) the date of deposit of the payment into the Designated Financier Bank Account and (c) where cheques are returned NSF or Pre-authorized debits are later reversed, the date that the reversal occurred;

12. Broker shall, as allowed by applicable provincial and/or federal collection legislation, provide a phone call reminder to each Broker Customer before a payment is due of the date and amounts owing. The reminder may be provided by direct call to the Broker Customer or by leaving a message with the person answering the phone or on answering machine for such phone number.

13. Broker shall on an ongoing basis provide such additional Maintenance and Facilitation Services as Broker deems appropriate to enhance the quality of its services and its competitiveness.

14. Where payment by a Broker Customer is to be made by any means other than cash or Broker debit terminal, the Broker will, to reduce dishonoured item charges, to the extent it deems it economic and practical, use all reasonable and available means to verify funds before attempting any cheque or electronic deposits. Every attempt will be made to have the Broker Customer pay by cash or debit.

15. Broker shall prepare such weekly and monthly reports concerning all activities related to the Loans as Broker may deem reasonably necessary from time to time.

16. For loans secured against vehicles, Broker shall verify the name of the Broker Customer, the name indicated as the registered owner on the provincial license registration and the insured's name on the evidence of insurance all indicate the same name which corresponds to the Broker Customer's other identification;

Default Realization Services Provided by the Broker:

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

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

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

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

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

1) Contacting customer by home phone, cellular phone, work phone, landlord, references, e-mail, letters, or home visit. These attempts will continue until the Loan is paid in full or it is determined that a third party collection agency should be retained to attempt collection of amounts owing.

2) Presenting Optional Payment Plan form to employer, where allowed by applicable federal or provincial collection legislation.

3) Attempt on or around the customer payday, spouse's payday or government cheque days to certify any cheques on file or process any Pre-authorized Debit.

4) If at anytime during the collection process it is determined that the customer is no longer employed or is no longer at the listed residence, intensified skip tracing efforts will begin.

5) At or around 30 days past due, send a letter notifying the customer of possible legal proceedings and/or third party collection activities, should the account not be paid in full right away.

6) At or around 60 days past due, if there is still dialogue with the customer, send the customer a one time "amnesty letter" offering a structured payout of the loan over a set period of time. The customer would be required to pay interest and a portion of principal on each payment until the account is paid in full. Interest would continue to accrue daily on the remaining principal outstanding.

7) If still unpaid at 90 days past due, and no payment has been made in the past 30 days, send a final letter to the customer advising the account must be paid in full within 10 business days or it will be turned over to a third party collection agency.

8) At or around 120 days past due and no payment received in the past 30 days, the account is then turned over to the Broker's internal collection department and they will attempt collection for a period of 60 days.

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

9) All reasonable and lawful collection and communication methods, within a cost effective structure, may be used to attempt collection of the account.

10) Files will continue to be worked diligently by Broker until it has been determined that the Loan should be given to a third party collection agency.

11) All realization activities will cease upon notification of bankruptcy of Broker Customer. "Proof of Claim" as secured creditor, unsecured creditor or both to be filed with bankruptcy trustee.

For greater certainty Broker, acting with commercial reasonableness, is authorized on the Financier's behalf to settle or compromise any Loans in default and to accept part payment of any Loan in full satisfaction thereof.

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

1) If payment is not received before the 30th day past due, or sooner, instruct a seizure of the vehicle to be carried out.

2) For each seized vehicle arrange for storage of vehicle for necessary time under provincial legislation.

3) For each seized vehicle provide such notices to the vehicle owner (and other creditors, if required under applicable law) of the seizure, planned sale method and other information required by provincial legislation.

4) For each seized vehicle instruct the sale of the vehicle at the earliest time permitted by provincial legislation in the manner permitted by the legislation.

5) Distribute proceeds in accordance with applicable law and this Agreement.

Retention of Records:

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

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

LOAN MANAGEMENT POLICY & PROCEDURE MANUAL

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

See Attached

THIS IS EXHIBIT "H" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

BROKER AGREEMENT

BETWEEN

McCANN FAMILY HOLDING CORPORATION

AND

THE CASH STORE INC.

June 19, 2012

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BROKER INDEMNITY PROVISIONS & SUBORDINATION

ARTICLE 8
GENERAL

SCHEDULES:

BROKER AGREEMENT

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

BETWEEN:

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

- and -

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

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

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

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

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

ARTICLE 1
INTERPRETATION

1.1 DEFINITIONS

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

a. "Applicable Law" means all applicable provisions of laws, statutes, rules, regulations, ordinances, official directives, treaties and orders of all Governmental Bodies (including those of constitutional, federal, provincial, state, local, municipal, foreign, international, and multinational origins) and judgments, orders and decrees of all courts, arbitrators, commissions, administrative tribunals, or bodies exercising similar functions (including the principles of common law resulting therefrom);

b. "Broker Customer" means a customer of Broker who retains Broker to find a lender for a loan to the customer;

c. "Broker Fees" means the fees charged to Broker Customers by the Broker inconsideration of arranging Loans to the Broker Customers.

d. "Broker Services" means all services to be provided by Broker to Financier as provided for in this Agreement, including without limitation, the satisfaction of Documentation & Funding Requirements, and the provision of Loan Services and Maintenance and Facilitation Services;

e. "Business Day" means a day other than a day directed by the *Bills of Exchange Act* (Canada) to be observed as a legal holiday or non-juridical day;

f. "Confidential Material" means all plans, specifications, drawings, sketches, models, samples, data, computer programs, documentation, and other technical and business information, in written, graphic or other form, relating to Financier's or Broker's business, plans or products;

g. "Designated Broker Bank Account" means the bank account of Broker designated by Broker for the purposes of temporarily receiving funds from Financier (if loans are made by Financier way of cash advance) before they are advanced to a Broker Customer;

h. "Designated Financier Bank Account" means, the bank branch and account designated by Financier from time to time where (and into which) deposits of cash and cheques received from Broker Customers, in respect of such Financier funded loans, are to be cleared (deposited) to from time to time;

i. "Documentation & Funding Requirements" means Financier's requirements for: (i) collection (from or in respect of each Broker Customer and proposed loan) of documents and information, (ii) verification or the delivery and communication of such documents and information to Financier by Broker before any loan is advanced using Financier's funds or credit, the current requirements of Financier being set out in Schedule "B" (but which Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker), and (iii) the funding of the Loans;

j. "Government Authorization" means any approval, consent, license, permit, waiver, or other authorization issued, granted, given, or otherwise made available by or under the authority of any Governmental Body or pursuant to any Applicable Law;

k. "Governmental Body" means any (i) nation, province, state, county, city, town, village, district, or other jurisdiction of any nature; (ii) federal, provincial, state, local, municipal, foreign, or other government; (iii) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal); (iv) multi-national organization or body; or (v) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature;

l. "Loan" means a loan made by Financier to a Broker Customer which has been facilitated by the Broker in accordance with this Agreement and includes, for greater certainty, a loan made through virtual or electronic locations accessed by Broker Customer's on line or through other electronic means;

m. "Loan Facilitation Services" means assisting Broker's customers applying for loans, satisfying the Documentation and Funding Requirements and assisting Broker's Customers efforts in repaying any Loan;

n. "Loan Services" means the services and activities for: (i) collection of principal and interest on Loans from Broker Customers in the normal course (and forwarding same to Financier for repayment of the principal and interest owing on Loans), (ii) the contacting of Broker Customers for reminder and other purposes, and (iii) the delivery of documents and information to Financier as established by Financier from time to time, the current requirements being set out in Schedule "C" (which Schedule may be amended from time to time only by mutual written agreement of Financier and Broker);

o. "Loan Selection Criteria" means the criteria that Broker must assure any loan presented to Financier for consideration satisfies, the current criteria of Financier being set out in Schedule "A" (but which Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker);

p. "Maintenance and Facilitation Services" means ongoing services of the Broker in the facilitation, improvement, and development of Brokers delivery of the Loan Services and and the provision thereof including, but not limited to, business form development, software development, web site hosting and development, policy development, product development, marketing, staff training and professional development, credit card and bank account services.

q. "Party" means a party to this Agreement;

r. "Person" means any individual, body corporate, partnership, trust, trustee, executor, administrator, legal representative, unincorporated organization, union, or Governmental Body;

s. "Principal Contact" means each individual designated in writing by Financier who is authorized to make decisions and provide instructions on behalf of Financier from time to time, the current individual being set out in Schedule "A";

t. "Records" means all agreements, documents, writings, papers, computer files, books of account and other paper or electronic records relating to or being records of any Loan or Loan application or relating to any Broker Customer including, without limitation, any computer programmes and software, text or data files, disks, tapes and related operator manuals containing or pertaining to those records;

u. "Recorded Debt" means the amount of principal and accrued interest on a Loan (a) with all payments received from the corresponding Broker Customer in payment of such principal and interest deducted from the amount outstanding, (b) but adding back any such payments that have already been reversed at the time of calculation.

v. "Regulated Jurisdiction" means a province that has been designated by the Governor in Council for the purposes of section 347.1 of the Criminal Code (Canada).

w. "Representatives" means with respect to a Person all of such Person's directors, officers, employees, consultants, counsel, auditors, representatives, advisors or agents ("Insiders") and all of such Person's Affiliates and franchisees and their respective Insiders;

x. "Term" means the period from the effective date of this Agreement until the earlier of: (i) the end of the later of the Initial Term and, if applicable, the last of any Renewal Periods

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

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

1.2 HEADINGS

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

1.3 INTERPRETATION NOT AFFECTED BY HEADINGS

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

1.4 PARTY DRAFTING AGREEMENT

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

1.5 GENDER AND NUMBER

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

1.6 SCHEDULES

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

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

ARTICLE 2
LOAN AMOUNTS, SELECTION, DOCUMENTATION AND MANAGEMENT

2.1 FINANCIER AGREEMENT WITH BROKER

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

2.2 LOAN AMOUNT LIMIT(S)

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

2.3 LOAN SELECTION

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

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

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

2.4 LOAN DOCUMENTATION & FUNDING REQUIREMENTS

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

2.5 LOAN FUNDING BY FINANCIER

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

a. by arranging for the amount of the Loan to be advanced by cheque or electronic funds drawn by Financier directly in favour of the Broker Customer (Financier will have up to 3 Business Days to arrange for issuance of a cheque or electronic funds transfer);

b. by wire transfer of funds to the Designated Broker Bank Account (for redirection/payment to, or for the benefit of, the Broker Customer);

c. by cheque drawn by Financier payable to Broker for deposit to the Designated Broker Bank Account (for redirection/payment to, of for the benefit of, the Broker Customer);

d. by Financier arranging through Broker for delivery of a cash card or other value card for use by the Broker Customer with an advance limit equal to the authorized amount of the Loan.

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

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

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

2.6 LOAN SERVICES

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

2.7 SYSTEM INTEGRITY

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

2.8 LOAN MANAGEMENT POLICY & PROCEDURES MANUAL

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

2.9 EXCHANGING LOANS BETWEEN LENDERS

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

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

(b) The Exchanged Other Lender Loans have a value, inclusive of accrued interest, that equals or exceeds the accrued value, inclusive of accrued interest, of the Exchanged Financier Loans (or to the extent that there is any material shortfall in that regard, that Other Lender receiving the assignment has been repaid a cash amount equal to such difference);

(c) None of the Exchanged Other Lender Loans are then in default or, if any are in default, the aggregate amount of such loans in default do not exceed in amount the Exchanged Financier Loans then in default:

(d) All Exchanged Other Lender Loans meet the Loan Selection Criteria; and,

(e) Broker amends its records accordingly so that from and after such assignment all Exchanged Other Lender Loans and all receipts and dealings with Exchanged Other Lender Loans are accounted for, and in all other respects treated, as Loans made by Financier.

2.10 USAGE OF LOAN ADVANCES

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

2.11 Regulated Jurisdictions

(a) In Regulated Jurisdictions, loans may be made to Broker Customers upon the following terms:

(i) Provided that the loans been done in compliance with the laws and regulations of the Regulated Jurisdiction, Broker may make loans to Broker Customers in a Regulated Jurisdiction and may fund such loans from the funds otherwise available for loans hereunder, including funds held by Broker as a "float" in anticipation of loan approvals.

(ii) Broker shall be the lender of record and shall in the first instance make the loan to the Broker Customer on Broker's own behalf as Lender on its own behalf and not as agent for Financier.

(iii) Broker shall promptly thereafter assign to Financier the entirety of the loan and the Broker's interest therein and shall thereafter deal with, collect, maintain and enforce such loan on Financier's behalf in all respects (subject to the provisions of this section 2.10 and subject to additional requirements or restrictions as may be imposed by any applicable laws and regulations of the Regulated Jurisdiction) as though it was any other loan made hereunder.

(iv) Broker shall in respect of each such loan, pay to Financier a loan participation fee in an amount equal 59% per annum of the principal of all loans collected for the agreed term of the loan, (calculated, for greater certainty, before deduction therefrom of Brokers own fees to the Customer) or at such other rate as Broker and Financier may from time to time agree to within the reporting provided to the Financier on a monthly basis.

(v) In the absence of the execution of any formal assignment of the loan to Financier as contemplated hereunder, any such loan shall be deemed to have been assigned to Financier immediately after advance to the Broker Customer without the requirement of further documentation evidencing or affecting the same.

(vi) It is anticipated that variations to the within terms may be required from time to time to better facilitate the foregoing and/or to accommodate the rules and regulations of particular Regulated Jurisdictions in which event the same shall, at Broker's discretion, be included in the terms of section 2.10 provided that doing so has no material adverse impact upon, and imposes no additional liabilities or obligations upon Financier.

(b) The provisions of this Agreement, including section 2.10, are subject to any further or additional agreements respecting loans in Regulated Jurisdictions as Broker and Financier may agree to from time to time.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 REPRESENTATIONS AND WARRANTIES OF BROKER

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

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

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

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

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

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

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

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

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

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

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

3.2 REPRESENTATIONS AND WARRANTIES OF FINANCIER

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 4
CONFIDENTIALITY PROVISIONS

4.1 PROTECTION OF INFORMATION

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

a. is or becomes publicly available through no act or omission of the other Party or the other Party's Representatives;

b. is subsequently obtained lawfully from a third party, which, after reasonable inquiry, the other Party does not know to be bound to the first Party to restrict the use or disclosure of such information;

c. is already in the Other Party's possession at the time of disclosure, without restriction on disclosure; or

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

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

ARTICLE 5
INSPECTIONS & AUDITS

5.1 INSPECTIONS & AUDITS

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

ARTICLE 6
TERM OF AGREEMENT

6.1 INITIAL TERM

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

6.2 RENEWAL OF TERM

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

6.3 TERMINATION NOTICE AT END OF CURRENT TERM

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

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

6.4 OBLIGATIONS OF BROKER AT END OF TERM

Upon the ending of the Term:

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

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

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

6.5 OBLIGATION OF FINANCIER AT END OF TERM

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

ARTICLE 7
BROKER INDEMNITY PROVISIONS & SUBORDINATION

7.1 INDEMNITY OF FINANCIER BY BROKER

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

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

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

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

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

7.2 SUBORDINATION BY BROKER IN FAVOUR OF FINANCIER

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

ARTICLE 8
GENERAL

8.1 FURTHER ASSURANCES

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

8.2 ENTIRE AGREEMENT

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

8.3 GOVERNING LAW

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

8.4 ASSIGNMENTS & ENUREMENT

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

8.5 RELATIONSHIP OF PARTIES

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

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

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

8.6 TIME OF ESSENCE

Time shall be of the essence in this Agreement.

8.7 NOTICES

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

- on the date of hand delivery or courier, if delivered personally or by courier;

  a. 5 Business Days after delivery thereof if delivered by regular mail (if mailed within Canada); or

  b. twenty-four (24) hours after delivery thereof if delivered by telecopy or email.

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

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

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

8.8 INVALIDITY OF PROVISIONS

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

8.9 WAIVER & APPROVALS

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

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

8.10 AMENDMENT

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

8.11 PUBLIC ANNOUNCEMENTS

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

8.12 COUNTERPART EXECUTION

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

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

FINANCIER
Per: _____
J. MURRAY McCANN
PRESIDENT
McCANN FAMILY HOLDING CORPORATION

THE CASH STORE INC.
Per: _____

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

LOAN SELECTION CRITERIA, ET. AL.

(Note: The contents of this Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker.)
(Amendments to this Schedule only take effect with respect to Loans initiated after the amendment to the Schedule)

Loan Selection Criteria for Most Loans

1. A Loan shall not be made if after making the Loan the aggregate Recorded Debt for Loans would exceed the applicable maximums specified in this Schedule "A".

2. The interest rate charged on the loan shall be 59% per annum (or such other amount as may be agreed to by the Parties from time to time) or as determined by provincial regulations calculated excluding date of funding until accrued debt is paid in full, has been identified as an insurance claim, is written-off, has been placed with a credit counselling agency or is otherwise governed by applicable law.

3. The gross amount of the loan shall not be more than seventy per cent (70%) of the Broker Customer's net take home pay after all deductions as determined from the most recent pay stub or bank statement provided by the Broker Customer. (Note: This criterion is not applicable to loans secured against vehicles.)

4. The term of the loan (i.e. the time between funding and the due date) shall not be more than the lesser of the Broker Customer's next pay date and 18 days. (Note: This criterion is not applicable to loans secured against vehicles or Signature Loans.)

5. The Broker Customer must be an individual (i.e. not a corporation or other legal entity). (Note: This criterion is not applicable to loans secured against vehicles).

6. The Broker Customer must be at least 18 years old and the legal age for contracting purposes in the jurisdiction in which the Broker Customer is resident.

7. The Broker Customer must have evidence of employment or other income immediately preceding the date of application or in the case of signature loans please see below.

8. The Broker Customer must have evidence that the Broker Customer has an active bank account with a branch of a financial institution located within Canada. (Note: This criterion is not applicable to loans secured against vehicles.)

9. If the Broker Customer has indicated employment income is direct deposited then, the account statements provided by the Broker Customer should indicate that the payments being received from the current employer are being deposited to the bank account.

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

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

1. The amount of the loan shall not be more than 25% of the motor vehicle's "black book rough value" as indicated on the CanadianBlackBook.com website. Vehicles not listed on such web site may be used as collateral only if alternative resources such as such as Trader.ca, ebay, Adesa online are used. Industry contacts may be used only if the contact will provide written appraisal of the value of the collateral.

2. The term of the loan (i.e. the time between funding and the due date) shall not be more than 35 days.

3. A registration history search (i.e. vehicle information report) or another valid vehicle registration document against the Vehicle Identification Number must indicate that the vehicle has been registered within the province where the vehicle is located for not less than 14 days and confirm that the Broker Customer is the last registered owner indicated in the records.

4. The vehicle must be insured within provincial law; including collision and comprehensive coverage (glass coverage may be excluded).

5. The PPSA searches against both (1) the Vehicle Identification Number and (2) the full legal name of the Broker Customer (including all inexact matches which should be selected and printed as part of the search result) do not disclose any registration of any type other than:
   (a) registrations which are clearly against a person who is not the Broker Customer (Broker shall bear the responsibility for making this determination and shall indemnify Financier if Broker incorrectly concludes that a registration does not apply to the Broker Customer);
   (b) registrations which are against specific items of household furniture or equipment (and proceeds of same) and claim no other interests in other collateral; and
   (c) registrations which are clearly against a vehicle which is not the Broker Customer's vehicle and does not include a claim for any form of "proceeds" (Broker shall bear the responsibility for making this determination and shall indemnify Financier if Broker incorrectly concludes that a registration does not apply to the vehicle).

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

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

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

Additional/Special Requirements for Signature Loans:

1. A Signature Loan is a loan to a customer who is generally but not limited to someone on a fixed monthly income. Examples include, but are not limited to, Family Allowance, Widow's Allowance, Canada Pension, Old Age Security, Worker's Compensation, Disability Pension or Social Assistance.

2. The gross amount of the loan shall not be more than 70% of the Broker Customer's fixed income pay (as determined from the most recent cheque provided by the Broker Customer), subject to any applicable federal or provincial legislation.

3. The term of the loan shall not be more than 35 days.

4. The Broker Customer must have evidence of continuous payments of fixed monthly income for one (1) month immediately preceding the date of application.

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

LOAN DOCUMENTATION & FUNDING REQUIREMENTS

(Note: The contents of this Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker.)
(Amendments to this Schedule only take effect with respect to Loans initiated after the amendment to the Schedule)

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

Documentation Requirements for All Loans:

1. A Broker Retainer Agreement signed by the Broker Customer evidencing Broker Customer's retainer of Broker to find and select a lender for Broker Customer and to provide the Loan Facilitation Services for the Broker Customer.

2. A Loan Application Form in form reasonably satisfactory to (or otherwise previously approved by) Financier signed by the Broker Customer. The Loan Application Form must be fully executed.

3. A Disclosure Document in form(s) satisfactory to (or otherwise previously approved by) Financier, setting out for the proposed loan all payments that will be required to be made by the Broker Customer including the repayment of principal and interest. This document(s) will include the names of both Financier and Broker identifying which payments are made to Financier and which are made to the Broker. Broker shall assure that this document(s) includes all required disclosures under Applicable Law (including without limitation under federal interest laws and provincial cost of credit legislation).

4. A photocopy of one piece of identification which could include at least one government issued photo identification. The Broker Customer's photo identification may include a current or expired passport or a current driver's license or a current provincial picture identification card or a current Canadian Department of National Defence (DND) picture identification card or any other current provincial or federally recognized picture identification. Other acceptable identification, where photo identification is not available, includes a current version of a provincial health insurance card, social insurance number card, birth certificate, native or Métis status card, citizenship card, employment picture identification (current employer only), or subsidiary issued card, other competitor payday loan card, store credit card, other credit card, union card, or current Canadian VISA.

5. A photocopy of a recent vehicle registration, utility, telephone, or cable TV bill issued in the Broker Customer's name (or legal spouse or roommate) with an address that conforms to the residential address provided by the Broker Customer (billing period of statement must end not more than 40 days before the date the loan application is made)

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

6. Photocopy of pay stub evidencing a source of income.

7. Photocopy of most recent bank statement of one the following types:
   (a) a mailed out account statement with an end of period cut-off date not more than 45 days before the date the loan application is made and must include Broker Customer's name and the corresponding bank account identification number;
   (b) an ATM generated account statement with an end of period cut-off date not more than 5 days before the date the loan application is made and must be for at least a 14 day period and must include Broker Customer's bank account identification number;
   (c) a personal computer (internet) generated account statement with an end of period cut-off date not more than 5 days before the date the loan application is made and must be for at least a 30 day period and must include Broker Customer's name and the corresponding bank account identification number; evidencing that Broker Customer has an active chequing account.

8. Promissory Note in form satisfactory to (or otherwise previously approved by) Financier, where provincial or federal legislation will allow.

9. Security Agreement in form satisfactory to (or otherwise previously approved by) Financier.

10. Receipt signed by Broker Customer for funds advanced to Broker Customer (or for cheque delivered to Broker Customer if Broker Customer elects to receive funds by way of subsequently delivered cheque).

11. Optional Payment Plan, if any, in form satisfactory to Financier and Broker. This collection measure is only to be used where allowable by provincial and/or federal legislation.

12. An alternative means of payment should the Broker Customer neglect to make the required payment in one or both, if available, of the following forms:
   (a) Pre-Authorized Debit Agreement made out to Broker and signed by Broker Customer for amount of interest and principal in form satisfactory to Financier.
   (b) Personalized cheque made out to Broker and signed by Broker Customer for amount of principal and interest. Cheque must be drawn against the account that corresponds to the account statements received. [(a)]

13. Broker Customer Receipt including summary of amounts due on maturity of loan and due dates in form satisfactory to Financier

Notes:

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

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

16. A registration history search against the Vehicle Identification Number.

17. A vehicle PPSA Security Agreement (in form satisfactory to Financier) executed by the Broker Customer.

18. Evidence that a PPSA registration against the Customer's name (with Financier as secured party) and the VIN of the vehicle has been registered in the PPSA registry.

19. A copy of the valuation (i.e. print off of the web pages) indicated on www.canadablackbook.com for the vehicle or similar as identified above.

20. A PPSA current search against (a) the Vehicle Identification Number for the vehicle and (b) the Customer's name, showing no other competing registrations other than the PPSA registrations in favour of Financier carried out forthwith after the registration referred to in paragraph 19 above.

21. A vehicle condition report (in form satisfactory to Financier) fully completed by employees of Broker at the time of application.

22. A photocopy of the Broker Customer's vehicle registration and insurance documents for the vehicle.

23. An electronic (or Polaroid) photograph of the vehicle (need not be printed but must be electronically stored so that it can be printed).

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

LOAN SERVICES

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

Services to be Provided by and Responsibilities of Broker

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

1. Broker shall record applications by Broker Customers to receive loans and communicate those applications which meet the Loan Selection Criteria of Financier.

2. Broker shall verify the following information from the Loan Application Form for a Broker Customer:
   (a) source of income;
   (b) picture ID is accurate;
   (c) banking information matches;

   and ensure that a personalized cheque and/or a Pre-authorized Debit Form are made out for the amount of the principal and interest owing.

3. Where applicable pursuant to the Loan Selection Criteria established by Financier, Broker shall apply pre-set loan evaluation and limiting criteria to the loan applications to determine whether the proposed loan meets Financier's pre-set criteria.

4. Broker shall maintain a database of information concerning Broker Customers with such information as Broker, acting with commercial reasonableness, deems appropriate and practical.

5. Broker shall verify the status of any electronic communication made by Broker and shall establish and maintain a back-up procedure for the reconstruction of any such lost or damaged electronic communication that is to be or has been transmitted.

6. Where applicable, Broker shall review confirmation screens before transmitting any information to Financier (or Financier's agent(s) or service bureau(s)) and shall verify that the information gathered in accordance with this Agreement is accurately recorded from the information provided to Broker before providing or transmitting it.

7. Broker shall to the extent it deems it economic and practical, send and receive batch file information to/from other databases and systems (for example, but without limitation, bank account activity, service bureau activity and cash card facility information) necessary for Broker to integrate into Broker's data base in order to accumulate and report information required by this Agreement.

8. Broker shall to the extent it deems it economic and practical, collect most documents necessary to satisfy the Documentation & Funding Requirements for each Loan.

9. Broker shall, if requested by Financier, deliver to Financier those documents, or portions thereof, where required by the Loan Selection Criteria and Documentation & Funding Requirements.

10. Broker shall track and calculate all interest accruing due from the Broker Customer to Financier.

11. Broker shall track all payments received from Broker Customers on Loans and for each such payment record (a) the date the payment was received by Broker (if the payment is handled by Broker before delivery to Financier), (b) the date of deposit of the payment into the Designated Financier Bank Account and (c) where cheques are returned NSF or Pre-authorized debits are later reversed, the date that the reversal occurred;

12. Broker shall, as allowed by applicable provincial and/or federal collection legislation, provide a phone call reminder to each Broker Customer before a payment is due of the date and amounts owing. The reminder may be provided by direct call to the Broker Customer or by leaving a message with the person answering the phone or on answering machine for such phone number.

13. Broker shall on an ongoing basis provide such additional Maintenance and Facilitation Services as Broker deems appropriate to enhance the quality of its services and its competitiveness.

14. Where payment by a Broker Customer is to be made by any means other than cash or Broker debit terminal, the Broker will, to reduce dishonoured item charges, to the extent it deems it economic and practical, use all reasonable and available means to verify funds before attempting any cheque or electronic deposits. Every attempt will be made to have the Broker Customer pay by cash or debit.

15. Broker shall prepare such weekly and monthly reports concerning all activities related to the Loans as Broker may deem reasonably necessary from time to time.

16. For loans secured against vehicles, Broker shall verify the name of the Broker Customer, the name indicated as the registered owner on the provincial license registration and the insured's name on the evidence of insurance all indicate the same name which corresponds to the Broker Customer's other identification;

Default Realization Services Provided by the Broker:

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

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

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

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

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

1) Contacting customer by home phone, cellular phone, work phone, landlord, references, e-mail, letters, or home visit. These attempts will continue until the Loan is paid in full or it is determined that a third party collection agency should be retained to attempt collection of amounts owing.

2) Presenting Optional Payment Plan form to employer, where allowed by applicable federal or provincial collection legislation.

3) Attempt on or around the customer payday, spouse's payday or government cheque days to certify any cheques on file or process any Pre-authorized Debit.

4) If at anytime during the collection process it is determined that the customer is no longer employed or is no longer at the listed residence, intensified skip tracing efforts will begin.

5) At or around 30 days past due, send a letter notifying the customer of possible legal proceedings and/or third party collection activities, should the account not be paid in full right away.

6) At or around 60 days past due, if there is still dialogue with the customer, send the customer a one time "amnesty letter" offering a structured payout of the loan over a set period of time. The customer would be required to pay interest and a portion of principal on each payment until the account is paid in full. Interest would continue to accrue daily on the remaining principal outstanding.

7) If still unpaid at 90 days past due, and no payment has been made in the past 30 days, send a final letter to the customer advising the account must be paid in full within 10 business days or it will be turned over to a third party collection agency.

8) At or around 120 days past due and no payment received in the past 30 days, the account is then turned over to the Broker's internal collection department and they will attempt collection for a period of 60 days.

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

9) All reasonable and lawful collection and communication methods, within a cost effective structure, may be used to attempt collection of the account.

10) Files will continue to be worked diligently by Broker until it has been determined that the Loan should be given to a third party collection agency.

11) All realization activities will cease upon notification of bankruptcy of Broker Customer. "Proof of Claim" as secured creditor, unsecured creditor or both to be filed with bankruptcy trustee.

For greater certainty Broker, acting with commercial reasonableness, is authorized on the Financier's behalf to settle or compromise any Loans in default and to accept part payment of any Loan in full satisfaction thereof.

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

1) If payment is not received before the 30th day past due, or sooner, instruct a seizure of the vehicle to be carried out.

2) For each seized vehicle arrange for storage of vehicle for necessary time under provincial legislation.

3) For each seized vehicle provide such notices to the vehicle owner (and other creditors, if required under applicable law) of the seizure, planned sale method and other information required by provincial legislation.

4) For each seized vehicle instruct the sale of the vehicle at the earliest time permitted by provincial legislation in the manner permitted by the legislation.

5) Distribute proceeds in accordance with applicable law and this Agreement.

Retention of Records:

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

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

LOAN MANAGEMENT POLICY & PROCEDURE MANUAL

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

See Attached

THIS IS EXHIBIT "I" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

BROKER AGREEMENT

BETWEEN

1396309 Alberta Ltd.

AND

THE CASH STORE INC.

January 31, 2012

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GENERAL

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BROKER AGREEMENT

This Broker Agreement made as of the 31 day of January, 2012,

BETWEEN:

1396309 Alberta Ltd., an Alberta corporation with offices in the City of **Edmonton**, Alberta (hereinafter referred to as "**Financier**")

- and -

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

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

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

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

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

ARTICLE 1
INTERPRETATION

1.1 DEFINITIONS

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

a. "Applicable Law" means all applicable provisions of laws, statutes, rules, regulations, ordinances, official directives, treaties and orders of all Governmental Bodies (including those of constitutional, federal, provincial, state, local, municipal, foreign, international, and multinational origins) and judgments, orders and decrees of all courts, arbitrators, commissions, administrative tribunals, or bodies exercising similar functions (including the principles of common law resulting therefrom);

b. "Broker Customer" means a customer of Broker who retains Broker to find a lender for a loan to the customer;

c. "Broker Fees" means the fees charged to Broker Customers by the Broker inconsideration of arranging Loans to the Broker Customers.

d. "Broker Services" means all services to be provided by Broker to Financier as provided for in this Agreement, including without limitation, the satisfaction of Documentation & Funding Requirements, and the provision of Loan Services and Maintenance and Facilitation Services;

e. "Business Day" means a day other than a day directed by the *Bills of Exchange Act* (Canada) to be observed as a legal holiday or non-juridical day;

f. "Confidential Material" means all plans, specifications, drawings, sketches, models, samples, data, computer programs, documentation, and other technical and business information, in written, graphic or other form, relating to Financier's or Broker's business, plans or products;

g. "Designated Broker Bank Account" means the bank account of Broker designated by Broker for the purposes of temporarily receiving funds from Financier (if loans are made by Financier way of cash advance) before they are advanced to a Broker Customer;

h. "Designated Financier Bank Account" means, the bank branch and account designated by Financier from time to time where (and into which) deposits of cash and cheques received from Broker Customers, in respect of such Financier funded loans, are to be cleared (deposited) to from time to time;

i. "Documentation & Funding Requirements" means Financier's requirements for: (i) collection (from or in respect of each Broker Customer and proposed loan) of documents and information, (ii) verification or the delivery and communication of such documents and information to Financier by Broker before any loan is advanced using Financier's funds or credit, the current requirements of Financier being set out in Schedule "B" (but which Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker), and (iii) the funding of the Loans;

j. "Government Authorization" means any approval, consent, license, permit, waiver, or other authorization issued, granted, given, or otherwise made available by or under the authority of any Governmental Body or pursuant to any Applicable Law;

k. "Governmental Body" means any (i) nation, province, state, county, city, town, village, district, or other jurisdiction of any nature; (ii) federal, provincial, state, local, municipal, foreign, or other government; (iii) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal); (iv) multi-national organization or body; or (v) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature;

l. "Loan" means a loan made by Financier to a Broker Customer which has been facilitated by the Broker in accordance with this Agreement and includes, for greater certainty, a loan made through virtual or electronic locations accessed by Broker Customer's on line or through other electronic means;

m. "Loan Facilitation Services" means assisting Broker's customers applying for loans, satisfying the Documentation and Funding Requirements and assisting Broker's Customers efforts in repaying any Loan;

n. "Loan Services" means the services and activities for: (i) collection of principal and interest on Loans from Broker Customers in the normal course (and forwarding same to Financier for repayment of the principal and interest owing on Loans), (ii) the contacting of Broker Customers for reminder and other purposes, and (iii) the delivery of documents and information to Financier as established by Financier from time to time, the current requirements being set out in Schedule "C" (which Schedule may be amended from time to time only by mutual written agreement of Financier and Broker);

o. "Loan Selection Criteria" means the criteria that Broker must assure any loan presented to Financier for consideration satisfies, the current criteria of Financier being set out in Schedule "A" (but which Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker);

p. "Maintenance and Facilitation Services" means ongoing services of the Broker in the facilitation, improvement, and development of Brokers delivery of the Loan Services and and the provision thereof including, but not limited to, business form development, software development, web site hosting and development, policy development, product development, marketing, staff training and professional development, credit card and bank account services.

q. "Party" means a party to this Agreement;

r. "Person" means any individual, body corporate, partnership, trust, trustee, executor, administrator, legal representative, unincorporated organization, union, or Governmental Body;

s. "Principal Contact" means each individual designated in writing by Financier who is authorized to make decisions and provide instructions on behalf of Financier from time to time, the current individual being set out in Schedule "A";

t. "Records" means all agreements, documents, writings, papers, computer files, books of account and other paper or electronic records relating to or being records of any Loan or Loan application or relating to any Broker Customer including, without limitation, any computer programmes and software, text or data files, disks, tapes and related operator manuals containing or pertaining to those records;

u. "Recorded Debt" means the amount of principal and accrued interest on a Loan (a) with all payments received from the corresponding Broker Customer in payment of such principal and interest deducted from the amount outstanding, (b) but adding back any such payments that have already been reversed at the time of calculation.

v. "Regulated Jurisdiction" means a province that has been designated by the Governor in Council for the purposes of section 347.1 of the Criminal Code (Canada).

w. "Representatives" means with respect to a Person all of such Person's directors, officers, employees, consultants, counsel, auditors, representatives, advisors or agents ("Insiders") and all of such Person's Affiliates and franchisees and their respective Insiders;

x. "Term" means the period from the effective date of this Agreement until the earlier of: (i) the end of the later of the Initial Term and, if applicable, the last of any Renewal Periods

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

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

1.2 HEADINGS

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

1.3 INTERPRETATION NOT AFFECTED BY HEADINGS

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

1.4 PARTY DRAFTING AGREEMENT

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

1.5 GENDER AND NUMBER

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

1.6 SCHEDULES

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

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

ARTICLE 2
LOAN AMOUNTS, SELECTION, DOCUMENTATION AND MANAGEMENT

2.1 FINANCIER AGREEMENT WITH BROKER

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

2.2 LOAN AMOUNT LIMIT(S)

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

2.3 LOAN SELECTION

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

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

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

2.4 LOAN DOCUMENTATION & FUNDING REQUIREMENTS

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

2.5 LOAN FUNDING BY FINANCIER

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

a. by arranging for the amount of the Loan to be advanced by cheque or electronic funds drawn by Financier directly in favour of the Broker Customer (Financier will have up to 3 Business Days to arrange for issuance of a cheque or electronic funds transfer);

b. by wire transfer of funds to the Designated Broker Bank Account (for redirection/payment to, or for the benefit of, the Broker Customer);

c. by cheque drawn by Financier payable to Broker for deposit to the Designated Broker Bank Account (for redirection/payment to, of for the benefit of, the Broker Customer);

d. by Financier arranging through Broker for delivery of a cash card or other value card for use by the Broker Customer with an advance limit equal to the authorized amount of the Loan.

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

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

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

2.6 LOAN SERVICES

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

2.7 SYSTEM INTEGRITY

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

2.8 LOAN MANAGEMENT POLICY & PROCEDURES MANUAL

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

2.9 EXCHANGING LOANS BETWEEN LENDERS

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

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

(b) The Exchanged Other Lender Loans have a value, inclusive of accrued interest, that equals or exceeds the accrued value, inclusive of accrued interest, of the Exchanged Financier Loans (or to the extent that there is any material shortfall in that regard, that Other Lender receiving the assignment has been repaid a cash amount equal to such difference);

(c) None of the Exchanged Other Lender Loans are then in default or, if any are in default, the aggregate amount of such loans in default do not exceed in amount the Exchanged Financier Loans then in default:

(d) All Exchanged Other Lender Loans meet the Loan Selection Criteria; and,

(e) Broker amends its records accordingly so that from and after such assignment all Exchanged Other Lender Loans and all receipts and dealings with Exchanged Other Lender Loans are accounted for, and in all other respects treated, as Loans made by Financier.

2.10 USAGE OF LOAN ADVANCES

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

2.11 Regulated Jurisdictions

(a) In Regulated Jurisdictions, loans may be made to Broker Customers upon the following terms:

(i) Provided that the loans been done in compliance with the laws and regulations of the Regulated Jurisdiction, Broker may make loans to Broker Customers in a Regulated Jurisdiction and may fund such loans from the funds otherwise available for loans hereunder, including funds held by Broker as a "float" in anticipation of loan approvals.

(ii) Broker shall be the lender of record and shall in the first instance make the loan to the Broker Customer on Broker's own behalf as Lender on its own behalf and not as agent for Financier.

(iii) Broker shall promptly thereafter assign to Financier the entirety of the loan and the Broker's interest therein and shall thereafter deal with, collect, maintain and enforce such loan on Financier's behalf in all respects (subject to the provisions of this section 2.12 and subject to additional requirements or restrictions as may be imposed by any applicable laws and regulations of the Regulated Jurisdiction) as though it was any other loan made hereunder.

(iv) Broker shall in respect of each such loan, pay to Financier a loan participation fee in an amount equal 59% per annum of the principal of all loans collected for the agreed term of the loan, (calculated, for greater certainty, before deduction therefrom of Brokers own fees to the Customer) or at such other rate as Broker and Financier may from time to time agree to within the reporting provided to the Financier on a monthly basis.

(v) In the absence of the execution of any formal assignment of the loan to Financier as contemplated hereunder, any such loan shall be deemed to have been assigned to Financier immediately after advance to the Broker Customer without the requirement of further documentation evidencing or affecting the same.

(vi) It is anticipated that variations to the within terms may be required from time to time to better facilitate the foregoing and/or to accommodate the rules and regulations of particular Regulated Jurisdictions in which event the same shall, at Broker's discretion, be included in the terms of section 2.12 provided that doing so has no material adverse impact upon, and imposes no additional liabilities or obligations upon Financier.

(b) The provisions of this Agreement, including section 2.12, are subject to any further or additional agreements respecting loans in Regulated Jurisdictions as Broker and Financier may agree to from time to time.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 REPRESENTATIONS AND WARRANTIES OF BROKER

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

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

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

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

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

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

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

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

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

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

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

3.2 REPRESENTATIONS AND WARRANTIES OF FINANCIER

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 4
CONFIDENTIALITY PROVISIONS

4.1 PROTECTION OF INFORMATION

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

a. is or becomes publicly available through no act or omission of the other Party or the other Party's Representatives;

b. is subsequently obtained lawfully from a third party, which, after reasonable inquiry, the other Party does not know to be bound to the first Party to restrict the use or disclosure of such information;

c. is already in the Other Party's possession at the time of disclosure, without restriction on disclosure; or

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

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

ARTICLE 5
INSPECTIONS & AUDITS

5.1 INSPECTIONS & AUDITS

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

ARTICLE 6
TERM OF AGREEMENT

6.1 INITIAL TERM

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

6.2 RENEWAL OF TERM

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

6.3 TERMINATION NOTICE AT END OF CURRENT TERM

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

Party not less than 90 days before the end of such period stating that the Party is irrevocably electing to not renew the term of this Agreement.

6.4 OBLIGATIONS OF BROKER AT END OF TERM

Upon the ending of the Term:

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

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

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

6.5 OBLIGATION OF FINANCIER AT END OF TERM

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

ARTICLE 7
BROKER INDEMNITY PROVISIONS & SUBORDINATION

7.1 INDEMNITY OF FINANCIER BY BROKER

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

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

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

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

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

7.2 SUBORDINATION BY BROKER IN FAVOUR OF FINANCIER

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

ARTICLE 8
GENERAL

8.1 FURTHER ASSURANCES

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

8.2 ENTIRE AGREEMENT

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

8.3 GOVERNING LAW

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

8.4 ASSIGNMENTS & ENUREMENT

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

8.5 RELATIONSHIP OF PARTIES

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

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

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

8.6 TIME OF ESSENCE

Time shall be of the essence in this Agreement.

8.7 NOTICES

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

- on the date of hand delivery or courier, if delivered personally or by courier;

  a. 5 Business Days after delivery thereof if delivered by regular mail (if mailed within Canada); or

  b. twenty-four (24) hours after delivery thereof if delivered by telecopy or email.

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

Financier - 11719 – 170 Street
Edmonton, AB
T5M 3W7
Attention: Bruce Hull
Fax: (780) 487-3278

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

8.8 INVALIDITY OF PROVISIONS

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

8.9 WAIVER & APPROVALS

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

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

8.10 AMENDMENT

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

8.11 PUBLIC ANNOUNCEMENTS

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

8.12 COUNTERPART EXECUTION

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

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

1396309 Alberta Ltd.
Per: _____
Bruce Hull

THE CASH STORE INC.
Per: _____
Gordon Reykdal, CEO

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

LOAN SELECTION CRITERIA, ET. AL.

(Note: The contents of this Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker.)
(Amendments to this Schedule only take effect with respect to Loans initiated after the amendment to the Schedule)

Loan Selection Criteria for Most Loans

1. A Loan shall not be made if after making the Loan the aggregate Recorded Debt for Loans would exceed the applicable maximums specified in this Schedule "A".

2. The interest rate charged on the loan shall be 59% per annum (or such other amount as may be agreed to by the Parties from time to time) or as determined by provincial regulations calculated excluding date of funding until accrued debt is paid in full, has been identified as an insurance claim, is written-off, has been placed with a credit counselling agency or is otherwise governed by applicable law.

3. The gross amount of the loan shall not be more than seventy per cent (70%) of the Broker Customer's net take home pay after all deductions as determined from the most recent pay stub or bank statement provided by the Broker Customer. (Note: This criterion is not applicable to loans secured against vehicles.)

4. The term of the loan (i.e. the time between funding and the due date) shall not be more than the lesser of the Broker Customer's next pay date and 18 days. (Note: This criterion is not applicable to loans secured against vehicles or Signature Loans.)

5. The Broker Customer must be an individual (i.e. not a corporation or other legal entity). (Note: This criterion is not applicable to loans secured against vehicles).

6. The Broker Customer must be at least 18 years old and the legal age for contracting purposes in the jurisdiction in which the Broker Customer is resident.

7. The Broker Customer must have evidence of employment or other income immediately preceding the date of application or in the case of signature loans please see below.

8. The Broker Customer must have evidence that the Broker Customer has an active bank account with a branch of a financial institution located within Canada. (Note: This criterion is not applicable to loans secured against vehicles.)

9. If the Broker Customer has indicated employment income is direct deposited then, the account statements provided by the Broker Customer should indicate that the payments being received from the current employer are being deposited to the bank account.

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

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

1. The amount of the loan shall not be more than 25% of the motor vehicle's "black book rough value" as indicated on the CanadianBlackBook.com website. Vehicles not listed on such web site may be used as collateral only if alternative resources such as such as Trader.ca, ebay, Adesa online are used. Industry contacts may be used only if the contact will provide written appraisal of the value of the collateral.

2. The term of the loan (i.e. the time between funding and the due date) shall not be more than 35 days.

3. A registration history search (i.e. vehicle information report) or another valid vehicle registration document against the Vehicle Identification Number must indicate that the vehicle has been registered within the province where the vehicle is located for not less than 14 days and confirm that the Broker Customer is the last registered owner indicated in the records.

4. The vehicle must be insured within provincial law; including collision and comprehensive coverage (glass coverage may be excluded).

5. The PPSA searches against both (1) the Vehicle Identification Number and (2) the full legal name of the Broker Customer (including all inexact matches which should be selected and printed as part of the search result) do not disclose any registration of any type other than:
   (a) registrations which are clearly against a person who is not the Broker Customer (Broker shall bear the responsibility for making this determination and shall indemnify Financier if Broker incorrectly concludes that a registration does not apply to the Broker Customer);
   (b) registrations which are against specific items of household furniture or equipment (and proceeds of same) and claim no other interests in other collateral; and
   (c) registrations which are clearly against a vehicle which is not the Broker Customer's vehicle and does not include a claim for any form of "proceeds" (Broker shall bear the responsibility for making this determination and shall indemnify Financier if Broker incorrectly concludes that a registration does not apply to the vehicle).

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

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

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

Additional/Special Requirements for Signature Loans:

1. A Signature Loan is a loan to a customer who is generally but not limited to someone on a fixed monthly income. Examples include, but are not limited to, Family Allowance, Widow's Allowance, Canada Pension, Old Age Security, Worker's Compensation, Disability Pension or Social Assistance.

2. The gross amount of the loan shall not be more than 70% of the Broker Customer's fixed income pay (as determined from the most recent cheque provided by the Broker Customer), subject to any applicable federal or provincial legislation.

3. The term of the loan shall not be more than 35 days.

4. The Broker Customer must have evidence of continuous payments of fixed monthly income for one (1) month immediately preceding the date of application.

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

LOAN DOCUMENTATION & FUNDING REQUIREMENTS

(Note: The contents of this Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker.)
(Amendments to this Schedule only take effect with respect to Loans initiated after the amendment to the Schedule)

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

Documentation Requirements for All Loans:

1. A Broker Retainer Agreement signed by the Broker Customer evidencing Broker Customer's retainer of Broker to find and select a lender for Broker Customer and to provide the Loan Facilitation Services for the Broker Customer.

2. A Loan Application Form in form reasonably satisfactory to (or otherwise previously approved by) Financier signed by the Broker Customer. The Loan Application Form must be fully executed.

3. A Disclosure Document in form(s) satisfactory to (or otherwise previously approved by) Financier, setting out for the proposed loan all payments that will be required to be made by the Broker Customer including the repayment of principal and interest. This document(s) will include the names of both Financier and Broker identifying which payments are made to Financier and which are made to the Broker. Broker shall assure that this document(s) includes all required disclosures under Applicable Law (including without limitation under federal interest laws and provincial cost of credit legislation).

4. A photocopy of one piece of identification which could include at least one government issued photo identification. The Broker Customer's photo identification may include a current or expired passport or a current driver's license or a current provincial picture identification card or a current Canadian Department of National Defence (DND) picture identification card or any other current provincial or federally recognized picture identification. Other acceptable identification, where photo identification is not available, includes a current version of a provincial health insurance card, social insurance number card, birth certificate, native or Métis status card, citizenship card, employment picture identification (current employer only), or subsidiary issued card, other competitor payday loan card, store credit card, other credit card, union card, or current Canadian VISA.

5. A photocopy of a recent vehicle registration, utility, telephone, or cable TV bill issued in the Broker Customer's name (or legal spouse or roommate) with an address that conforms to the residential address provided by the Broker Customer (billing period of statement must end not more than 40 days before the date the loan application is made)

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

6. Photocopy of pay stub evidencing a source of income.

7. Photocopy of most recent bank statement of one the following types:
   (a) a mailed out account statement with an end of period cut-off date not more than 45 days before the date the loan application is made and must include Broker Customer's name and the corresponding bank account identification number;
   (b) an ATM generated account statement with an end of period cut-off date not more than 5 days before the date the loan application is made and must be for at least a 14 day period and must include Broker Customer's bank account identification number;
   (c) a personal computer (internet) generated account statement with an end of period cut-off date not more than 5 days before the date the loan application is made and must be for at least a 30 day period and must include Broker Customer's name and the corresponding bank account identification number; evidencing that Broker Customer has an active chequing account.

8. Promissory Note in form satisfactory to (or otherwise previously approved by) Financier, where provincial or federal legislation will allow.

9. Security Agreement in form satisfactory to (or otherwise previously approved by) Financier.

10. Receipt signed by Broker Customer for funds advanced to Broker Customer (or for cheque delivered to Broker Customer if Broker Customer elects to receive funds by way of subsequently delivered cheque).

11. Optional Payment Plan, if any, in form satisfactory to Financier and Broker. This collection measure is only to be used where allowable by provincial and/or federal legislation.

12. An alternative means of payment should the Broker Customer neglect to make the required payment in one or both, if available, of the following forms:
   (a) Pre-Authorized Debit Agreement made out to Broker and signed by Broker Customer for amount of interest and principal in form satisfactory to Financier.
   (b) Personalized cheque made out to Broker and signed by Broker Customer for amount of principal and interest. Cheque must be drawn against the account that corresponds to the account statements received. [(a)]

13. Broker Customer Receipt including summary of amounts due on maturity of loan and due dates in form satisfactory to Financier

Notes:

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

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

16. A registration history search against the Vehicle Identification Number.

17. A vehicle PPSA Security Agreement (in form satisfactory to Financier) executed by the Broker Customer.

18. Evidence that a PPSA registration against the Customer's name (with Financier as secured party) and the VIN of the vehicle has been registered in the PPSA registry.

19. A copy of the valuation (i.e. print off of the web pages) indicated on www.canadablackbook.com for the vehicle or similar as identified above.

20. A PPSA current search against (a) the Vehicle Identification Number for the vehicle and (b) the Customer's name, showing no other competing registrations other than the PPSA registrations in favour of Financier carried out forthwith after the registration referred to in paragraph 19 above.

21. A vehicle condition report (in form satisfactory to Financier) fully completed by employees of Broker at the time of application.

22. A photocopy of the Broker Customer's vehicle registration and insurance documents for the vehicle.

23. An electronic (or Polaroid) photograph of the vehicle (need not be printed but must be electronically stored so that it can be printed).

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

LOAN SERVICES

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

Services to be Provided by and Responsibilities of Broker

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

1. Broker shall record applications by Broker Customers to receive loans and communicate those applications which meet the Loan Selection Criteria of Financier.

2. Broker shall verify the following information from the Loan Application Form for a Broker Customer:
   (a) source of income;
   (b) picture ID is accurate;
   (c) banking information matches;

   and ensure that a personalized cheque and/or a Pre-authorized Debit Form are made out for the amount of the principal and interest owing.

3. Where applicable pursuant to the Loan Selection Criteria established by Financier, Broker shall apply pre-set loan evaluation and limiting criteria to the loan applications to determine whether the proposed loan meets Financier's pre-set criteria.

4. Broker shall maintain a database of information concerning Broker Customers with such information as Broker, acting with commercial reasonableness, deems appropriate and practical.

5. Broker shall verify the status of any electronic communication made by Broker and shall establish and maintain a back-up procedure for the reconstruction of any such lost or damaged electronic communication that is to be or has been transmitted.

6. Where applicable, Broker shall review confirmation screens before transmitting any information to Financier (or Financier's agent(s) or service bureau(s)) and shall verify that the information gathered in accordance with this Agreement is accurately recorded from the information provided to Broker before providing or transmitting it.

7. Broker shall to the extent it deems it economic and practical, send and receive batch file information to/from other databases and systems (for example, but without limitation, bank account activity, service bureau activity and cash card facility information) necessary for Broker to integrate into Broker's data base in order to accumulate and report information required by this Agreement.

8. Broker shall to the extent it deems it economic and practical, collect most documents necessary to satisfy the Documentation & Funding Requirements for each Loan.

9. Broker shall, if requested by Financier, deliver to Financier those documents, or portions thereof, where required by the Loan Selection Criteria and Documentation & Funding Requirements.

10. Broker shall track and calculate all interest accruing due from the Broker Customer to Financier.

11. Broker shall track all payments received from Broker Customers on Loans and for each such payment record (a) the date the payment was received by Broker (if the payment is handled by Broker before delivery to Financier), (b) the date of deposit of the payment into the Designated Financier Bank Account and (c) where cheques are returned NSF or Pre-authorized debits are later reversed, the date that the reversal occurred;

12. Broker shall, as allowed by applicable provincial and/or federal collection legislation, provide a phone call reminder to each Broker Customer before a payment is due of the date and amounts owing. The reminder may be provided by direct call to the Broker Customer or by leaving a message with the person answering the phone or on answering machine for such phone number.

13. Broker shall on an ongoing basis provide such additional Maintenance and Facilitation Services as Broker deems appropriate to enhance the quality of its services and its competitiveness.

14. Where payment by a Broker Customer is to be made by any means other than cash or Broker debit terminal, the Broker will, to reduce dishonoured item charges, to the extent it deems it economic and practical, use all reasonable and available means to verify funds before attempting any cheque or electronic deposits. Every attempt will be made to have the Broker Customer pay by cash or debit.

15. Broker shall prepare such weekly and monthly reports concerning all activities related to the Loans as Broker may deem reasonably necessary from time to time.

16. For loans secured against vehicles, Broker shall verify the name of the Broker Customer, the name indicated as the registered owner on the provincial license registration and the insured's name on the evidence of insurance all indicate the same name which corresponds to the Broker Customer's other identification;

Default Realization Services Provided by the Broker:

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

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

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

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

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

1) Contacting customer by home phone, cellular phone, work phone, landlord, references, e-mail, letters, or home visit. These attempts will continue until the Loan is paid in full or it is determined that a third party collection agency should be retained to attempt collection of amounts owing.

2) Presenting Optional Payment Plan form to employer, where allowed by applicable federal or provincial collection legislation.

3) Attempt on or around the customer payday, spouse's payday or government cheque days to certify any cheques on file or process any Pre-authorized Debit.

4) If at anytime during the collection process it is determined that the customer is no longer employed or is no longer at the listed residence, intensified skip tracing efforts will begin.

5) At or around 30 days past due, send a letter notifying the customer of possible legal proceedings and/or third party collection activities, should the account not be paid in full right away.

6) At or around 60 days past due, if there is still dialogue with the customer, send the customer a one time "amnesty letter" offering a structured payout of the loan over a set period of time. The customer would be required to pay interest and a portion of principal on each payment until the account is paid in full. Interest would continue to accrue daily on the remaining principal outstanding.

7) If still unpaid at 90 days past due, and no payment has been made in the past 30 days, send a final letter to the customer advising the account must be paid in full within 10 business days or it will be turned over to a third party collection agency.

8) At or around 120 days past due and no payment received in the past 30 days, the account is then turned over to the Broker's internal collection department and they will attempt collection for a period of 60 days.

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

9) All reasonable and lawful collection and communication methods, within a cost effective structure, may be used to attempt collection of the account.

10) Files will continue to be worked diligently by Broker until it has been determined that the Loan should be given to a third party collection agency.

11) All realization activities will cease upon notification of bankruptcy of Broker Customer. "Proof of Claim" as secured creditor, unsecured creditor or both to be filed with bankruptcy trustee.

For greater certainty Broker, acting with commercial reasonableness, is authorized on the Financier's behalf to settle or compromise any Loans in default and to accept part payment of any Loan in full satisfaction thereof.

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

1) If payment is not received before the 30th day past due, or sooner, instruct a seizure of the vehicle to be carried out.

2) For each seized vehicle arrange for storage of vehicle for necessary time under provincial legislation.

3) For each seized vehicle provide such notices to the vehicle owner (and other creditors, if required under applicable law) of the seizure, planned sale method and other information required by provincial legislation.

4) For each seized vehicle instruct the sale of the vehicle at the earliest time permitted by provincial legislation in the manner permitted by the legislation.

5) Distribute proceeds in accordance with applicable law and this Agreement.

Retention of Records:

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

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

LOAN MANAGEMENT POLICY & PROCEDURE MANUAL

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

See Attached

THIS IS EXHIBIT "J" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

BROKER AGREEMENT

BETWEEN

OMNI VENTURES LTD.

AND

THE CASH STORE INC.

DATED JANUARY 31, 2012

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BROKER AGREEMENT

This Broker Agreement made as of the 31st day of January, 2012,

BETWEEN:

Omni Ventures Ltd. an Alberta corporation with offices in the City of Edmonton, Alberta (hereinafter referred to as "**Financier**")

- and -

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

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

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

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

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

ARTICLE 1
INTERPRETATION

1.1 DEFINITIONS

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

a. "Applicable Law" means all applicable provisions of laws, statutes, rules, regulations, ordinances, official directives, treaties and orders of all Governmental Bodies (including those of constitutional, federal, provincial, state, local, municipal, foreign, international, and multinational origins) and judgments, orders and decrees of all courts, arbitrators, commissions, administrative tribunals, or bodies exercising similar functions (including the principles of common law resulting therefrom);

b. "Broker Customer" means a customer of Broker who retains Broker to find a lender for a loan to the customer;

c. "Broker Fees" means the fees charged to Broker Customers by the Broker inconsideration of arranging Loans to the Broker Customers.

d. "Broker Services" means all services to be provided by Broker to Financier as provided for in this Agreement, including without limitation, the satisfaction of Documentation &

Funding Requirements, and the provision of Loan Services and Maintenance and Facilitation Services;

e. "Business Day" means a day other than a day directed by the *Bills of Exchange Act* (Canada) to be observed as a legal holiday or non-juridical day;

f. "Confidential Material" means all plans, specifications, drawings, sketches, models, samples, data, computer programs, documentation, and other technical and business information, in written, graphic or other form, relating to Financier's or Broker's business, plans or products;

g. "Designated Broker Bank Account" means the bank account of Broker designated by Broker for the purposes of temporarily receiving funds from Financier (if loans are made by Financier way of cash advance) before they are advanced to a Broker Customer;

h. "Designated Financier Bank Account" means, the bank branch and account designated by Financier from time to time where (and into which) deposits of cash and cheques received from Broker Customers, in respect of such Financier funded loans, are to be cleared (deposited) to from time to time;

i. "Documentation & Funding Requirements" means Financier's requirements for: (i) collection (from or in respect of each Broker Customer and proposed loan) of documents and information, (ii) verification or the delivery and communication of such documents and information to Financier by Broker before any loan is advanced using Financier's funds or credit, the current requirements of Financier being set out in Schedule "B" (but which Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker), and (iii) the funding of the Loans;

j. "Government Authorization" means any approval, consent, license, permit, waiver, or other authorization issued, granted, given, or otherwise made available by or under the authority of any Governmental Body or pursuant to any Applicable Law;

k. "Governmental Body" means any (i) nation, province, state, county, city, town, village, district, or other jurisdiction of any nature; (ii) federal, provincial, state, local, municipal, foreign, or other government; (iii) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal); (iv) multi-national organization or body; or (v) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature;

l. "Loan" means a loan made by Financier to a Broker Customer which has been facilitated by the Broker in accordance with this Agreement and includes, for greater certainty, a loan made through virtual or electronic locations accessed by Broker Customer's on line or through other electronic means;

m. "Loan Facilitation Services" means assisting Broker's customers applying for loans, satisfying the Documentation and Funding Requirements and assisting Broker's Customers efforts in repaying any Loan;

n. "Loan Services" means the services and activities for: (i) collection of principal and interest on Loans from Broker Customers in the normal course (and forwarding same to

Financier for repayment of the principal and interest owing on Loans), (ii) the contacting of Broker Customers for reminder and other purposes, and (iii) the delivery of documents and information to Financier as established by Financier from time to time, the current requirements being set out in Schedule "C" (which Schedule may be amended from time to time only by mutual written agreement of Financier and Broker);

o. "Loan Selection Criteria" means the criteria that Broker must assure any loan presented to Financier for consideration satisfies, the current criteria of Financier being set out in Schedule "A" (but which Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker);

p. "Maintenance and Facilitation Services" means ongoing services of the Broker in the facilitation, improvement, and development of Brokers delivery of the Loan Services and and the provision thereof including, but not limited to, business form development, software development, web site hosting and development, policy development, product development, marketing, staff training and professional development, credit card and bank account services.

q. "Party" means a party to this Agreement;

r. "Person" means any individual, body corporate, partnership, trust, trustee, executor, administrator, legal representative, unincorporated organization, union, or Governmental Body;

s. "Principal Contact" means each individual designated in writing by Financier who is authorized to make decisions and provide instructions on behalf of Financier from time to time, the current individual being set out in Schedule "A";

t. "Records" means all agreements, documents, writings, papers, computer files, books of account and other paper or electronic records relating to or being records of any Loan or Loan application or relating to any Broker Customer including, without limitation, any computer programmes and software, text or data files, disks, tapes and related operator manuals containing or pertaining to those records;

u. "Recorded Debt" means the amount of principal and accrued interest on a Loan (a) with all payments received from the corresponding Broker Customer in payment of such principal and interest deducted from the amount outstanding, (b) but adding back any such payments that have already been reversed at the time of calculation.

v. "Regulated Jurisdiction" means a province that has been designated by the Governor in Council for the purposes of section 347.1 of the Criminal Code (Canada).

w. "Representatives" means with respect to a Person all of such Person's directors, officers, employees, consultants, counsel, auditors, representatives, advisors or agents ("Insiders") and all of such Person's Affiliates and franchisees and their respective Insiders;

x. "Term" means the period from the effective date of this Agreement until the earlier of: (i) the end of the later of the Initial Term and, if applicable, the last of any Renewal Periods as provided for in Section 6.2; and (ii) the date of any termination pursuant to Section 6.3;

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

1.2 HEADINGS

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

1.3 INTERPRETATION NOT AFFECTED BY HEADINGS

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

1.4 PARTY DRAFTING AGREEMENT

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

1.5 GENDER AND NUMBER

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

1.6 SCHEDULES

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

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

ARTICLE 2
LOAN AMOUNTS, SELECTION, DOCUMENTATION AND MANAGEMENT

2.1 FINANCIER AGREEMENT WITH BROKER

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

2.2 LOAN AMOUNT LIMIT(S)

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

2.3 LOAN SELECTION

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

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

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

2.4 LOAN DOCUMENTATION & FUNDING REQUIREMENTS

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

2.5 LOAN FUNDING BY FINANCIER

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

a. by arranging for the amount of the Loan to be advanced by cheque or electronic funds drawn by Financier directly in favour of the Broker Customer (Financier will have up to 3 Business Days to arrange for issuance of a cheque or electronic funds transfer);

b. by wire transfer of funds to the Designated Broker Bank Account (for redirection/payment to, or for the benefit of, the Broker Customer);

c. by cheque drawn by Financier payable to Broker for deposit to the Designated Broker Bank Account (for redirection/payment to, of for the benefit of, the Broker Customer);

d. by Financier arranging through Broker for delivery of a cash card or other value card for use by the Broker Customer with an advance limit equal to the authorized amount of the Loan.

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

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

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

2.6 LOAN SERVICES

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

2.7 SYSTEM INTEGRITY

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

2.8 LOAN MANAGEMENT POLICY & PROCEDURES MANUAL

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

2.9 FINANCIER RECORDS HELD IN TRUST

The Records shall be considered the property of Financier and shall be provided to Financier on demand.

2.10 EXCHANGING LOANS BETWEEN LENDERS

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

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

(b) The Exchanged Other Lender Loans have a value, inclusive of accrued interest, that equals or exceeds the accrued value, inclusive of accrued interest, of the Exchanged Financier Loans (or to the extent that there is any material shortfall in that regard, that Other Lender receiving the assignment has been repaid a cash amount equal to such difference);

(c) None of the Exchanged Other Lender Loans are then in default or, if any are in default, the aggregate amount of such loans in default do not exceed in amount the Exchanged Financier Loans then in default:

(d) All Exchanged Other Lender Loans meet the Loan Selection Criteria; and,

(e) Broker amends its records accordingly so that from and after such assignment all Exchanged Other Lender Loans and all receipts and dealings with Exchanged Other Lender Loans are accounted for, and in all other respects treated, as Loans made by Financier.

2.11 USAGE OF LOAN ADVANCES

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

2.12 Regulated Jurisdictions

(a) In Regulated Jurisdictions, loans may be made to Broker Customers upon the following terms:

(i) Provided that the loans been done in compliance with the laws and regulations of the Regulated Jurisdiction, Broker may make loans to Broker Customers in a Regulated Jurisdiction and may fund such loans from the funds otherwise available for loans hereunder, including funds held by Broker as a "float" in anticipation of loan approvals.

(ii) Broker shall be the lender of record and shall in the first instance make the loan to the Broker Customer on Broker's own behalf as Lender on its own behalf and not as agent for Financier.

(iii) Broker shall promptly thereafter assign to Financier the entirety of the loan and the Broker's interest therein and shall thereafter deal with, collect, maintain and enforce such loan on Financier's behalf in all respects (subject to the provisions of this section 2.12 and subject to additional requirements or restrictions as may be imposed by any applicable laws and regulations of the Regulated Jurisdiction) as though it was any other loan made hereunder.

(iv) Broker shall in respect of each such loan, pay to Financier a loan participation fee in an amount equal 59% per annum of the principal of all loans collected for the agreed term of the loan, (calculated, for greater certainty, before deduction therefrom of Brokers own fees to the Customer) or at such other rate as Broker and Financier may from time to

time agree to within the reporting provided to the Financier on a monthly basis.

(v) In the absence of the execution of any formal assignment of the loan to Financier as contemplated hereunder, any such loan shall be deemed to have been assigned to Financier immediately after advance to the Broker Customer without the requirement of further documentation evidencing or affecting the same.

(vi) It is anticipated that variations to the within terms may be required from time to time to better facilitate the foregoing and/or to accommodate the rules and regulations of particular Regulated Jurisdictions in which event the same shall, at Broker's discretion, be included in the terms of section 2.12 provided that doing so has no material adverse impact upon, and imposes no additional liabilities or obligations upon Financier.

(b) The provisions of this Agreement, including section 2.12, are subject to any further or additional agreements respecting loans in Regulated Jurisdictions as Broker and Financier may agree to from time to time.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 REPRESENTATIONS AND WARRANTIES OF BROKER

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

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

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

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

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

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

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

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

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

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

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

3.2 REPRESENTATIONS AND WARRANTIES OF FINANCIER

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

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

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

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

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

e. the execution, delivery and performance of this Agreement by Financier will not (directly or indirectly or with or without notice or lapse of time) result in any violation of, be in

conflict with, contravene, or constitute a default under (i) any organizational document of Financier, or (ii) any resolution adopted by the board of directors or the shareholders of Financier;

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

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

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

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

ARTICLE 4
CONFIDENTIALITY PROVISIONS

4.1 PROTECTION OF INFORMATION

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

a. is or becomes publicly available through no act or omission of the other Party or the other Party's Representatives;

b. is subsequently obtained lawfully from a third party, which, after reasonable inquiry, the other Party does not know to be bound to the first Party to restrict the use or disclosure of such information;

c. is already in the Other Party's possession at the time of disclosure, without restriction on disclosure; or

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

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

ARTICLE 5
INSPECTIONS & AUDITS

5.1 INSPECTIONS & AUDITS

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

ARTICLE 6
TERM OF AGREEMENT

6.1 INITIAL TERM

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

6.2 RENEWAL OF TERM

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

6.3 TERMINATION NOTICE AT END OF CURRENT TERM

Either Party may notify the other Party that the Term of this Agreement will not be automatically extended at the end of the then current Initial Term or Renewal Period but will terminate at the end of such period, by delivering an unconditional written notice to the other Party not less than 90 days before the end of such period stating that the Party is irrevocably electing to not renew the term of this Agreement.

6.4 OBLIGATIONS OF BROKER AT END OF TERM

Upon the ending of the Term:

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

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

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

6.5 OBLIGATION OF FINANCIER AT END OF TERM

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

ARTICLE 7
BROKER INDEMNITY PROVISIONS & SUBORDINATION

7.1 INDEMNITY OF FINANCIER BY BROKER

Broker shall indemnify and save harmless Financier and its officers and directors from and against all liabilities, losses, claims, damages, penalties, actions, suits, demands, levies, costs, expenses and disbursements including any and all reasonable legal and advisor fees and disbursements of whatever kind or nature (referred to herein as a "**Loss**") which may at any time be suffered by, imposed on, incurred by or asserted against Financier or its said officers and directors by reason of or arising from any breach by the Broker of its obligations hereunder provided, however, that such liability to and indemnification of Financier shall not extend to include any part of the Loss, if any, directly arising from or caused or contributed to by the negligence or other wrongful acts of Financier, Financier's Representatives or by any breach of this Agreement by Financier. For greater certainty, Broker shall not be required to indemnify Financier for losses Financier may suffer on account of the default in payment (in whole or part) of a Loan made to a Broker Customer provided that: (i) in causing the Loan to be made, the

Broker complied with the Loan Selection Criteria, and (ii) the default in payment did not arise out of the Broker improperly performing the Broker Services.

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

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

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

7.2 SUBORDINATION BY BROKER IN FAVOUR OF FINANCIER

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

ARTICLE 8
GENERAL

8.1 FURTHER ASSURANCES

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

8.2 ENTIRE AGREEMENT

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

8.3 GOVERNING LAW

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

8.4 ASSIGNMENTS & ENUREMENT

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

8.5 RELATIONSHIP OF PARTIES

Nothing contained in this Agreement shall be deemed or construed by the Parties, or any other third party, to create the relationship of partnership, agency, or joint venture or an association for profit between Financier and Broker, it being understood and agreed that neither the method of computing compensation nor any other provision contained herein shall be deemed to create any relationship between the Parties other than the relationship of independent parties contracting for services. Except as expressly provided in the Agreement, neither Party has, nor held itself out as having, any authority to enter into any contract or create any obligation or liability on behalf of, in the name of, or binding upon the other Party.

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

8.6 TIME OF ESSENCE

Time shall be of the essence in this Agreement.

8.7 NOTICES

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

- on the date of hand delivery or courier, if delivered personally or by courier;

    a. 5 Business Days after delivery thereof if delivered by regular mail (if mailed within Canada); or

    b. twenty-four (24) hours after delivery thereof if delivered by telecopy or email.

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

Financier - PO Box 100
Tomahawk, Alberta
T0E 2H0
Attention: Bruce Cormie
Email: muskytoe@hotmail.com

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

8.8 INVALIDITY OF PROVISIONS

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

8.9 WAIVER & APPROVALS

No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any right or remedy in law or in equity or by statute or otherwise conferred. No waiver of any provision of this Agreement (other than deemed waivers pursuant to the specific terms of this Agreement), including without limitation, this Section shall be effective otherwise than by an instrument in writing dated subsequent to the date hereof, executed by a duly authorized representative of the Party making such waiver. For greater certainty, any waiver, consent, variation, approval or amendment from any Party shall be deemed sufficiently given in writing if such writing is in the form of electronic mail, electronic messaging or other electronic means that is capable of being retained by the recipient thereof.

8.10 AMENDMENT

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

8.11 PUBLIC ANNOUNCEMENTS

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

8.12 COUNTERPART EXECUTION

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

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

OMNI VENTURES LTD.

FINANCIER
Per: _____
BRUCE CORMIE, PRESIDENT

THE CASH STORE INC.
Per: _____

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

LOAN SELECTION CRITERIA, ET. AL.

(Note: The contents of this Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker.)
(Amendments to this Schedule only take effect with respect to Loans initiated after the amendment to the Schedule)

Loan Selection Criteria for Most Loans

1. A Loan shall not be made if after making the Loan the aggregate Recorded Debt for Loans would exceed the applicable maximums specified in this Schedule "A".

2. The interest rate charged on the loan shall be 59% per annum (or such other amount as may be agreed to by the Parties from time to time) or as determined by provincial regulations calculated excluding date of funding until accrued debt is paid in full, has been identified as an insurance claim, is written-off, has been placed with a credit counselling agency or is otherwise governed by applicable law.

3. The gross amount of the loan shall not be more than seventy per cent (70%) of the Broker Customer's net take home pay after all deductions as determined from the most recent pay stub or bank statement provided by the Broker Customer. (Note: This criterion is not applicable to loans secured against vehicles.)

4. The term of the loan (i.e. the time between funding and the due date) shall not be more than the lesser of the Broker Customer's next pay date and 18 days. (Note: This criterion is not applicable to loans secured against vehicles or Signature Loans.)

5. The Broker Customer must be an individual (i.e. not a corporation or other legal entity). (Note: This criterion is not applicable to loans secured against vehicles).

6. The Broker Customer must be at least 18 years old and the legal age for contracting purposes in the jurisdiction in which the Broker Customer is resident.

7. The Broker Customer must have evidence of employment or other income immediately preceding the date of application or in the case of signature loans please see below.

8. The Broker Customer must have evidence that the Broker Customer has an active bank account with a branch of a financial institution located within Canada. (Note: This criterion is not applicable to loans secured against vehicles.)

9. If the Broker Customer has indicated employment income is direct deposited then, the account statements provided by the Broker Customer should indicate that the payments being received from the current employer are being deposited to the bank account.

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

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

1. The amount of the loan shall not be more than 25% of the motor vehicle's "black book rough value" as indicated on the CanadianBlackBook.com website. Vehicles not listed on such web site may be used as collateral only if alternative resources such as such as Trader.ca, ebay, Adesa online are used. Industry contacts may be used only if the contact will provide written appraisal of the value of the collateral.

2. The term of the loan (i.e. the time between funding and the due date) shall not be more than 35 days.

3. A registration history search (i.e. vehicle information report) or another valid vehicle registration document against the Vehicle Identification Number must indicate that the vehicle has been registered within the province where the vehicle is located for not less than 14 days and confirm that the Broker Customer is the last registered owner indicated in the records.

4. The vehicle must be insured within provincial law; including collision and comprehensive coverage (glass coverage may be excluded).

5. The PPSA searches against both (1) the Vehicle Identification Number and (2) the full legal name of the Broker Customer (including all inexact matches which should be selected and printed as part of the search result) do not disclose any registration of any type other than:
   (a) registrations which are clearly against a person who is not the Broker Customer (Broker shall bear the responsibility for making this determination and shall indemnify Financier if Broker incorrectly concludes that a registration does not apply to the Broker Customer);
   (b) registrations which are against specific items of household furniture or equipment (and proceeds of same) and claim no other interests in other collateral; and
   (c) registrations which are clearly against a vehicle which is not the Broker Customer's vehicle and does not include a claim for any form of "proceeds" (Broker shall bear the responsibility for making this determination and shall indemnify Financier if Broker incorrectly concludes that a registration does not apply to the vehicle).

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

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

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

Additional/Special Requirements for Signature Loans:

1. A Signature Loan is a loan to a customer who is generally but not limited to someone on a fixed monthly income. Examples include, but are not limited to, Family Allowance, Widow's Allowance, Canada Pension, Old Age Security, Worker's Compensation, Disability Pension or Social Assistance.

2. The gross amount of the loan shall not be more than 70% of the Broker Customer's fixed income pay (as determined from the most recent cheque provided by the Broker Customer), subject to any applicable federal or provincial legislation.

3. The term of the loan shall not be more than 35 days.

4. The Broker Customer must have evidence of continuous payments of fixed monthly income for one (1) month immediately preceding the date of application.

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

LOAN DOCUMENTATION & FUNDING REQUIREMENTS

(Note: The contents of this Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker.)
(Amendments to this Schedule only take effect with respect to Loans initiated after the amendment to the Schedule)

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

Documentation Requirements for All Loans:

1. A Broker Retainer Agreement signed by the Broker Customer evidencing Broker Customer's retainer of Broker to find and select a lender for Broker Customer and to provide the Loan Facilitation Services for the Broker Customer.

2. A Loan Application Form in form reasonably satisfactory to (or otherwise previously approved by) Financier signed by the Broker Customer. The Loan Application Form must be fully executed.

3. A Disclosure Document in form(s) satisfactory to (or otherwise previously approved by) Financier, setting out for the proposed loan all payments that will be required to be made by the Broker Customer including the repayment of principal and interest. This document(s) will include the names of both Financier and Broker identifying which payments are made to Financier and which are made to the Broker. Broker shall assure that this document(s) includes all required disclosures under Applicable Law (including without limitation under federal interest laws and provincial cost of credit legislation).

4. A photocopy of one piece of identification which could include at least one government issued photo identification. The Broker Customer's photo identification may include a current or expired passport or a current driver's license or a current provincial picture identification card or a current Canadian Department of National Defence (DND) picture identification card or any other current provincial or federally recognized picture identification. Other acceptable identification, where photo identification is not available, includes a current version of a provincial health insurance card, social insurance number card, birth certificate, native or Métis status card, citizenship card, employment picture identification (current employer only), or subsidiary issued card, other competitor payday loan card, store credit card, other credit card, union card, or current Canadian VISA.

5. A photocopy of a recent vehicle registration, utility, telephone, or cable TV bill issued in the Broker Customer's name (or legal spouse or roommate) with an address that conforms to the residential address provided by the Broker Customer (billing period of statement must end not more than 40 days before the date the loan application is made)

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

6. Photocopy of pay stub evidencing a source of income.

7. Photocopy of most recent bank statement of one the following types:
   (a) a mailed out account statement with an end of period cut-off date not more than 45 days before the date the loan application is made and must include Broker Customer's name and the corresponding bank account identification number;
   (b) an ATM generated account statement with an end of period cut-off date not more than 5 days before the date the loan application is made and must be for at least a 14 day period and must include Broker Customer's bank account identification number;
   (c) a personal computer (internet) generated account statement with an end of period cut-off date not more than 5 days before the date the loan application is made and must be for at least a 30 day period and must include Broker Customer's name and the corresponding bank account identification number; evidencing that Broker Customer has an active chequing account.

8. Promissory Note in form satisfactory to (or otherwise previously approved by) Financier, where provincial or federal legislation will allow.

9. Security Agreement in form satisfactory to (or otherwise previously approved by) Financier.

10. Receipt signed by Broker Customer for funds advanced to Broker Customer (or for cheque delivered to Broker Customer if Broker Customer elects to receive funds by way of subsequently delivered cheque).

11. Optional Payment Plan, if any, in form satisfactory to Financier and Broker. This collection measure is only to be used where allowable by provincial and/or federal legislation.

12. An alternative means of payment should the Broker Customer neglect to make the required payment in one or both, if available, of the following forms:
   (a) Pre-Authorized Debit Agreement made out to Broker and signed by Broker Customer for amount of interest and principal in form satisfactory to Financier.
   (b) Personalized cheque made out to Broker and signed by Broker Customer for amount of principal and interest. Cheque must be drawn against the account that corresponds to the account statements received. [(a)]

13. Broker Customer Receipt including summary of amounts due on maturity of loan and due dates in form satisfactory to Financier

Notes:

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

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

16. A registration history search against the Vehicle Identification Number.

17. A vehicle PPSA Security Agreement (in form satisfactory to Financier) executed by the Broker Customer.

18. Evidence that a PPSA registration against the Customer's name (with Financier as secured party) and the VIN of the vehicle has been registered in the PPSA registry.

19. A copy of the valuation (i.e. print off of the web pages) indicated on www.canadablackbook.com for the vehicle or similar as identified above.

20. A PPSA current search against (a) the Vehicle Identification Number for the vehicle and (b) the Customer's name, showing no other competing registrations other than the PPSA registrations in favour of Financier carried out forthwith after the registration referred to in paragraph 19 above.

21. A vehicle condition report (in form satisfactory to Financier) fully completed by employees of Broker at the time of application.

22. A photocopy of the Broker Customer's vehicle registration and insurance documents for the vehicle.

23. An electronic (or Polaroid) photograph of the vehicle (need not be printed but must be electronically stored so that it can be printed).

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

LOAN SERVICES

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

Services to be Provided by and Responsibilities of Broker

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

1. Broker shall record applications by Broker Customers to receive loans and communicate those applications which meet the Loan Selection Criteria of Financier.

2. Broker shall verify the following information from the Loan Application Form for a Broker Customer:
   (a) source of income;
   (b) picture ID is accurate;
   (c) banking information matches;

   and ensure that a personalized cheque and/or a Pre-authorized Debit Form are made out for the amount of the principal and interest owing.

3. Where applicable pursuant to the Loan Selection Criteria established by Financier, Broker shall apply pre-set loan evaluation and limiting criteria to the loan applications to determine whether the proposed loan meets Financier's pre-set criteria.

4. Broker shall maintain a database of information concerning Broker Customers with such information as Broker, acting with commercial reasonableness, deems appropriate and practical.

5. Broker shall verify the status of any electronic communication made by Broker and shall establish and maintain a back-up procedure for the reconstruction of any such lost or damaged electronic communication that is to be or has been transmitted.

6. Where applicable, Broker shall review confirmation screens before transmitting any information to Financier (or Financier's agent(s) or service bureau(s)) and shall verify that the information gathered in accordance with this Agreement is accurately recorded from the information provided to Broker before providing or transmitting it.

7. Broker shall to the extent it deems it economic and practical, send and receive batch file information to/from other databases and systems (for example, but without limitation, bank account activity, service bureau activity and cash card facility information) necessary for Broker to integrate into Broker's data base in order to accumulate and report information required by this Agreement.

8. Broker shall to the extent it deems it economic and practical, collect most documents necessary to satisfy the Documentation & Funding Requirements for each Loan.

9. Broker shall, if requested by Financier, deliver to Financier those documents, or portions thereof, where required by the Loan Selection Criteria and Documentation & Funding Requirements.

10. Broker shall track and calculate all interest accruing due from the Broker Customer to Financier.

11. Broker shall track all payments received from Broker Customers on Loans and for each such payment record (a) the date the payment was received by Broker (if the payment is handled by Broker before delivery to Financier), (b) the date of deposit of the payment into the Designated Financier Bank Account and (c) where cheques are returned NSF or Pre-authorized debits are later reversed, the date that the reversal occurred;

12. Broker shall, as allowed by applicable provincial and/or federal collection legislation, provide a phone call reminder to each Broker Customer before a payment is due of the date and amounts owing. The reminder may be provided by direct call to the Broker Customer or by leaving a message with the person answering the phone or on answering machine for such phone number.

13. Broker shall on an ongoing basis provide such additional Maintenance and Facilitation Services as Broker deems appropriate to enhance the quality of its services and its competitiveness.

14. Where payment by a Broker Customer is to be made by any means other than cash or Broker debit terminal, the Broker will, to reduce dishonoured item charges, to the extent it deems it economic and practical, use all reasonable and available means to verify funds before attempting any cheque or electronic deposits. Every attempt will be made to have the Broker Customer pay by cash or debit.

15. Broker shall prepare such weekly and monthly reports concerning all activities related to the Loans as Broker may deem reasonably necessary from time to time.

16. For loans secured against vehicles, Broker shall verify the name of the Broker Customer, the name indicated as the registered owner on the provincial license registration and the insured's name on the evidence of insurance all indicate the same name which corresponds to the Broker Customer's other identification;

Default Realization Services Provided by the Broker:

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

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

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

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

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

1) Contacting customer by home phone, cellular phone, work phone, landlord, references, e-mail, letters, or home visit. These attempts will continue until the Loan is paid in full or it is determined that a third party collection agency should be retained to attempt collection of amounts owing.

2) Presenting Optional Payment Plan form to employer, where allowed by applicable federal or provincial collection legislation.

3) Attempt on or around the customer payday, spouse's payday or government cheque days to certify any cheques on file or process any Pre-authorized Debit.

4) If at anytime during the collection process it is determined that the customer is no longer employed or is no longer at the listed residence, intensified skip tracing efforts will begin.

5) At or around 30 days past due, send a letter notifying the customer of possible legal proceedings and/or third party collection activities, should the account not be paid in full right away.

6) At or around 60 days past due, if there is still dialogue with the customer, send the customer a one time "amnesty letter" offering a structured payout of the loan over a set period of time. The customer would be required to pay interest and a portion of principal on each payment until the account is paid in full. Interest would continue to accrue daily on the remaining principal outstanding.

7) If still unpaid at 90 days past due, and no payment has been made in the past 30 days, send a final letter to the customer advising the account must be paid in full within 10 business days or it will be turned over to a third party collection agency.

8) At or around 120 days past due and no payment received in the past 30 days, the account is then turned over to the Broker's internal collection department and they will attempt collection for a period of 60 days.

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

9) All reasonable and lawful collection and communication methods, within a cost effective structure, may be used to attempt collection of the account.

10) Files will continue to be worked diligently by Broker until it has been determined that the Loan should be given to a third party collection agency.

11) All realization activities will cease upon notification of bankruptcy of Broker Customer. "Proof of Claim" as secured creditor, unsecured creditor or both to be filed with bankruptcy trustee.

For greater certainty Broker, acting with commercial reasonableness, is authorized on the Financier's behalf to settle or compromise any Loans in default and to accept part payment of any Loan in full satisfaction thereof.

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

1) If payment is not received before the 30th day past due, or sooner, instruct a seizure of the vehicle to be carried out.

2) For each seized vehicle arrange for storage of vehicle for necessary time under provincial legislation.

3) For each seized vehicle provide such notices to the vehicle owner (and other creditors, if required under applicable law) of the seizure, planned sale method and other information required by provincial legislation.

4) For each seized vehicle instruct the sale of the vehicle at the earliest time permitted by provincial legislation in the manner permitted by the legislation.

5) Distribute proceeds in accordance with applicable law and this Agreement.

Retention of Records:

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

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

LOAN MANAGEMENT POLICY & PROCEDURE MANUAL

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

See Attached

THIS IS EXHIBIT "K" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

BROKER AGREEMENT

BETWEEN

L-Gen Management Inc.

AND

THE CASH STORE INC.

January 31, 2012

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BROKER INDEMNITY PROVISIONS & SUBORDINATION

ARTICLE 8
GENERAL

SCHEDULES:

BROKER AGREEMENT

This Broker Agreement made as of the 31 day of January, 2012,

BETWEEN:

L-GEN MANAGEMENT INC., an Alberta corporation with offices in the City of Calgary, Alberta (hereinafter referred to as "**Financier**")

- and -

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

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

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

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

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

ARTICLE 1
INTERPRETATION

1.1 DEFINITIONS

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

a. "Applicable Law" means all applicable provisions of laws, statutes, rules, regulations, ordinances, official directives, treaties and orders of all Governmental Bodies (including those of constitutional, federal, provincial, state, local, municipal, foreign, international, and multinational origins) and judgments, orders and decrees of all courts, arbitrators, commissions, administrative tribunals, or bodies exercising similar functions (including the principles of common law resulting therefrom);

b. "Broker Customer" means a customer of Broker who retains Broker to find a lender for a loan to the customer;

c. "Broker Fees" means the fees charged to Broker Customers by the Broker inconsideration of arranging Loans to the Broker Customers.

d. "Broker Services" means all services to be provided by Broker to Financier as provided for in this Agreement, including without limitation, the satisfaction of Documentation & Funding Requirements, and the provision of Loan Services and Maintenance and Facilitation Services;

e. "Business Day" means a day other than a day directed by the *Bills of Exchange Act* (Canada) to be observed as a legal holiday or non-juridical day;

f. "Confidential Material" means all plans, specifications, drawings, sketches, models, samples, data, computer programs, documentation, and other technical and business information, in written, graphic or other form, relating to Financier's or Broker's business, plans or products;

g. "Designated Broker Bank Account" means the bank account of Broker designated by Broker for the purposes of temporarily receiving funds from Financier (if loans are made by Financier way of cash advance) before they are advanced to a Broker Customer;

h. "Designated Financier Bank Account" means, the bank branch and account designated by Financier from time to time where (and into which) deposits of cash and cheques received from Broker Customers, in respect of such Financier funded loans, are to be cleared (deposited) to from time to time;

i. "Documentation & Funding Requirements" means Financier's requirements for: (i) collection (from or in respect of each Broker Customer and proposed loan) of documents and information, (ii) verification or the delivery and communication of such documents and information to Financier by Broker before any loan is advanced using Financier's funds or credit, the current requirements of Financier being set out in Schedule "B" (but which Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker), and (iii) the funding of the Loans;

j. "Government Authorization" means any approval, consent, license, permit, waiver, or other authorization issued, granted, given, or otherwise made available by or under the authority of any Governmental Body or pursuant to any Applicable Law;

k. "Governmental Body" means any (i) nation, province, state, county, city, town, village, district, or other jurisdiction of any nature; (ii) federal, provincial, state, local, municipal, foreign, or other government; (iii) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal); (iv) multi-national organization or body; or (v) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature;

l. "Loan" means a loan made by Financier to a Broker Customer which has been facilitated by the Broker in accordance with this Agreement and includes, for greater certainty, a loan made through virtual or electronic locations accessed by Broker Customer's on line or through other electronic means;

m. "Loan Facilitation Services" means assisting Broker's customers applying for loans, satisfying the Documentation and Funding Requirements and assisting Broker's Customers efforts in repaying any Loan;

n. "Loan Services" means the services and activities for: (i) collection of principal and interest on Loans from Broker Customers in the normal course (and forwarding same to Financier for repayment of the principal and interest owing on Loans), (ii) the contacting of Broker Customers for reminder and other purposes, and (iii) the delivery of documents and information to Financier as established by Financier from time to time, the current requirements being set out in Schedule "C" (which Schedule may be amended from time to time only by mutual written agreement of Financier and Broker);

o. "Loan Selection Criteria" means the criteria that Broker must assure any loan presented to Financier for consideration satisfies, the current criteria of Financier being set out in Schedule "A" (but which Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker);

p. "Maintenance and Facilitation Services" means ongoing services of the Broker in the facilitation, improvement, and development of Brokers delivery of the Loan Services and and the provision thereof including, but not limited to, business form development, software development, web site hosting and development, policy development, product development, marketing, staff training and professional development, credit card and bank account services.

q. "Party" means a party to this Agreement;

r. "Person" means any individual, body corporate, partnership, trust, trustee, executor, administrator, legal representative, unincorporated organization, union, or Governmental Body;

s. "Principal Contact" means each individual designated in writing by Financier who is authorized to make decisions and provide instructions on behalf of Financier from time to time, the current individual being set out in Schedule "A";

t. "Records" means all agreements, documents, writings, papers, computer files, books of account and other paper or electronic records relating to or being records of any Loan or Loan application or relating to any Broker Customer including, without limitation, any computer programmes and software, text or data files, disks, tapes and related operator manuals containing or pertaining to those records;

u. "Recorded Debt" means the amount of principal and accrued interest on a Loan (a) with all payments received from the corresponding Broker Customer in payment of such principal and interest deducted from the amount outstanding, (b) but adding back any such payments that have already been reversed at the time of calculation.

v. "Regulated Jurisdiction" means a province that has been designated by the Governor in Council for the purposes of section 347.1 of the Criminal Code (Canada).

w. "Representatives" means with respect to a Person all of such Person's directors, officers, employees, consultants, counsel, auditors, representatives, advisors or agents ("Insiders") and all of such Person's Affiliates and franchisees and their respective Insiders;

x. "Term" means the period from the effective date of this Agreement until the earlier of: (i) the end of the later of the Initial Term and, if applicable, the last of any Renewal Periods

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

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

1.2 HEADINGS

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

1.3 INTERPRETATION NOT AFFECTED BY HEADINGS

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

1.4 PARTY DRAFTING AGREEMENT

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

1.5 GENDER AND NUMBER

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

1.6 SCHEDULES

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

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

ARTICLE 2
LOAN AMOUNTS, SELECTION, DOCUMENTATION AND MANAGEMENT

2.1 FINANCIER AGREEMENT WITH BROKER

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

2.2 LOAN AMOUNT LIMIT(S)

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

2.3 LOAN SELECTION

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

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

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

2.4 LOAN DOCUMENTATION & FUNDING REQUIREMENTS

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

2.5 LOAN FUNDING BY FINANCIER

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

a. by arranging for the amount of the Loan to be advanced by cheque or electronic funds drawn by Financier directly in favour of the Broker Customer (Financier will have up to 3 Business Days to arrange for issuance of a cheque or electronic funds transfer);

b. by wire transfer of funds to the Designated Broker Bank Account (for redirection/payment to, or for the benefit of, the Broker Customer);

c. by cheque drawn by Financier payable to Broker for deposit to the Designated Broker Bank Account (for redirection/payment to, of for the benefit of, the Broker Customer);

d. by Financier arranging through Broker for delivery of a cash card or other value card for use by the Broker Customer with an advance limit equal to the authorized amount of the Loan.

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

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

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

2.6 LOAN SERVICES

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

2.7 SYSTEM INTEGRITY

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

2.8 LOAN MANAGEMENT POLICY & PROCEDURES MANUAL

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

2.9 EXCHANGING LOANS BETWEEN LENDERS

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

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

(b) The Exchanged Other Lender Loans have a value, inclusive of accrued interest, that equals or exceeds the accrued value, inclusive of accrued interest, of the Exchanged Financier Loans (or to the extent that there is any material shortfall in that regard, that Other Lender receiving the assignment has been repaid a cash amount equal to such difference);

(c) None of the Exchanged Other Lender Loans are then in default or, if any are in default, the aggregate amount of such loans in default do not exceed in amount the Exchanged Financier Loans then in default:

(d) All Exchanged Other Lender Loans meet the Loan Selection Criteria; and,

(e) Broker amends its records accordingly so that from and after such assignment all Exchanged Other Lender Loans and all receipts and dealings with Exchanged Other Lender Loans are accounted for, and in all other respects treated, as Loans made by Financier.

2.10 USAGE OF LOAN ADVANCES

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

2.11 Regulated Jurisdictions

(a) In Regulated Jurisdictions, loans may be made to Broker Customers upon the following terms:

(i) Provided that the loans been done in compliance with the laws and regulations of the Regulated Jurisdiction, Broker may make loans to Broker Customers in a Regulated Jurisdiction and may fund such loans from the funds otherwise available for loans hereunder, including funds held by Broker as a "float" in anticipation of loan approvals.

(ii) Broker shall be the lender of record and shall in the first instance make the loan to the Broker Customer on Broker's own behalf as Lender on its own behalf and not as agent for Financier.

(iii) Broker shall promptly thereafter assign to Financier the entirety of the loan and the Broker's interest therein and shall thereafter deal with, collect, maintain and enforce such loan on Financier's behalf in all respects (subject to the provisions of this section 2.12 and subject to additional requirements or restrictions as may be imposed by any applicable laws and regulations of the Regulated Jurisdiction) as though it was any other loan made hereunder.

(iv) Broker shall in respect of each such loan, pay to Financier a loan participation fee in an amount equal 59% per annum of the principal of all loans collected for the agreed term of the loan, (calculated, for greater certainty, before deduction therefrom of Brokers own fees to the Customer) or at such other rate as Broker and Financier may from time to time agree to within the reporting provided to the Financier on a monthly basis.

(v) In the absence of the execution of any formal assignment of the loan to Financier as contemplated hereunder, any such loan shall be deemed to have been assigned to Financier immediately after advance to the Broker Customer without the requirement of further documentation evidencing or affecting the same.

(vi) It is anticipated that variations to the within terms may be required from time to time to better facilitate the foregoing and/or to accommodate the rules and regulations of particular Regulated Jurisdictions in which event the same shall, at Broker's discretion, be included in the terms of section 2.12 provided that doing so has no material adverse impact upon, and imposes no additional liabilities or obligations upon Financier.

(b) The provisions of this Agreement, including section 2.12, are subject to any further or additional agreements respecting loans in Regulated Jurisdictions as Broker and Financier may agree to from time to time.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 REPRESENTATIONS AND WARRANTIES OF BROKER

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

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

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

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

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

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

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

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

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

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

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

3.2 REPRESENTATIONS AND WARRANTIES OF FINANCIER

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 4
CONFIDENTIALITY PROVISIONS

4.1 PROTECTION OF INFORMATION

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

a. is or becomes publicly available through no act or omission of the other Party or the other Party's Representatives;

b. is subsequently obtained lawfully from a third party, which, after reasonable inquiry, the other Party does not know to be bound to the first Party to restrict the use or disclosure of such information;

c. is already in the Other Party's possession at the time of disclosure, without restriction on disclosure; or

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

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

ARTICLE 5
INSPECTIONS & AUDITS

5.1 INSPECTIONS & AUDITS

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

ARTICLE 6
TERM OF AGREEMENT

6.1 INITIAL TERM

Unless terminated earlier pursuant to the provisions of this Agreement, the initial term of this Agreement will be for the period commencing on the date of this Agreement and ending XX year(s) thereafter (the "**Initial Term**").

6.2 RENEWAL OF TERM

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

6.3 TERMINATION NOTICE AT END OF CURRENT TERM

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

Party not less than 90 days before the end of such period stating that the Party is irrevocably electing to not renew the term of this Agreement.

6.4 OBLIGATIONS OF BROKER AT END OF TERM

Upon the ending of the Term:

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

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

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

6.5 OBLIGATION OF FINANCIER AT END OF TERM

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

ARTICLE 7
BROKER INDEMNITY PROVISIONS & SUBORDINATION

7.1 INDEMNITY OF FINANCIER BY BROKER

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

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

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

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

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

7.2 SUBORDINATION BY BROKER IN FAVOUR OF FINANCIER

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

ARTICLE 8
GENERAL

8.1 FURTHER ASSURANCES

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

8.2 ENTIRE AGREEMENT

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

8.3 GOVERNING LAW

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

8.4 ASSIGNMENTS & ENUREMENT

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

8.5 RELATIONSHIP OF PARTIES

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

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

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

8.6 TIME OF ESSENCE

Time shall be of the essence in this Agreement.

8.7 NOTICES

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

- on the date of hand delivery or courier, if delivered personally or by courier;

  a. 5 Business Days after delivery thereof if delivered by regular mail (if mailed within Canada); or

  b. twenty-four (24) hours after delivery thereof if delivered by telecopy or email.

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

Financier - 159 Country Club Lane
Calgary, AB
T3R 1G2
Attention: Vernon Nelson
Fax: (403) 208-7908

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

8.8 INVALIDITY OF PROVISIONS

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

8.9 WAIVER & APPROVALS

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

making such waiver. For greater certainty, any waiver, consent, variation, approval or amendment from any Party shall be deemed sufficiently given in writing if such writing is in the form of electronic mail, electronic messaging or other electronic means that is capable of beint retained by the recipient thereof.

8.10 AMENDMENT

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

8.11 PUBLIC ANNOUNCEMENTS

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

8.12 COUNTERPART EXECUTION

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

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

FINANCIER
Per: _____

THE CASH STORE INC.
Per: _____

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

8.10 AMENDMENT

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

8.11 PUBLIC ANNOUNCEMENTS

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

8.12 COUNTERPART EXECUTION

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

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

L-GEN MANAGEMENT INC.

Per: _____
Vernon Nelson

THE CASH STORE INC.

Per: _____
Gordon Reykdal, CEO

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

LOAN SELECTION CRITERIA, ET. AL.

(Note: The contents of this Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker.)
(Amendments to this Schedule only take effect with respect to Loans initiated after the amendment to the Schedule)

Loan Selection Criteria for Most Loans

1. A Loan shall not be made if after making the Loan the aggregate Recorded Debt for Loans would exceed the applicable maximums specified in this Schedule "A".

2. The interest rate charged on the loan shall be 59% per annum (or such other amount as may be agreed to by the Parties from time to time) or as determined by provincial regulations calculated excluding date of funding until accrued debt is paid in full, has been identified as an insurance claim, is written-off, has been placed with a credit counselling agency or is otherwise governed by applicable law.

3. The gross amount of the loan shall not be more than seventy per cent (70%) of the Broker Customer's net take home pay after all deductions as determined from the most recent pay stub or bank statement provided by the Broker Customer. (Note: This criterion is not applicable to loans secured against vehicles.)

4. The term of the loan (i.e. the time between funding and the due date) shall not be more than the lesser of the Broker Customer's next pay date and 18 days. (Note: This criterion is not applicable to loans secured against vehicles or Signature Loans.)

5. The Broker Customer must be an individual (i.e. not a corporation or other legal entity). (Note: This criterion is not applicable to loans secured against vehicles).

6. The Broker Customer must be at least 18 years old and the legal age for contracting purposes in the jurisdiction in which the Broker Customer is resident.

7. The Broker Customer must have evidence of employment or other income immediately preceding the date of application or in the case of signature loans please see below.

8. The Broker Customer must have evidence that the Broker Customer has an active bank account with a branch of a financial institution located within Canada. (Note: This criterion is not applicable to loans secured against vehicles.)

9. If the Broker Customer has indicated employment income is direct deposited then, the account statements provided by the Broker Customer should indicate that the payments being received from the current employer are being deposited to the bank account.

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

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

1. The amount of the loan shall not be more than 25% of the motor vehicle's "black book rough value" as indicated on the CanadianBlackBook.com website. Vehicles not listed on such web site may be used as collateral only if alternative resources such as such as Trader.ca, ebay, Adesa online are used. Industry contacts may be used only if the contact will provide written appraisal of the value of the collateral.

2. The term of the loan (i.e. the time between funding and the due date) shall not be more than 35 days.

3. A registration history search (i.e. vehicle information report) or another valid vehicle registration document against the Vehicle Identification Number must indicate that the vehicle has been registered within the province where the vehicle is located for not less than 14 days and confirm that the Broker Customer is the last registered owner indicated in the records.

4. The vehicle must be insured within provincial law; including collision and comprehensive coverage (glass coverage may be excluded).

5. The PPSA searches against both (1) the Vehicle Identification Number and (2) the full legal name of the Broker Customer (including all inexact matches which should be selected and printed as part of the search result) do not disclose any registration of any type other than:
   (a) registrations which are clearly against a person who is not the Broker Customer (Broker shall bear the responsibility for making this determination and shall indemnify Financier if Broker incorrectly concludes that a registration does not apply to the Broker Customer);
   (b) registrations which are against specific items of household furniture or equipment (and proceeds of same) and claim no other interests in other collateral; and
   (c) registrations which are clearly against a vehicle which is not the Broker Customer's vehicle and does not include a claim for any form of "proceeds" (Broker shall bear the responsibility for making this determination and shall indemnify Financier if Broker incorrectly concludes that a registration does not apply to the vehicle).

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

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

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

Additional/Special Requirements for Signature Loans:

1. A Signature Loan is a loan to a customer who is generally but not limited to someone on a fixed monthly income. Examples include, but are not limited to, Family Allowance, Widow's Allowance, Canada Pension, Old Age Security, Worker's Compensation, Disability Pension or Social Assistance.

2. The gross amount of the loan shall not be more than 70% of the Broker Customer's fixed income pay (as determined from the most recent cheque provided by the Broker Customer), subject to any applicable federal or provincial legislation.

3. The term of the loan shall not be more than 35 days.

4. The Broker Customer must have evidence of continuous payments of fixed monthly income for one (1) month immediately preceding the date of application.

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

LOAN DOCUMENTATION & FUNDING REQUIREMENTS

(Note: The contents of this Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker.)
(Amendments to this Schedule only take effect with respect to Loans initiated after the amendment to the Schedule)

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

Documentation Requirements for All Loans:

1. A Broker Retainer Agreement signed by the Broker Customer evidencing Broker Customer's retainer of Broker to find and select a lender for Broker Customer and to provide the Loan Facilitation Services for the Broker Customer.

2. A Loan Application Form in form reasonably satisfactory to (or otherwise previously approved by) Financier signed by the Broker Customer. The Loan Application Form must be fully executed.

3. A Disclosure Document in form(s) satisfactory to (or otherwise previously approved by) Financier, setting out for the proposed loan all payments that will be required to be made by the Broker Customer including the repayment of principal and interest. This document(s) will include the names of both Financier and Broker identifying which payments are made to Financier and which are made to the Broker. Broker shall assure that this document(s) includes all required disclosures under Applicable Law (including without limitation under federal interest laws and provincial cost of credit legislation).

4. A photocopy of one piece of identification which could include at least one government issued photo identification. The Broker Customer's photo identification may include a current or expired passport or a current driver's license or a current provincial picture identification card or a current Canadian Department of National Defence (DND) picture identification card or any other current provincial or federally recognized picture identification. Other acceptable identification, where photo identification is not available, includes a current version of a provincial health insurance card, social insurance number card, birth certificate, native or Métis status card, citizenship card, employment picture identification (current employer only), or subsidiary issued card, other competitor payday loan card, store credit card, other credit card, union card, or current Canadian VISA.

5. A photocopy of a recent vehicle registration, utility, telephone, or cable TV bill issued in the Broker Customer's name (or legal spouse or roommate) with an address that conforms to the residential address provided by the Broker Customer (billing period of statement must end not more than 40 days before the date the loan application is made)

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

6. Photocopy of pay stub evidencing a source of income.

7. Photocopy of most recent bank statement of one the following types:
   (a) a mailed out account statement with an end of period cut-off date not more than 45 days before the date the loan application is made and must include Broker Customer's name and the corresponding bank account identification number;
   (b) an ATM generated account statement with an end of period cut-off date not more than 5 days before the date the loan application is made and must be for at least a 14 day period and must include Broker Customer's bank account identification number;
   (c) a personal computer (internet) generated account statement with an end of period cut-off date not more than 5 days before the date the loan application is made and must be for at least a 30 day period and must include Broker Customer's name and the corresponding bank account identification number; evidencing that Broker Customer has an active chequing account.

8. Promissory Note in form satisfactory to (or otherwise previously approved by) Financier, where provincial or federal legislation will allow.

9. Security Agreement in form satisfactory to (or otherwise previously approved by) Financier.

10. Receipt signed by Broker Customer for funds advanced to Broker Customer (or for cheque delivered to Broker Customer if Broker Customer elects to receive funds by way of subsequently delivered cheque).

11. Optional Payment Plan, if any, in form satisfactory to Financier and Broker. This collection measure is only to be used where allowable by provincial and/or federal legislation.

12. An alternative means of payment should the Broker Customer neglect to make the required payment in one or both, if available, of the following forms:
   (a) Pre-Authorized Debit Agreement made out to Broker and signed by Broker Customer for amount of interest and principal in form satisfactory to Financier.
   (b) Personalized cheque made out to Broker and signed by Broker Customer for amount of principal and interest. Cheque must be drawn against the account that corresponds to the account statements received. [(a)]

13. Broker Customer Receipt including summary of amounts due on maturity of loan and due dates in form satisfactory to Financier

Notes:

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

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

16. A registration history search against the Vehicle Identification Number.

17. A vehicle PPSA Security Agreement (in form satisfactory to Financier) executed by the Broker Customer.

18. Evidence that a PPSA registration against the Customer's name (with Financier as secured party) and the VIN of the vehicle has been registered in the PPSA registry.

19. A copy of the valuation (i.e. print off of the web pages) indicated on www.canadablackbook.com for the vehicle or similar as identified above.

20. A PPSA current search against (a) the Vehicle Identification Number for the vehicle and (b) the Customer's name, showing no other competing registrations other than the PPSA registrations in favour of Financier carried out forthwith after the registration referred to in paragraph 19 above.

21. A vehicle condition report (in form satisfactory to Financier) fully completed by employees of Broker at the time of application.

22. A photocopy of the Broker Customer's vehicle registration and insurance documents for the vehicle.

23. An electronic (or Polaroid) photograph of the vehicle (need not be printed but must be electronically stored so that it can be printed).

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

LOAN SERVICES

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

Services to be Provided by and Responsibilities of Broker

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

1. Broker shall record applications by Broker Customers to receive loans and communicate those applications which meet the Loan Selection Criteria of Financier.

2. Broker shall verify the following information from the Loan Application Form for a Broker Customer:
   (a) source of income;
   (b) picture ID is accurate;
   (c) banking information matches;

   and ensure that a personalized cheque and/or a Pre-authorized Debit Form are made out for the amount of the principal and interest owing.

3. Where applicable pursuant to the Loan Selection Criteria established by Financier, Broker shall apply pre-set loan evaluation and limiting criteria to the loan applications to determine whether the proposed loan meets Financier's pre-set criteria.

4. Broker shall maintain a database of information concerning Broker Customers with such information as Broker, acting with commercial reasonableness, deems appropriate and practical.

5. Broker shall verify the status of any electronic communication made by Broker and shall establish and maintain a back-up procedure for the reconstruction of any such lost or damaged electronic communication that is to be or has been transmitted.

6. Where applicable, Broker shall review confirmation screens before transmitting any information to Financier (or Financier's agent(s) or service bureau(s)) and shall verify that the information gathered in accordance with this Agreement is accurately recorded from the information provided to Broker before providing or transmitting it.

7. Broker shall to the extent it deems it economic and practical, send and receive batch file information to/from other databases and systems (for example, but without limitation, bank account activity, service bureau activity and cash card facility information) necessary for Broker to integrate into Broker's data base in order to accumulate and report information required by this Agreement.

8. Broker shall to the extent it deems it economic and practical, collect most documents necessary to satisfy the Documentation & Funding Requirements for each Loan.

9. Broker shall, if requested by Financier, deliver to Financier those documents, or portions thereof, where required by the Loan Selection Criteria and Documentation & Funding Requirements.

10. Broker shall track and calculate all interest accruing due from the Broker Customer to Financier.

11. Broker shall track all payments received from Broker Customers on Loans and for each such payment record (a) the date the payment was received by Broker (if the payment is handled by Broker before delivery to Financier), (b) the date of deposit of the payment into the Designated Financier Bank Account and (c) where cheques are returned NSF or Pre-authorized debits are later reversed, the date that the reversal occurred;

12. Broker shall, as allowed by applicable provincial and/or federal collection legislation, provide a phone call reminder to each Broker Customer before a payment is due of the date and amounts owing. The reminder may be provided by direct call to the Broker Customer or by leaving a message with the person answering the phone or on answering machine for such phone number.

13. Broker shall on an ongoing basis provide such additional Maintenance and Facilitation Services as Broker deems appropriate to enhance the quality of its services and its competitiveness.

14. Where payment by a Broker Customer is to be made by any means other than cash or Broker debit terminal, the Broker will, to reduce dishonoured item charges, to the extent it deems it economic and practical, use all reasonable and available means to verify funds before attempting any cheque or electronic deposits. Every attempt will be made to have the Broker Customer pay by cash or debit.

15. Broker shall prepare such weekly and monthly reports concerning all activities related to the Loans as Broker may deem reasonably necessary from time to time.

16. For loans secured against vehicles, Broker shall verify the name of the Broker Customer, the name indicated as the registered owner on the provincial license registration and the insured's name on the evidence of insurance all indicate the same name which corresponds to the Broker Customer's other identification;

Default Realization Services Provided by the Broker:

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

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

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

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

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

1) Contacting customer by home phone, cellular phone, work phone, landlord, references, e-mail, letters, or home visit. These attempts will continue until the Loan is paid in full or it is determined that a third party collection agency should be retained to attempt collection of amounts owing.

2) Presenting Optional Payment Plan form to employer, where allowed by applicable federal or provincial collection legislation.

3) Attempt on or around the customer payday, spouse's payday or government cheque days to certify any cheques on file or process any Pre-authorized Debit.

4) If at anytime during the collection process it is determined that the customer is no longer employed or is no longer at the listed residence, intensified skip tracing efforts will begin.

5) At or around 30 days past due, send a letter notifying the customer of possible legal proceedings and/or third party collection activities, should the account not be paid in full right away.

6) At or around 60 days past due, if there is still dialogue with the customer, send the customer a one time "amnesty letter" offering a structured payout of the loan over a set period of time. The customer would be required to pay interest and a portion of principal on each payment until the account is paid in full. Interest would continue to accrue daily on the remaining principal outstanding.

7) If still unpaid at 90 days past due, and no payment has been made in the past 30 days, send a final letter to the customer advising the account must be paid in full within 10 business days or it will be turned over to a third party collection agency.

8) At or around 120 days past due and no payment received in the past 30 days, the account is then turned over to the Broker's internal collection department and they will attempt collection for a period of 60 days.

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

9) All reasonable and lawful collection and communication methods, within a cost effective structure, may be used to attempt collection of the account.

10) Files will continue to be worked diligently by Broker until it has been determined that the Loan should be given to a third party collection agency.

11) All realization activities will cease upon notification of bankruptcy of Broker Customer. "Proof of Claim" as secured creditor, unsecured creditor or both to be filed with bankruptcy trustee.

    For greater certainty Broker, acting with commercial reasonableness, is authorized on the Financier's behalf to settle or compromise any Loans in default and to accept part payment of any Loan in full satisfaction thereof.

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

1) If payment is not received before the 30th day past due, or sooner, instruct a seizure of the vehicle to be carried out.

2) For each seized vehicle arrange for storage of vehicle for necessary time under provincial legislation.

3) For each seized vehicle provide such notices to the vehicle owner (and other creditors, if required under applicable law) of the seizure, planned sale method and other information required by provincial legislation.

4) For each seized vehicle instruct the sale of the vehicle at the earliest time permitted by provincial legislation in the manner permitted by the legislation.

5) Distribute proceeds in accordance with applicable law and this Agreement.

Retention of Records:

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

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

LOAN MANAGEMENT POLICY & PROCEDURE MANUAL

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

See Attached

THIS IS EXHIBIT "L" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

News Release

February 12, 2014

Cash Store Provides Ontario Regulatory Update

EDMONTON, February 12, 2014 /CNW/ - The Cash Store Financial Services Inc. ("Cash Store Financial" or the "Company") (TSX: CSF; NYSE: CSFS) today announced that the Ontario Superior Court of Justice has ordered that Cash Store Financial is prohibited from acting as a loan broker in respect of its basic line of credit product without a broker's license under the *Payday Loans Act, 2008* (the "Payday Loans Act"). The Company's subsidiaries have already applied for licenses under the Payday Loans Act in anticipation of changes in regulatory requirements.

In February 2013, the Company began brokering the basic line of credit as part of a wider initiative to offer a risk-based suite of line of credit products allowing customers to build credit and gain access to less costly funding. On June 7, 2013, an application was commenced in the Ontario Superior Court of Justice pursuant to section 54(1) of the *Payday Loans Act* seeking a declaration that the basic line of credit constitutes a payday loan under subsection 1(1) of the *Payday Loans Act.* The application was heard on November 29, 2013 and the decision was delivered today.

As part of its overall business strategy, the current regulatory environment and the decision, the Company has taken the steps necessary to immediately cease offering all line of credit products offered to its customers in Ontario branches.

About Cash Store Financial

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Cash Store Financial and Instaloans primarily act as lenders and brokers to facilitate short-term advances and provide other financial services to income-earning consumers who may not be able to obtain them from traditional banks. Cash Store Financial also provides a private-label debit card (the "Freedom" card) and a prepaid credit card (the "Freedom MasterCard") as well as other financial services, including bank accounts.

Cash Store Financial employs approximately 1,900 associates and is headquartered in Edmonton, Alberta.

Cash Store Financial is a Canadian corporation that is not affiliated with Cottonwood Financial Ltd. or the outlets Cottonwood Financial Ltd. operates in the United States under the name "Cash Store". Cash Store Financial does not do business under the name "Cash Store" in the United States and does not own or provide any consumer lending services in the United States.

For further information, please contact:

Gordon Reykdal, CEO, at 780-408-5118, or
Peter Block, NATIONAL Public Relations, at 416-848-1431

Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of United States federal securities legislation, which we refer to herein, collectively, as "forward-looking information". Generally, forward-looking information can be identified by the use of forward-looking terminology such as "estimates", "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". In particular, this news release contains forward-looking information with respect to the Credit Agreement, credit facilities being advanced under the Credit Agreement and the Company's ability to meet payment and interest obligations. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Cash Store Financial, to be materially different from those expressed or implied by such forward-looking information, including, but not limited to, changes in economic and political conditions, legislative or regulatory developments, technological developments, third-party arrangements, competition, litigation, risks associated with but not limited to, market conditions, and other factors described under the heading "Risk Factors" in our Annual MD&A, which is on file with Canadian provincial securities regulatory authorities, and in our Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission. All material assumptions used in providing forward-looking information are based on management's knowledge of current business conditions and expectations of future business conditions and trends, including our knowledge of the current credit, interest rate and liquidity conditions affecting us and the general economic conditions in Canada, the United Kingdom and elsewhere. Although we believe the assumptions used to make such statements are reasonable at this time and have attempted to identify in our continuous disclosure documents important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Certain material factors or assumptions are applied by us in making forward-looking information, including without limitation, factors and assumptions regarding our continued ability to fund our payday loan business, rates of customer defaults, relationships with, and payments to, third party lenders, demand for our products, our operating cost structure, current consumer protection regulations, as well as the ability to meet payments and interest obligations under the Credit Agreement, relationships with the Lenders and ability to abide by the terms of the Credit Agreement. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. We do not undertake to update any forward-looking information, except in accordance with applicable securities laws.

THIS IS EXHIBIT "M" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

News Release

Cash Store Responds to Ontario Regulations

EDMONTON, December 20, 2013 - The Cash Store Financial Services Inc. ("Cash Store Financial" or the "Company") (TSX: CSF; NYSE: CSFS) today responded to Ontario Regulation 351/13 that was filed by the Government of Ontario on December 17, 2013.

Cash Store Financial is reviewing the regulations in detail, but understands that Regulation 351/13, made under the *Payday Loans Act, 2008,* prescribes certain categories of credit such that the *Act* will apply to certain line of credit products offered through the Company's The Cash Store Inc. and Instaloans Inc. retail banners. The new regulations are scheduled to come into force on February 15, 2014. Cash Store Financial intends to comply with any regulatory requirements and intends to apply for a license under the new regulations.

In February 2013, Cash Store Financial introduced its Line of Credit products in Ontario. Consumers were given a chance to improve their financial circumstance by providing a pathway to traditional credit forms and gradual access to lower cost credit products. This was done through a risk-tiered and graduated suite of Line of Credit products that over time, provided lower-cost, more flexible loans that ultimately result in access to credit-scored products. Thousands of Canadians have already advanced up the ladder, meaning they are paying substantially lower fees than allowed under the *Payday Loans Act*. The Company is assessing the impact the new regulations will have on certain of its products.

About Cash Store Financial

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A commissioner for taking Affidavits

News Release

February 13, 2014

Cash Store Financial Provides Ontario Licenses Update

EDMONTON, February 13, 2014 /CNW/ - The Cash Store Financial Services Inc. ("Cash Store Financial" or the "Company") (TSX: CSF; NYSE: CSFS) today announced that the Registrar of the Ministry of Consumer Services in Ontario has issued a proposal to refuse to issue a license to the Company's subsidiaries, The Cash Store Inc. and Instaloans Inc. under the *Payday Loans Act, 2008* (the "Payday Loans Act"). The Payday Loans Act provides that applicants are entitled to a hearing before the License Appeal Tribunal in respect of a proposal by the Registrar to refuse to issue a license. The Cash Store Inc. and Instaloans Inc. will be requesting a hearing.

The Company is not currently permitted to sell any payday loan products in Ontario. As reported yesterday, the Company is no longer offering any of its line of credit products in Ontario.

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A commissioner for taking Affidavits

News Release

March 28, 2014

Cash Store Financial Provides Update on Strategic Review Process

Edmonton, Alberta, March 28, 2014 /CNW/ - The Cash Store Financial Inc. ("Cash Store Financial" or the "Company") (TSX:CSF) today announced that the Ontario Registrar of the Ministry of Consumer Services ("Registrar") has issued a final order to refuse a license under the *Payday Loans Act, 2008* ("Payday Loans Act") to the Company's subsidiaries, The Cash Store Inc. and Instaloans Inc. The Company is currently not permitted to sell any payday loan products in Ontario and will not be eligible to re-apply for a license for 12 months from the date of issuance of the final order. If the Company chooses to re-apply for a license after such time, the Company will be required to provide new or additional evidence for the Registrar to consider or demonstrate that material circumstances have changed.

The Company also announced that it has appealed the previously announced order of the Ontario Superior Court of Justice February 12, 2014 pursuant to which the Company's basic line of credit product was declared to be a payday loan and the Company was prohibited from acting as a loan broker in respect of its basic line of credit product without a broker's license under the Payday Loans Act. There is no certainty that the appeal will be successful and it is possible that the Company will be required to permanently close its Ontario operations.

The Company also announced that, as part of its ongoing strategic review, the Company and the advisors to the Special Committee of the Board of Directors have engaged in discussions with certain of the Company's creditors and other stakeholders to address near term liquidity issues that have arisen, including as a result of the suspension of the Company's right to make loans in Ontario. The Company has been notified of the formation of an ad hoc committee of holders of the Company's 11.5% senior secured notes through its legal and financial advisors and, accordingly, the ad hoc committee is one of the creditor groups involved in discussions with the Company regarding how to address its near term liquidity issues.

There is no certainty that the Company's near term liquidity issues will be resolved and, if resolved, on terms that are favourable to the Company.

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For further information, please contact:

Gordon Reykdal, CEO, at 780-408-5118, or,

Craig Warnock, CFO, at 780-732-5683, or,

Peter Block, NATIONAL Public Relations, 416-848-1431

Forward looking statements

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of United States federal securities legislation, which we refer to herein, collectively, as "forward-looking information". Generally, forward-looking information can be identified by the use of forward-looking terminology such as "estimates", "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". In particular, this news release contains forward-looking information with respect to the final order of the Registrar, the ability of Cash Store Financial to obtain licenses under the Payday Loans Act in the future, the appeal of the February 12, 2014 decision of the Ontario Superior Court of Justice, the discussions with Cash Store Financial's creditors and other stakeholders, Cash Store Financial's liquidity position and the consequences of suspension of carrying on business in Ontario. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Cash Store Financial, to be materially different from those expressed or implied by such forward-looking information, including, but not limited to, changes in economic and political conditions, legislative or regulatory developments, technological developments, third-party arrangements, competition, litigation, risks associated with but not limited to, market conditions, and other factors described under the heading "Risk Factors" in our Annual MD&A, which is on file with Canadian provincial securities regulatory authorities, and in our Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission. All material assumptions used in providing forward-looking information are based on management's knowledge of current business conditions and expectations of future business conditions and trends, including our knowledge of the current credit, interest rate and liquidity conditions affecting us and the general economic conditions in Canada, the United Kingdom and elsewhere. Although we believe the assumptions used to make such statements are reasonable at this time and have attempted to identify in our continuous disclosure documents important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Certain material factors or assumptions are applied by us in making forward-looking information, including without limitation, factors and assumptions regarding our continued ability to fund our payday loan business, rates of customer defaults, relationships with, and payments to, third party lenders, creditors and other stakeholders, demand for our products, our operating cost structure, current consumer protection regulations and

other laws, Cash Store Financial's liquidity position and the consequences of suspension of carrying on business in Ontario. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. We do not undertake and expressly disclaim any obligation to update any forward-looking information, except in accordance with applicable securities laws.

THIS IS EXHIBIT "P" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

News Release

March 31, 2014

Cash Store Financial Announces Agreement in Principle to Settle Investor Class Action Lawsuits

EDMONTON, March 31, 2014 /CNW/ - The Cash Store Financial Services Inc. ("Cash Store Financial" or the "Company") (TSX: CSF) today announced that it has entered into an agreement in principle to settle the previously disclosed proposed class action proceedings against the Company and certain of its former directors and officers relating to alleged disclosure violations commenced by investors in Ontario, Alberta, Quebec and New York. The agreement in principle covers all claims related to investments in the Company's common shares and senior secured notes acquired or disposed of during the expanded period of November 24, 2010 through February 14, 2014, other than certain rights and claims of senior secured note holders under the note indenture dated January 31, 2012.

The proposed settlement provides for a payment in the amount of approximately Cdn $9.45 million (all-inclusive) by the Company's insurers.

The proposed settlement is subject to the fulfillment of customary conditions including, among other things, the parties entering into a definitive settlement agreement, court approvals, approval of parties other than the Company, and the fulfillment of conditions relating to the number of opt-outs from the proposed settlement. There is no assurance that these conditions will be fulfilled.

The proposed settlement includes no admission of liability by the Company or any of the settling defendants, and the Company continues to deny any such liability or damages.

About Cash Store Financial

Cash Store Financial is the only lender and broker of short-term advances and provider of other financial services in Canada that is listed on the Toronto Stock Exchange (TSX: CSF). Cash Store Financial operates 510 branches across Canada under the banners "Cash Store Financial" and "Instaloans". Cash Store Financial also operates 27 branches in the United Kingdom.

Cash Store Financial and Instaloans primarily act as lenders and brokers to facilitate short-term advances and provide other financial services to income-earning consumers who may not be able to obtain them from traditional banks. Cash Store Financial also provides a private-label debit card (the "Freedom" card) and a prepaid credit card (the "Freedom MasterCard") as well as other financial services, including bank accounts.

Cash Store Financial employs approximately 1,900 associates and is headquartered in Edmonton, Alberta.

Cash Store Financial is a Canadian corporation that is not affiliated with Cottonwood Financial Ltd. or the outlets Cottonwood Financial Ltd. operates in the United States under the name "Cash Store". Cash

Store Financial does not do business under the name "Cash Store" in the United States and does not own or provide any consumer lending services in the United States.

For further information, please contact:

Gordon Reykdal, CEO, at 780-408-5118,

Craig Warnock, CFO, at 780-732-5683, or

Peter Block, NATIONAL Public Relations, 416-848-1431

Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of United States federal securities legislation, which we refer to herein, collectively, as "forward-looking information". Generally, forward-looking information can be identified by the use of forward-looking terminology such as "estimates", "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". In particular, this news release contains forward-looking information with respect to the Settlement, the Company Releasees, the Released Claims, the settlement agreement, and the class action lawsuits commenced in Ontario and Alberta being dismissed. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Cash Store Financial, to be materially different from those expressed or implied by such forward-looking information, including, but not limited to, changes in economic and political conditions, legislative or regulatory developments, technological developments, third-party arrangements, competition, litigation, risks associated with but not limited to, market conditions, and other factors described under the heading "Risk Factors" in our Annual MD&A, which is on file with Canadian provincial securities regulatory authorities, and in our Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission. All material assumptions used in providing forward-looking information are based on management's knowledge of current business conditions and expectations of future business conditions and trends, including our knowledge of the current credit, interest rate and liquidity conditions affecting us and the general economic conditions in Canada, the United Kingdom and elsewhere. Although we believe the assumptions used to make such statements are reasonable at this time and have attempted to identify in our continuous disclosure documents important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Certain material factors or assumptions are applied by us in making forward-looking information, including without limitation, factors and assumptions regarding our continued ability to fund our payday loan business, rates of customer defaults, relationships with, and payments to, third party lenders, demand for our products, our operating cost structure, current consumer protection regulations, the Settlement, the likelihood of entering into a final settlement agreement with the Plaintiffs and the dismissal of the Alberta and Quebec class action lawsuits. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. We do not undertake to update any forward-looking information, except in accordance with applicable securities laws.

THIS IS EXHIBIT "Q" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

News Release

February 28, 2014

Cash Store Financial to Voluntarily Delist from the NYSE

Edmonton, February 28, 2014 /CNW/ - The Cash Store Financial Services Inc. ("Cash Store Financial" or the "Company") (TSX: CSF) (NYSE: CSFS) today announced that it will voluntarily delist its common shares from The New York Stock Exchange ("NYSE"). The Company's decision to voluntarily delist its common shares was driven by a number of factors, including its non-compliance with the NYSE's market capitalization and shareholders' equity, as well as its share price requirements.

The Company expects to file an application on Form 25 to notify the U.S. Securities and Exchange Commission of its withdrawal of its common shares from listing on the NYSE. The Company expects that the last day of trading of its common shares on the NYSE will be on March 3, 2014.

The decision to voluntarily delist its common shares from the NYSE does not impact the Company's listing on the Toronto Stock Exchange ("TSX"). The Company's common shares will continue to be listed and traded on the TSX, subject to compliance with TSX continued listing standards.

As previously announced, on April 2, 2013, the Company received notice from the NYSE that it was not in compliance with the US$50 million market capitalization and stockholders' equity standard for continued listing of its common shares on the NYSE. On August 29, 2013, the Company was notified that the NYSE accepted the Company's plan to achieve compliance ("Plan of Compliance") subject to an 18 month monitoring period as measured from the April 2, 2013 notice.

On February 24, 2014, the Company received an additional notice from the NYSE that it had fallen below the NYSE's continued listing criteria requiring listed companies to maintain an average closing price of its listed common shares of not less than US$1.00 over a consecutive 30 trading-day period.

About Cash Store Financial

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Cash Store Financial employs approximately 1,900 associates and is headquartered in Edmonton, Alberta.

Cash Store Financial is a Canadian corporation that is not affiliated with Cottonwood Financial Ltd. or the outlets Cottonwood Financial Ltd. operates in the United States under the name "Cash Store". Cash Store Financial does not do business under the name "Cash Store" in the United States and does not own or provide any consumer lending services in the United States.

For further information, please contact:

Gordon Reykdal, CEO, at 780-408-5118,

Craig Warnock, CFO, at 780-732-5683 or

Peter Block, NATIONAL Public Relations, 416-848-1431

Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of United States federal securities legislation, which we refer to herein, collectively, as "forward-looking information". Generally, forward-looking information can be identified by the use of forward-looking terminology such as "estimates", "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Cash Store Financial, to be materially different from those expressed or implied by such forward-looking information, including, but not limited to, changes in economic and political conditions, legislative or regulatory developments, technological developments, third-party arrangements, competition, litigation, risks associated with but not limited to, market conditions, and other factors described under the heading "Risk Factors" in our Annual MD&A, which is on file with Canadian provincial securities regulatory authorities, and in our Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. We do not undertake to update any forward-looking information, except in accordance with applicable securities laws.

THIS IS EXHIBIT "R" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 4th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

From: Sharon Fawcett [s.fawcett@aristoscorp.com]
Sent: Wednesday, February 26, 2014 12:27 PM
To: Steve Carlstrom
Subject: Cash Store Portfolio

Hi Steve,

I have reviewed our Lender Statement for January, as well as the detailed AR report. I wanted to touch base with you on the status of our portfolio now that you have stopped offering the line-of-credit product in Ontario. I would like to receive an updated listing of our loan portfolio to February 12th, the date you stopped offering the line-of-credit product. I expect that this update will reflect the January 31st balance of $10,769,390 (includes AR discrepancy) reduced by collections over the period from February 1st to 12th. Presumably these repayments will have been added to our unexpended capital balance, which was $2,602,699 at January 31st, increasing that amount accordingly.

If my understanding is correct, the amounts transferred to us from other lenders occurs at month end. Given the suspension of the line-of-credit product, we assume that we will simply be reducing our loan portfolio balance as at February 12th as these amounts are collected. We expect that no further amounts will be assigned to us. We do not want to increase our exposure with respect to outstanding balances on this product.

I understand that Murray and Gord have had a number of discussions over the last few weeks. As I understand it, they have agreed that it makes sense to return our unexpended capital balance to us as the loans in our portfolio are repaid. These funds would be available to reinvest with Cash Store in future to deploy as new products are introduced by Cash Store to replace the Ontario line-of-credit business. Until such time, it makes no sense for Cash Store to be paying 17.5% on funds it is unable to deploy.

In keeping with Murray and Gord's agreement, I anticipate that a repayment would be made to us at the beginning of March which would include the unexpended capital balance at January 31st of $2,602,699 plus all collections received with respect to our Ontario portfolio through the end of February.

I look forward to receiving the updated portfolio listing and confirmation of the anticipated repayments.

Cheers

Sharon

Sharon Fawcett, CA
McCann Family Holding Corporation

T: 403.251.5517
F: 1.888.474.8105
E: s.fawcett@aristoscorp.com

THIS IS EXHIBIT "S" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

January 23, 2014

1518534 Alberta Ltd
General Partner
Trimor Annuity Focus Limited Partnership #5
110 -9th Avenue SW
9th Floor
Calgary, AB T2P 0T1

The Cash Store Inc.
15511 123 Avenue
Edmonton, Alberta
T5V 0C3

Attention: Mr. Gord Reykdal

Reduction in Loan Amount Limit

Dear Gord:

Pursuant to The Broker Agreement between Trimor Annuity Focus Limited Partnership #5 ("the Partnership") and The Cash Store Inc, we are providing written notice that the total Loan Amount which the Partnership is prepared to fund is reduced to $23,000,000.

Please confirm receipt of this Notice and advise when you anticipate returning principal so that we may communicate this to investors who have requested redemption.

Very truly yours,

On Behalf of the General Partner of Trimor Annuity Focus Limited Partnership #5.

Geoff Whitlam

cc. Craig Warnock, CFO Cash Store Financial
Andrew Selbie

THIS IS EXHIBIT "T" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

Trimor Annuity Focus Limited Partnership #5

Fax

To:	Cash Store Financial Services Inc.	**Fax:**	(780) 443-2653
From:	Trimor Annuity Focus LP #5	**Date:**	April 4, 2014
Re:	Loan Funds	**Pages:**	3 (including Cover)
Atten:	Gordon Reykdal, Chief Executive Officer		

☐ **Urgent** ☐ **For Review** ☐ **Please Comment** ☐ **Please Reply** ☐ **Please Recycle**

Please see enclosed correspondence.

Thank you.

TRIMOR ANNUITY FOCUS LP #5

April 4, 2014

BY FACSIMILE (780) 443-2653

THE CASH STORE INC.
1693926 Alberta Ltd
15511 – 123 Avenue
Edmonton, AB T5V 0C3

Attention: Gordon Reykdal, Chief Executive Officer

Dear Sirs and Mesdames,

Re: Integrity of Loan Funds Administered by The Cash Store Inc. and 1693926 Alberta Ltd. (individually the "Broker" and collectively the "Brokers")

Trimor Annuity Focus LP #5 (**"Trimor LP"**) has advanced $27,002,000.00 to the Brokers for the express purpose of facilitating loans directly to customers identified by a Broker as appropriate, pursuant to specified loan selection criteria. Subject to the agreed upon Broker fees, those loan funds and the interest proceeds received under all negotiated loan agreements remain the legal property of Trimor LP.

Notwithstanding any regulatory challenges that either Broker is dealing with in the Province of Ontario or otherwise, we expect and require that, all loan funding provided by Trimor LP be held and accounted for separately from any financial or other assets of either Broker. We do not consent to any co-mingling of any funds owned by Trimor LP with the financial assets of either Broker.

We request an immediate and complete accounting of all loans that either Broker has facilitated on behalf of Trimor LP, including all Broker fees, interest and repayment proceeds made pursuant to those Trimor LP loans. This request specifically includes a complete accounting of all fund flows to and from both the Trimor LP Designated Broker Bank Account and the Trimor LP Designated Financier Bank Account, as well as all Trimor LP funds held as a float in anticipation of pending loan approvals.

We are giving formal notice that we are reducing our loan amount limit to zero and request that any Trimor LP funds currently held as a float in anticipation of further loans be returned to us, as per our agreement with you. We also request that any Trimor LP funds, which are collected as part of ongoing loan repayments, be returned to us pursuant to the provisions of our agreement.

We also expect and require that all monthly interest payments, which have been forwarded by the Brokers throughout the course of the agreement with Trimor LP, continue to be made by the Brokers without exception or delay, for as long as either Broker continues to be in possession of any of Trimor LP's funds or administering any loan on Trimor LP's behalf.

We have not yet received the required interest payment, which you confirmed in writing would be forwarded to us on March 28, 2014. Please forward that overdue interest payment to us immediately.

We look forward to receiving the requested accounting and overdue payment right away.

Sincerely,

TRIMOR ANNUITY FOCUS LIMITED PARTNERSHIP #5
by: 1518534 Alberta Ltd., as General Partner for the Partnership

Kurt G. J. Soost, President

THIS IS EXHIBIT "U" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

Bennett Jones

Bennett Jones LLP
4500 Bankers Hall East, 855 - 2nd Street SW
Calgary, Alberta, Canada T2P 4K7
Tel: 403.298.3100 Fax: 403.265.7219

Ken T. Lenz, Q.C.
Partner
Direct Line: 403.298.3317
e-mail: lenzk@bennettjones.com
Our File No.: 951-5

April 4, 2014

VIA EMAIL: mwasserman@osler.com

Mr. Marc Wasserman
Oslers
100 King Street West
1 First Canadian Place
Suite 4600, P.O. Box 50
Toronto, ON M5X 1B8

Dear Mr. Wasserman:

Re: Broker Agreement with The Cash Store

We are counsel for the McCann Family Holding Corporation ("McCann") in relation to the Broker Agreement between McCann and The Cash Store Inc. ("Cash Store") dated June 19, 2012 (the "Agreement").

Pursuant to the Agreement, our client provided to Cash Store as broker $13,350,000.00. These funds were lent to customers in Ontario under Cash Store's line-of-credit product. On February 13, 2014 Cash Store ceased offering this product in Ontario. As at February 12, 2014 our clients outstanding loan balance was $8,403,878.71. Since that date our client believes that additional collections of at least $2,300,000 have been made on this loan balance. With those collections, the unexpended funds are at least $7,300,000. It has been advised as recently as ten days ago that this money has not been lent to third parties and remains held in Cash Store account. Our client has demanded the return of this money within the terms of the Agreement.

We are further aware that Cash Store has failed to pay certain interest obligations pursuant to other loan agreements and pursuant to section 3.2 of the Agreement, Cash Store is no longer entitled without misrepresentation to broker loans funded by McCann.

As the money which Cash Store is holding on behalf of our client can be used for no other purpose than lending to customers, we would ask that it be returned forthwith, or held in a segregated account. The money is held in trust for our client, Cash Store which stands in a fiduciary relationship. We put you on notice that if it is dissipated, we will be seeking personal remedies against those responsible, including directors, officers and agents who participate in the breach of trust or conversion.

Finally, pursuant to Section 5.1 of the Broker Agreement, our client demands to inspect all records of Cash Store, and in particular those records in relation to the money being held in trust for our client. Our client appoints PriceWaterhouseCoopers Inc. ("PWC") for this purpose and wishes to make arrangements for PWC to visit the offices of Cash Store in Edmonton, Alberta, at your early convenience and in any event, no later than Monday or Tuesday of next week for this purpose. Please advise of how specific arrangements may be made between PWC and Cash Stores.

I look forward to your reply.

Yours truly,

BENNETT JONES LLP

Ken T. Lenz
KTL/ld
cc: M. McCann
S. Fawcett
P. Darby, PWC

THIS IS EXHIBIT "V" TO THE AFFIDAVIT

OF STEVEN CARLSTROM SWORN BEFORE

ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

Osler, Hoskin & Harcourt LLP
Box 50, 1 First Canadian Place
Toronto, Ontario, Canada M5X 1B8
416.362.2111 MAIN
416.862.6666 FACSIMILE

OSLER

Toronto
Montréal
Ottawa
Calgary
New York

April 8, 2014

Marc S. Wasserman
Direct Dial: 416.862.4208
mwasserman@osler.com
Our Matter Number: 1152411

SENT BY EMAIL

Mr. Ken T. Lenz, Q.C.
Bennett Jones LLP
4500 Bankers Hall East
855 – 2nd Street SW
Calgary AB T2P 4K7

Dear Mr. Lenz:

Re: Broker Agreement with The Cash Store Inc.

Thank you for your letter of April 4, 2014 on behalf of the McCann Family Holding Corporation ("McCann") and for the revised draft of the non-disclosure agreement provided to us by email of the same date. We look forward to continuing to work with you and your client with respect to the liquidity and other issues currently being faced by Cash Store. In this letter, we refer to The Cash Store Inc. and its affiliates collectively and any one of them as "Cash Store".

We note that there is no provision in the Broker Agreement between McCann and Cash Store dated June 19, 2012 (the "Agreement") that establishes a trust relationship or imposes a trust on any funds. In addition, Cash Store's public disclosure does not describe its relationships with its third party lenders as constituting a trust relationship. Accordingly, in these circumstances, there can be no question of Cash Store dissipating trust funds. As your client is aware, all funds collected from Cash Store's customers are comingled, including with funds collected in respect of loans brokered for McCann under the Agreement.

We acknowledge your request that the funds previously advanced by McCann under the Agreement be returned. Section 2.2 of the Agreement provides that McCann may determine the total amount McCann is prepared to fund on an ongoing basis to Cash Store's customers and that this limit may be re-established by McCann upon 120 days written notice to Cash Store. Cash Store had previously received an email from Sharon Fawcett on behalf of McCann dated February 26, 2014 requesting the return of certain funds advanced to Cash Store. This request did not specify any sections of the Agreement, however, we understand that this email was intended as written notice to Cash Store pursuant to section 2.2 of the Agreement that McCann had determined to reduce the total amount that McCann is prepared to fund on an ongoing basis to Cash Store's customers and thus the notice takes effect on or about June 26, 2014. As

previously indicated, Cash Store is hopeful that McCann and its affiliates will be part of the solution to Cash Store's current liquidity issues. We are attempting to work with you to reach agreement on the terms of a non-disclosure agreement to provide you with non-public information that we hope will provide a framework for negotiating the terms of that solution. We note that the revisions you made to the non-disclosure agreement include deleting McCann's agreement not to use any non-public information provided to it in a manner detrimental to Cash Store and adding language to the effect that the provisions of the non-disclosure agreement shall not restrain McCann's and its affiliates' existing rights against Cash Store. While we agree that the non-disclosure agreement should not affect McCann's existing rights against Cash Store, the non-disclosure agreement is not meant to provide information to be used against Cash Store in litigation. Cash Store will only enter into a non-disclosure agreement with McCann that clearly prohibits McCann and its affiliates from using any of the information disclosed pursuant to the non-disclosure agreement against Cash Store in any lawsuit. We would be pleased to continue to a dialogue with you about these matters and are prepared to finalize a non-disclosure agreement with those modifications immediately.

We acknowledge your request that PricewaterhouseCoopers, Inc. be appointed as inspector of certain matters relating to the Agreement and the money advanced by your client. As previously discussed, we understand that PricewaterhouseCoopers, Inc. prepares Cash Store's tax returns and has therefore previously been involved in discussions with Cash Store regarding its present liquidity position. Before Cash Store will agree to the appointment of PricewaterhouseCoopers, Inc. as inspector under the Agreement, we would need to understand how you and PricewaterhouseCoopers, Inc. propose to resolve any potential conflict of interest PricewaterhouseCoopers, Inc. may have, including as a result of its previous work for Cash Store and its possession of certain confidential materials and information regarding Cash Store.

We look forward to continuing to discuss these matters with you in an effort to achieve a mutually beneficial solution to the challenges currently faced by Cash Store.

Yours very truly,

Marc S. Wasserman
MSW:ks

c: Client
Neil Augustine, *Rothschild Inc.*

THIS IS EXHIBIT "W" TO THE AFFIDAVIT

OF STEVEN CARLSTROM SWORN BEFORE

ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

Bennett Jones

Bennett Jones LLP
4500 Bankers Hall East, 855 - 2nd Street SW
Calgary, Alberta, Canada T2P 4K7
Tel: 403.298.3100 Fax: 403.265.7219

Ken T. Lenz, Q.C.
Partner
Direct Line: 403.298.3317
e-mail: lenzk@bennettjones.com
Our File No.: 951.5

April 8, 2014

Via Email

Mr. Marc Wasserman
Osler, Hoskin & Harcourt LLP
Suite 4600, 1 First Canadian Place
100 King Street W.
Toronto ON M5X 1B8

Dear Mr. Wasserman:

Re: Broker Agreement with The Cash Store Inc.

Thank you for your letter of April 8, 2014. First I would be grateful if you could confirm the identity of your client. I am not sure whether you act on behalf of The Cash Store Inc. and its affiliates ("Cash Stores") or the Special Committee of the Board of Directors.

With respect to the appointment of PricewaterhouseCoopers Inc. ("PWC") as inspector pursuant to the Credit Agreement, while we acknowledge that PricewaterhouseCoopers LLP prepared some tax returns which is not a conflict, I am advised that PricewaterhouseCoopers Inc. is a different division and in any event, our client is entitled to information with respect to tax returns. If it will satisfy Cash Stores' concerns, PWC would be prepared to erect an ethical wall between personnel who prepared tax returns and those in the separate entity PWC who will do the inspection. However, we require PWC access immediately for the reasons set out in my earlier letter of April 4, 2014. I look forward to your early reply.

With respect to the remainder of your letter, it is clear from the Credit Agreement that money advanced by our client is not Cash Stores' money. It is to be held in a Designated Broker Bank Account. It is held by Cash Stores as a broker for the purpose of making loans. Cash Stores is no longer entitled to make loans with this money pursuant to the Credit Agreement as it must represent its solvency each time a loan is made. Cash Stores may not use the money for any other purpose than making loans. If it is not done already, we require this money to be immediately segregated so that our client's ownership of it is beyond question.

We make no comment on how Cash Stores has characterized our client's money in its public filings. The fact is it is our client's money, not money of Cash Stores, and if Cash Stores treats it as its own

money, we will be pursuing all remedies against those responsible, including the members of the Special Committee.

Finally, we remain prepared to discuss appropriate terms for a non-disclosure agreement. Our client has no wish to undermine Cash Stores and is prepared to undertake to use information received from Cash Stores only for legitimate purposes like evaluating a loan. We are not proposing to sign the NDA for the purpose of finding information to be used in litigation against Cash Stores. However, we cannot agree to not use information if it raises issues concerning out client's legal rights, just because it was disclosed in this process. We would be prepared to agree not to use any such information for the purposes of any litigation, providing it is not otherwise discoverable. However, if such information is discoverable, we should be able to use it, subject to the kind of undertaking that would be implied in the course of litigation.

If we are unable to reach agreement on the appointment of PWC and the segregation of funds, we will be forced to make application for that relief. Our client does wish to work with Cash Stores if possible, but cannot be left in a position where it does not have appropriate information to make decisions. I look forward to your reply.

Yours truly,

Ken T. Lenz

KTL/dmk

cc: Client

THIS IS EXHIBIT "X" TO THE AFFIDAVIT

OF STEVEN CARLSTROM SWORN BEFORE

ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

TRIMOR ANNUITY FOCUS LP #5

April 4, 2014

BY FACSIMILE (780) 443-2653

THE CASH STORE INC.
1693926 Alberta Ltd
15511 – 123 Avenue
Edmonton, AB T5V 0C3

Attention: Gordon Reykdal, Chief Executive Officer

Dear Sirs and Mesdames,

Re: Integrity of Loan Funds Administered by The Cash Store Inc. and 1693926 Alberta Ltd. (individually the "Broker" and collectively the "Brokers")

Trimor Annuity Focus LP #5 (**"Trimor LP"**) has advanced $27,002,000.00 to the Brokers for the express purpose of facilitating loans directly to customers identified by a Broker as appropriate, pursuant to specified loan selection criteria. Subject to the agreed upon Broker fees, those loan funds and the interest proceeds received under all negotiated loan agreements remain the legal property of Trimor LP.

Notwithstanding any regulatory challenges that either Broker is dealing with in the Province of Ontario or otherwise, we expect and require that, all loan funding provided by Trimor LP be held and accounted for separately from any financial or other assets of either Broker. We do not consent to any co-mingling of any funds owned by Trimor LP with the financial assets of either Broker.

We request an immediate and complete accounting of all loans that either Broker has facilitated on behalf of Trimor LP, including all Broker fees, interest and repayment proceeds made pursuant to those Trimor LP loans. This request specifically includes a complete accounting of all fund flows to and from both the Trimor LP Designated Broker Bank Account and the Trimor LP Designated Financier Bank Account, as well as all Trimor LP funds held as a float in anticipation of pending loan approvals.

We are giving formal notice that we are reducing our loan amount limit to zero and request that any Trimor LP funds currently held as a float in anticipation of further loans be returned to us, as per our agreement with you. We also request that any Trimor LP funds, which are collected as part of ongoing loan repayments, be returned to us pursuant to the provisions of our agreement.

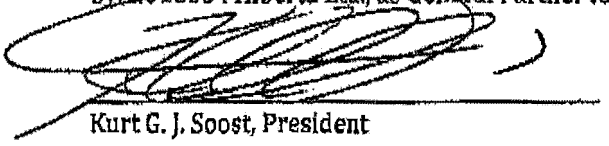
We also expect and require that all monthly interest payments, which have been forwarded by the Brokers throughout the course of the agreement with Trimor LP, continue to be made by the Brokers without exception or delay, for as long as either Broker continues to be in possession of any of Trimor LP's funds or administering any loan on Trimor LP's behalf.

We have not yet received the required interest payment, which you confirmed in writing would be forwarded to us on March 28, 2014. Please forward that overdue interest payment to us immediately.

We look forward to receiving the requested accounting and overdue payment right away.

Sincerely,

TRIMOR ANNUITY FOCUS LIMITED PARTNERSHIP #5
by: 1518534 Alberta Ltd., as General Partner for the Partnership



Kurt G. J. Soost, President

THIS IS EXHIBIT "Y" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

Osler, Hoskin & Harcourt LLP
Box 50, 1 First Canadian Place
Toronto, Ontario, Canada M5X 1B8
416.362.2111 MAIN
416.862.6666 FACSIMILE

OSLER

Toronto
Montréal
Ottawa
Calgary
New York

April 9, 2014

Marc S. Wasserman
Direct Dial: 416.862.4208
mwasserman@osler.com
Our Matter Number: 1152411

SENT BY EMAIL

Mr. Kurt Soost
Trimor Annuity Focus Limited Partnership #5
400, 604 1st Street S.W.
Calgary, Alberta T2P 1M7

Dear Mr. Soost:

Re: Broker Agreement with The Cash Store Inc.

We are counsel to the Special Committee to the Board of Directors of The Cash Store Financial Services Inc. (collectively with its affiliates, "Cash Store"). Cash Store forwarded to us your correspondence dated April 4, 2014 on behalf of Trimor Annuity Focus Limited Partnership #5 ("Trimor").

Trimor and The Cash Store Inc. are parties to a broker agreement dated February 1, 2012 as amended on April 17, 2013 (the "Agreement").

We note your request for an immediate and complete accounting of loans facilitated on behalf of Trimor. Cash Store will be complying with such request, as Cash Store has been and intends to continue from an accounting perspective to separately account for loans brokered by Cash Store from the funds provided to Cash Store by Trimor under the terms of the Agremeent. As you are aware, all funds collected from Cash Store's customers are comingled, including with funds collected in respect of loans brokered for Trimor under the Agreement. As such, there has never been a Trimor LP Designated Broker Bank Account or Trimor LP Designated Financier Bank Account as set out in your letter. Cash Store does have an account it uses to receive funds from third party lenders with respect to their the initial advance and will transfer funds to this account to make distributions to the third party lenders from time to time.

We acknowledge your request that the funds advanced by Trimor be returned to you. Section 2.2 of the Agreement provides that Trimor may determine the total amount it is prepared to fund on an ongoing basis to Cash Store's customers and that this limit may be re-established by Trimor upon 120 days written notice to Cash Store. Trimor's initial request for a return of $4 million was made on January 23, 2014 and thus that initial notice takes effect on May 23, 2014. Similarly, the notice contained in your April 4, 2014 letter will take effect 120 days from the date of that letter.

As previously indicated, Cash Store is hopeful that Trimor will be part of the solution to Cash Store's currently liquidity issues. We note that Trimor has executed a non-disclosure agreement and has been provided with non-public confidential information to assist Trimor in evaluating Cash Store's current situation. We look forward to continuing to discuss these matters with you in an effort to achieve a mutually beneficial solution to the challenges currently faced by Cash Store.

Finally, Cash Store is currently evaluating its liquidity position with its financial and legal advisors and will provide its position with respect to any monthly lender distributions in due course.

Yours very truly,

per: Patrick Preston

Marc S. Wasserman
MSW:ks

c: Client
Neil Augustine, *Rothschild Inc.*

THIS IS EXHIBIT "Z" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

From: Brett Harrison
Sent: Saturday, April 12, 2014 7:39 PM
To: Wasserman, Marc
Cc: Adam Maerov
Subject: The Cash Store Inc.

Marc,

As you know, we are counsel for Trimor Annuity Focus Limited Partnership #5 in connection with the Broker Agreements (the "Broker Agreements") entered into with The Cash Store Inc. and 1693926 Alberta Ltd (the "Brokers").

Funds were advanced to the Brokers by our client solely for the purpose of making loans to the Brokers' customers on our client's behalf in accordance with the Broker Agreements. It is clear from the Broker Agreements that any funds advanced to the Brokers by our client are to be held by the Brokers in a segregated account and that such funds may not be utilized by the Broker for any purpose other than making loans to the Brokers' customers on behalf of our client.

In light of the foregoing, our client was surprised and deeply troubled to learn from your April 9 letter that the Brokers have been comingling funds collected from our client's borrowers with other funds. As our client has already made clear, such comingling must stop immediately.

It has become increasingly clear to our client that the Brokers are experiencing significant liquidity issues and may be forced to bring an application for an Initial Order pursuant to the *Companies' Creditors Arrangement Act* (the "CCAA").

In light of the Brokers' many connections to Alberta, we expect that any such application would be brought before the Court of Queen's Bench of Alberta (the "Alberta Court") in accordance with section 9 of the CCAA. The location of the The Cash Store Inc.'s head office in Edmonton would appear to be the most significant (if not determinative) factor. If any other factors are considered relevant, they include, without limitation, i) material ongoing operations in Alberta, ii) the fact that approximately $41

Million in third party debt is subject to broker agreements in which the Brokers attorned to the courts of the province of Alberta, iii) it is the province in which the holder of at least $5 Million of secured debentures resides, and iv) the existence of an outstanding injunction application before the Alberta Court.

We also expect that any Initial Order that might be sought by the Brokers will take into account our client's rights and interests, including the protection and preservation of its loans, loan proceeds, and post-filing contractual rights (subject of course to the typical stay of our client's ability to exercise rights and remedies without leave of the court). We trust that the Brokers will provide our client with reasonable notice of any anticipated CCAA filing and an opportunity to review the Brokers' proposed Initial Order so that our client has an opportunity to consider the impact of such an Initial Order and, if necessary, be heard at the application.

Such protections should include a direction that the Brokers comply with its obligations under the Broker Agreements. Obligations that should be expressly recognized include:

- Immediate segregation of our client's float and any funds collected on our account of our client's loans (including interest thereon)

- Confirmation that our client's funds are to be used solely for the purpose of making advances to customers on our client's behalf and for no other purpose

- Express recognition that any charges granted in an Initial Order will not attach to our client's property, including loans made by the Brokers on its behalf, all proceeds of such loans and the float

- Distribution to our client on a monthly basis of interest charged on loans made on its behalf in the ordinary course of business

- Assurance that the Brokers will keep and maintain proper records and books of account in relation to the monies held, collected or received on behalf of our client and on account of loans brokered by the Brokers on our client's behalf, and shall provide regular reports to our client in relation to those monies on a weekly basis, which reports shall include a full accounting of the monies so held, collected or received

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- Distribution to our client on a monthly basis of interest charged on loans made on its behalf in the ordinary course of business

- Assurance that the Brokers will keep and maintain proper records and books of account in relation to the monies held, collected or received on behalf of our client and on account of loans brokered by the Brokers on our client's behalf, and shall provide regular reports to our client in relation to those monies on a weekly basis, which reports shall include a full accounting of the monies so held, collected or received

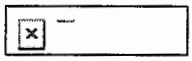
- Full cooperation by the Brokers with our client's inspector, PricewaterhouseCoopers Inc. (the "Inspector"), appointed jointly by our client and 0678786 B.C. Ltd. ("067") in accordance with their respective broker agreements and the granting to the Inspector of unfettered access to the Broker's accounts and records for the purpose of preparing an accounting of all funds advanced by our client to the Brokers and 067

- Regular and timely disclosure to our client by the Brokers and Monitor in respect of developments in the CCAA proceedings and the Brokers' restructuring efforts

- Payment of the reasonable legal and inspector fees and disbursements incurred by our client in relation to any proceeding

Our client is prepared to engage with the Brokers and their advisors in a constructive discussion about ways in which it might can be part of the solution to the Brokers' current liquidity issues. However, our client will not agree to any significant risk of material erosion in the value of its assets during the course of any CCAA proceeding.

Adam Maerov and I are available to discuss the foregoing with you this weekend. Please contact us at your earliest opportunity.



Brett Harrison
Partner
d 416.865.7932 | f 416.865.7048
brett.harrison@mcmillan.ca

Assistant: Wilma Leo | 416.865.7852 | wilma.leo@mcmillan.ca

McMillan LLP
Lawyers | Patent & Trade-mark Agents
Brookfield Place, 181 Bay Street, Suite 4400
Toronto, Ontario M5J 2T3
mcmillan.ca

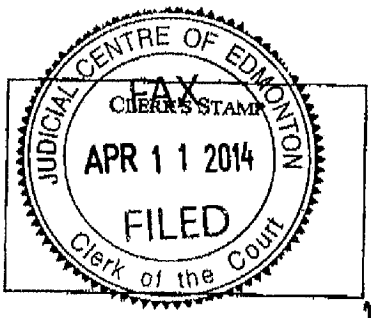
THIS IS EXHIBIT "AA" TO THE AFFIDAVIT

OF STEVEN CARLSTROM SWORN BEFORE

ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

FORM 10
[RULE 3.25]



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COURT FILE NUMBER	1403 05471 1403 –
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
PLAINTIFF(S)	**0678786 B.C. Ltd.**
DEFENDANT(S)	**THE CASH STORE INC. and THE CASH STORE FINANCIAL SERVICES INC.**
DOCUMENT	**STATEMENT OF CLAIM**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**BENNETT JONES LLP** Barristers and Solicitors 4500, 855 - 2nd Street S.W. Calgary, AB T2P 4K7 Attention: Ken Lenz, Q.C. Telephone No.: 403-298-3317 Fax No.: 403-265-7219 Client File No.: 951-5

NOTICE TO DEFENDANT(S)

You are being sued. You are a defendant.

Go to the end of this document to see what you can do and when you must do it.

Statement of facts relied on:

1. 0678786 B.C. Ltd. ("0678786"), formerly known as McCann Family Holding Corporation, is a British Columbia corporation extra-provincially registered in Alberta.

2. The Cash Store Financial Services Inc. ("Cash Store Financial") is an Alberta corporation that is publicly listed on the Toronto Stock Exchange. The Cash Store Inc. (the "Cash Store") is an Alberta corporation and a subsidiary of Cash Store Financial. Both corporations were initially established in Edmonton, Alberta and continue to have their head offices there.

3. Cash Store Financial and Cash Store are in the business of acting as a broker for customers in obtaining short-term loans. Cash Store Financial operates in excess of 500 retail consumer loan outlets in Canada and the United Kingdom. Cash Store owns and operates approximately 300 (of the total Cash Store Financial 500) retail outlets in nine provinces and two territories, and employs approximately 2,300 people.

4. Cash Store and Cash Store Financial appear to have the same officers, present financial statements on a consolidated basis. They act as each other's agents, or jointly and in concert with respect to the matters set out in this Statement of Claim.

5. Pursuant to a Broker Agreement dated June 19, 2012, between 0678786 and the Cash Store (the "Broker Agreement"), 0678786 placed over a period of time the aggregate sum of $13,350,000 (the "Restricted Cash") with the Cash Store for the sole purpose of those funds being loaned to customers. Extensive loan selection criteria must be met or specific approval by 0678786 must be obtained before any funds are loaned to borrowers. Furthermore, the funds advanced are to be used for no other purpose, as set out in paragraph 2.10 of the Broker Agreement:

> 2.10 USAGE OF LOAN ADVANCES
>
> For greater certainty, funds from time to time advanced to Broker from Financier are solely intended to be utilized for the purposes of making advances to Broker Customers on Financier's behalf as contemplated hereunder. Broker agrees that any funds not otherwise being held by the Broker as a "float" in anticipation of Loan approvals shall not, without the consent of Financier, be advanced or utilized for any other purpose.

6. Cash Store and Cash Store Financial represented, and the Broker Agreement provides, that all funds advanced are to be held in a Designated Broker Bank Account, defined in paragraph 1.1(g) as follows: "the bank account of Broker designated by Broker for the purposes of temporarily receiving funds from Financier (if loans are made by Financier way of cash advance) before they are advanced to a Broker Customer".

7. The Restricted Cash is either money owned by 0678786, or held in trust for 0678786. It is not owned by Cash Store or Cash Store Financial.

8. Cash Store and Cash Store Financial have repeatedly, since the Restricted Cash was advanced, confirmed that they were held in accordance with the Broker Agreement in a segregated bank account, but have recently refused to confirm that they are so segregated and held.

9. This refusal to confirm has come in conjunction with the appointment of a Special Committee of directors to investigate strategic alternatives on behalf of Cash Store Financial and Cash Store, and the failure to pay interest on senior secured indebtedness on March 31, 2014, which failure constitutes a default pursuant to the terms of that indenture if not cured within 30 days. The Defendants are insolvent or near insolvent.

10. The Broker Agreement further provides in paragraph 5.1 as follows:

> 5.1 INSPECTIONS & AUDITS
>
> Financier shall have the right, at any time upon written demand made by Financier to Broker, to inspect, during normal business hours, all Records (wherever located). Qualified third party consultants, as determined by Financier at Financier's sole discretion, may be employed by Financier for the purpose of any such inspection. Broker shall have the right, as a condition of such inspection, to require any such consultants to execute such form of confidentiality agreement as Broker may reasonably require and in any event such consultants shall be deemed to acting as agents for and on behalf of Financier for purposes of Article 4 hereof. The cost of any such inspection shall be the sole responsibility of Financier and any such consultant so employed will be required to create reports, which are accessible only to Financier and if permitted by Financier, Broker.

11. Pursuant to paragraph 5.1, 0678786 by letters dated April 4, 2014 and April 8, 2014 requested that PricewaterhouseCoopers Inc. ("PWC") be appointed to inspect the books and records of the Cash Store. As of the date of this Statement of Claim, Cash Store, Cash Store Financial and the Special Committee have refused to permit PWC to investigate the books and records of the Cash Store as permitted under the Broker Agreement.

12. Unless steps are immediately taken to permit access by PWC, 0678786 will suffer irreparable harm in that its Restricted Cash may be dissipated, without any ability to trace these funds.

13. Furthermore, unless the Cash Store is restrained from using any Restricted Cash which are or should be contained in a segregated account, which are in fact either the property of 0678786, or trust funds held on its behalf, 0678786 will suffer irreparable harm due to the financial circumstances of the Cash Store.

14. Paragraph 6.3 of the Broker Agreement provides as follows:

> 6.3 TERMINATION NOTICE AT END OF CURRENT TERM
>
> Either party may notify the other Party that the Term of this Agreement will not be automatically extended at the end of the then current Initial Term or Renewal Period but will terminate at the end of such period, by delivering an unconditional written notice to the other Party not less than 60 days before the end of such period stating that the Party is irrevocably electing to not renew the term of this Agreement.

15. By facsimile dated April 11, 2014 the Plaintiff has terminated the Broker Agreement.

16. Paragraph 3.2(b) of the Broker Agreement reads as follows:

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

17. The Broker Agreement also provides in paragraph 3.2:

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

18. The Plaintiff says that in these circumstances the Broker is not entitled to utilize the funds of the Plaintiff for any further loans or other purposes and that all funds must be returned to it on or before June 19, 2014.

Remedy sought:

19. A direction that PWC, or a suitable alternative accounting firm, be granted full and immediate access to the books and records of Cash Store and Cash Store Financial in accordance with paragraph 5.1 of the Broker Agreement;

20. An interim and final injunction restraining the Cash Store and Cash Store Financial from using any of the Restricted Cash for any purpose other than as permitted in the Broker Agreement, and a declaration that such Restricted Cash is either the property of 0678786, or held in trust for 0678786;

21. A declaration or judgment against any parties who have knowingly received the Restricted Cash and an Order for accounting or tracing, if necessary;

22. An Order directing that the Plaintiff's funds be returned to June 19, 2014 or earlier as may be directed by this Honourable Court;

23. Costs on a solicitor/client basis; and

24. Such further and other relief as this Honourable Court deems fit.

NOTICE TO THE DEFENDANT(S)

You only have a short time to do something to defend yourself against this claim:

20 days if you are served in Alberta

1 month if you are served outside Alberta but in Canada

2 months if you are served outside Canada.

You can respond by filing a statement of defence or a demand for notice in the office of the clerk of the Court of Queen's Bench at Edmonton, Alberta, AND serving your statement of defence or a demand for notice on the plaintiff's(s') address for service.

WARNING

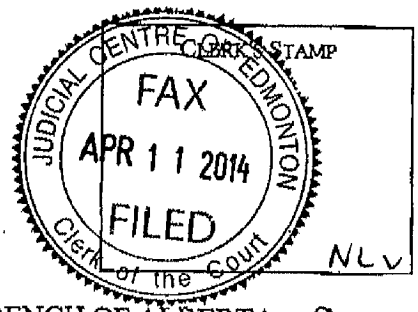
If you do not file and serve a statement of defence or a demand for notice within your time period, you risk losing the law suit automatically. If you do not file, or do not serve, or are late in doing either of these things, a court may give a judgment to the plaintiff(s) against you.

THIS IS EXHIBIT "BB" TO THE AFFIDAVIT

OF STEVEN CARLSTROM SWORN BEFORE

ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits



	1403 05471
COURT FILE NUMBER	1403 –
COURT	COURT OF QUEEN'S BENCH OF ALBERTA COM
JUDICIAL CENTRE	EDMONTON
PLAINTIFF	**0678786 B.C. Ltd.**
DEFENDANTS	**THE CASH STORE INC. and THE CASH STORE FINANCIAL SERVICES INC.**
DOCUMENT	**APPLICATION**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF THE PARTY FILING THIS DOCUMENT

BENNETT JONES LLP
Barristers and Solicitors
4500, 855 – 2nd Street SW
Calgary, Alberta T2P 4K7
Attention: Ken Lenz

Telephone No.: 403-298-3317
Fax No.: 403-265-7219
Client File No.: 951.5

NOTICE TO RESPONDENT:

This application is made against you. You are a respondent.
You have the right to state your side of this matter before the master/judge.
To do so, you must be in Court when the application is heard as shown below:

Date:	**Thursday, April 17, 2014**
Time:	11:00 a.m.
Where:	Law Courts Building, Edmonton, AB
Before Whom:	Mr. Justice J. Gill on the Commercial List

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought:

1. If necessary, an Order abridging the time for service of this Application and supporting materials and declaring service to be good and sufficient.

2. The Plaintiff 0678786 B.C. Ltd. ("0678786") seeks an interim and final injunction directing the following:

   (a) The Cash Store Inc. ("Cash Store") and The Cash Store Financial Services Inc. ("Cash Store Financial") permit PricewaterhouseCoopers Inc. ("PWC") to forthwith attend at the offices of Cash Store in accordance with paragraph 5.10 of the Broker Agreement, and review the books and records of Cash Store as agreed and permitted by the Broker Agreement;

3. An interlocutory and permanent injunction prohibiting and restraining the Defendants from directly or indirectly:

   (a) co-mingling, using, converting, or otherwise appropriating the funds advanced by 0678786 pursuant to the Broker Agreement;

   (b) directing that the funds be held in a segregated trust account separate and apart from any assets or money held by the Defendants;

   (c) such further and other relief which will preserve the rights of 0678786 pending the conclusion of this litigation.

4. An interim and final Order directing the Defendants to account for all funds advanced pursuant to the Broker Agreement, and to produce books and records and accounts for inspection and auditing by 0678786 either directly or through the Plaintiff's designated agent, PWC (or such other agent as may be selected by 0678786).

5. A declaration that all funds either advanced or subsequently recovered by the collection of loans by 0678786 belong to 0678786, or are held in trust for 0678786.

6. An award of costs for this application on a solicitor and its own client basis payable forthwith.

7. Such further and other relief, advice and directions as counsel may request and this Honourable Court may deem just and appropriate in the circumstances.

Grounds for making this application:

8. Pursuant to the Broker Agreement, 0678786 advanced $13,350,000 to Cash Store on the basis that such funds would be kept segregated in a Designated Broker Account and used for no other purpose other than making loans to customers, which loans would thereupon be held solely for the benefit of 0678786.

9. Up until four weeks ago, it was repeatedly represented to 0678786 that such funds were so held. According to Cash Store record, there should be $7,280,420 (the "Restricted Cash") which remained unadvanced.

10. The Broker Agreement provides that further advances to borrowers may not be made unless Cash Store can represent that it is financially solvent.

11. Cash Store has defaulted in the payment of interest on its senior indebtedness and is significant financial distress and likely insolvent.

12. Cash Store has appointed a Special Committee to examine strategic alternatives, which is considering insolvency proceedings, partly as a result of regulatory changes affecting a large number of Cash Store retail outlets in Ontario, which has caused further distress.

13. Demand has been made to confirm that the Restricted Cash is held in a segregated account, but the Defendants have refused to confirm such fact.

14. The Broker Agreement further provides that 0678786 shall have a right to appoint a third party to inspect the books and records of Cash Store. Demand has been made to have PWC inspect the books and records of Cash Store, but such demand has been refused, contrary to the Broker Agreement.

15. 0678786 will suffer irreparable harm if:

(a) the funds are not segregated; and

(b) it is not allowed to exercise its rights to investigate the books and records.

16. The balance of convenience favours the Court directing that the funds be held in a segregated account and that PWC be authorized to investigate the records.

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

Material or evidence to be relied on:

18. The pleadings and proceedings filed in the within action.

19. Affidavit of Sharon Fawcett, to be filed.

20. Such further and other material as counsel may advise and this Honourable Court may permit.

Applicable rules:

21. Rules 1.3 and 6.4 of the Alberta *Rules of Court*.

Applicable Acts and regulations:

22. Section 13(2), *Judicature Act*, R.S.A. 2000, c. J-2.

23. Such further and other Acts and regulations as counsel may advise.

Any irregularity complained of or objection relied on:

24. None.

How the application is proposed to be heard or considered:

25. Oral submissions by counsel in an application in Justice Chambers as scheduled.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes.

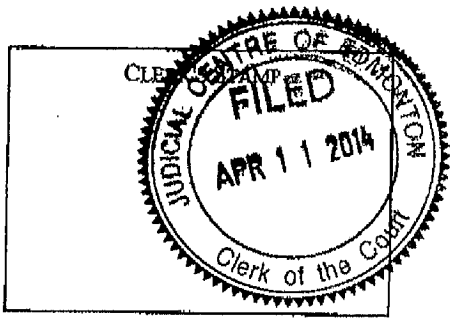
If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.

THIS IS EXHIBIT "CC" TO THE AFFIDAVIT

OF STEVEN CARLSTROM SWORN BEFORE

ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits



COURT FILE NUMBER	1403-05471 ~~1401 –~~
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
PLAINTIFF	**0678786 B.C. Ltd.**
DEFENDANTS	**THE CASH STORE INC. and THE CASH STORE FINANCIAL SERVICES INC.**
DOCUMENT	**AFFIDAVIT**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**BENNETT JONES LLP** Barristers and Solicitors 4500, 855 – 2nd Street SW Calgary, Alberta T2P 4K7 Attention: Ken Lenz Telephone No.: (403) 298-3317 Facsimile No.: (403) 265-7219 Client File No.: 951.5

AFFIDAVIT OF SHARON FAWCETT

Sworn on April 11, 2014

I, Sharon Fawcett, Chartered Accountant, of Calgary, Alberta, SWEAR AND SAY THAT:

1. I am the Secretary of the Plaintiff 0678786 B.C. Ltd. ("0678786"), and have a personal knowledge of the matters hereinafter deposed to save where otherwise stated to be based upon information and belief.

2. The Plaintiff 0678786, formerly known as McCann Family Holding Corporation, is a British Columbia corporation extra-provincially registered in Alberta.

3. The Cash Store Financial Services Inc. ("Cash Store Financial") is an Alberta corporation that is publicly listed on the Toronto Stock Exchange. The Cash Store Inc. ("Cash Store") is an Alberta corporation and a subsidiary of Cash Store Financial. Both corporations were initially established in Edmonton, Alberta and continue to have their head offices there. Cash Store Financial and Cash Store are in the business of acting as a broker for customers requiring short-term loans. Cash Store Financial operates in excess of 500 retail consumer loan outlets in Canada and the United Kingdom. The Cash Store owns approximately 300 (of the total Cash Store Financial 500) retail outlets in nine provinces and two territories, and employs approximately 2,300 people. Attached to this Affidavit as **Exhibit "1"** is an Investor Fact Sheet taken from Cash Store Financial's website.

4. Cash Store and Cash Store Financial appear to have the same officers and present financial statements on a consolidated basis. I am not aware of whether any separation between these corporations is maintained. 0678786 has always dealt with Cash Store Financial and its officers and all correspondence has been from this entity.

5. As a result of a court decision in Ontario in February 2014, it appears that Cash Store Financial can no longer carry on business in that jurisdiction. As Cash Store Financial had a significant number of leased premises and employees in Ontario, I understand this has created serious financial distress. A Special Committee of Directors was appointed to review "strategic alternatives". Attached as **Exhibit "2"** are copies of Press Releases dated February 19, February 20 and March 28, 2014 concerning these events. Since these events, 0678786 has been proactive in maintaining its accounts and has had regular communications and information from Cash Store Financial.

6. Pursuant to a Broker Agreement dated June 19, 2012, between 0678786 and Cash Store (the "Broker Agreement"), a copy of which is attached to this Affidavit as **Exhibit "3"**, 0678786 placed over time an aggregate of $13,350,000 (the "Restricted Cash"), as Financier, with the Cash Store, as Broker, for the sole purpose of those funds being loaned to customers. Extensive loan selection criteria must be met or specific approval by 0678786 must be obtained, before any Restricted Cash is loaned. Furthermore, the

Restricted Cash is to be used for no other purpose, as set out in paragraph 2.10 of the Broker Agreement:

> 2.10 USAGE OF LOAN ADVANCES
>
> For greater certainty, funds from time to time advanced to Broker from Financier are solely intended to be utilized for the purposes of making advances to Broker Customers on Financier's behalf as contemplated hereunder. Broker agrees that any funds not otherwise being held by the Broker as a "float" in anticipation of Loan approvals shall not, without the consent of Financier, be advanced or utilized for any other purpose.

7. In discussions with Michael Zvonkovic leading up to the execution of the Broker Agreement and throughout administering the funds on behalf of 0678786, it was expressed to be important to the Plaintiff that its funds were kept separate and apart from the general operating funds of Cash Store Financial in accordance with the Broker Agreement. The segregation of funds from general operating funds was at all times assured.

8. Cash Store represented and the Broker Agreement provides that all funds advanced are to be held in a Designated Broker Bank Account, defined in paragraph 1.1(g) of the Broker Agreement as follows: "the bank account of Broker designated by Broker for the purposes of temporarily receiving funds from Financier (if loans are made by Financier way of cash advance) before they are advanced to a Broker Customer".

9. I have administered the accounts of the Plaintiff in connection with the Broker Agreement primarily through the V.P. Finance of The Cash Store, Mr. Steve Carlstrom. In February 2014, upon learning of the difficulties of the Cash Store operation in Ontario, I requested an updated listing of the Plaintiff's loan portfolio and advised Mr. Carlstrom that given the suspension of the line of credit product in Ontario, the Plaintiff would prefer to reduce its loan portfolio balance as at February 12, 2014, and that as amounts were collected by the Cash Store, funds would be returned to the Plaintiff along with the unexpended capital balance of the Plaintiff's funds. The Cash Store would not be obligated to pay 17.5% interest on the returned funds from the date of return. It was my information and belief that this was the arrangement which had been struck by the Plaintiff's former officer, Mr. Murray McCann and the Defendant's President, Gord

Reykdal. I confirmed these arrangements to Mr. Carlstrom in writing on February 26, 2014, however, funds were not repaid to the Plaintiff.

10. Until March 2014, 0678786 received monthly statements indicating the cash available and the amount deployed. Attached as **Exhibit "4"** is a copy of the statement from February 2014. This statement shows that as of February 28, 2014, the sum of $6,449,420 in undeployed cash remained available to 0678786. Subsequent to that statement, I was advised that a further $831,000 had been collected on our third party loan portfolio during the period from March 1, 2014 to March 16, 2014, increasing our undeployed cash balance to $7,280,420. Further collections would have occurred from March 17, 2014 to date, increasing our undeployed cash balance accordingly. While I have requested that information, I have not yet received it.

11. The financial statements of Cash Store further reaffirms that the money we advanced was "Restricted Cash". As of December 31, 2013, for example, the Balance Sheet of the Cash Store indicates $6,408,009 of Restricted Cash. Attached as **Exhibit "5"** is a copy of the December 31, 2013 Balance Sheet and Note 4 which pertains to this item.

12. Cash Store has repeatedly, since the Funds were advanced, confirmed that they were held in accordance with the Broker Agreement in a segregated bank account, but has recently refused to confirm that they are so segregated and held.

13. Approximately 3 – 4 weeks ago, and following up on my February 26, 2014 email, I had a conversation with the Cash Store Financial Vice-President Steve Carlstrom (previously noted above in paragraph 9) in which he expressed concerns if the monies which we had requested to be repaid (and which I understood had been agreed to be repaid) there would be liquidity issues with Cash Store Financial. Nonetheless, in response to my concern about the security of undeployed cash, I was assured by Mr. Carlstrom that the money remained available and was being administered in accordance with the Broker Agreement.

14. I am also Corporate Secretary of 8028702 Canada Inc., which holds $5,000,000 of Cash Store Financial's senior secured debt. On April 1, 2014 Cash Store Financial failed to

pay the interest on its senior secured indebtedness, which failure constitutes a default pursuant to the terms of that indenture if not cured within 30 days.

15. I believe that the Defendants are either insolvent or near insolvent, and that they intend to use the money of 0678786 for general corporate purposes, when it is not their money to use and such action would be contrary to the Credit Agreement. All of the factors listed above are indications of a seriously distressed company and I fear that unless immediate action is taken, the money of 0678786 will be converted or taken in breach in trust.

16. By letter dated April 4, 2014, 0678786 requested of counsel for the Special Committee that there be confirmation that the Restricted Cash was kept segregated, or for return of the Funds (attached as **Exhibit "6"**). A copy of this letter was also sent to counsel for Cash Store Financial. The Defendants have refused to confirm the segregation of the Restricted Cash, and instead responded by letter dated April 8, 2014 alleging it is not trust money (attached **Exhibit "7"**). That letter was responded to on April 8, 2014 (**Exhibit "8"**).

17. The Broker Agreement further provides in paragraph 5.1 as follows:

> 5.1 INSPECTIONS & AUDITS
>
> Financier shall have the right, at any time upon written demand made by Financier to Broker, to inspect, during normal business hours, all Records (wherever located). Qualified third party consultants, as determined by Financier at Financier's sole discretion, may be employed by Financier for the purpose of any such inspection. Broker shall have the right, as a condition of such inspection, to require any such consultants to execute such form of confidentiality agreement as Broker may reasonably require and in any event such consultants shall be deemed to acting as agents for and on behalf of Financier for purposes of Article 4 hereof. The cost of any such inspection shall be the sole responsibility of Financier and any such consultant so employed will be required to create reports, which are accessible only to Financier and if permitted by Financier, Broker.

18. Pursuant to paragraph 5.1, 0678786 by letters dated April 4, 2014 (Exhibit "6") and April 8, 2014 (Exhibit "7") requested that PricewaterhouseCoopers Inc. ("PWC") be appointed to inspect the books and records of the Cash Store. Although PWC prepared Cash Store Financial's tax returns, I am not aware of any conflict or other reason why they may not undertake this task. As of the date of this Affidavit, Cash Store, Cash Store Financial and

the Special Committee have refused to permit PWC to investigate the books and records of the Cash Store as permitted under the Broker Agreement.

19. As a result of the concerns referenced above, the Plaintiff has cancelled the Broker Agreement in accordance with its terms and requested return of its funds. A copy of the cancellation notice is attached hereto as **Exhibit "9"**.

20. Unless steps are immediately taken to permit access by PWC, 0678786 will suffer irreparable harm in that its Restricted Cash may be dissipated, without any ability to trace these funds.

21. Furthermore, unless the Cash Store is restrained from using any Restricted Cash which are or should be contained in a segregated account, which are in fact either the property of the 0678786, or trust funds held on its behalf, 0678786 will suffer irreparable harm due to the financial circumstances of the Defendants.

22. The Plaintiff undertakes to pay damages associated with any wrongful granting of any interim relief which it seeks in this case.

23. I make this Affidavit in support of the relief requested in the Application.

SWORN BEFORE ME)
at Calgary, Alberta, this 11th)
day of April, 2014.)
)
)
)
A Commissioner for Oaths)
in and for the Province of Alberta)
)

DONNA M. KATHLER
My Commission Expires
December 24, 2015

SHARON FAWCETT

INVESTOR FACT SHEET

The Cash Store Financial Services Inc. (TSX:CSF, NYSE:CSFS)

Cash Store FINANCIAL

COMPANY OVERVIEW

The Cash Store Financial Services Inc. ("the Company") is a provider of alternative financial products and services to underserved and under-banked consumers in Canada, and is an emerging player in the large and underserved United Kingdom market. The Company acts as a lender to facilitate short-term advances and provides longer-term financial services. The various financial products offered are: lines of credit, payday loans, signature loans, bank accounts, cheque cashing, title loans, prepaid MasterCards®, money transfer services, prepaid phone cards, injury advance loans and payment protection plans. As of December 31, 2013, the Company owned and operated 539 branches under the banners "The Cash Store Financial", "Instaloans" and "The Title Store". The Company has increasingly diversified product offerings and revenue streams and delivers these services in a unique, open-concept branch layout to the alternative-finance customer base. The Company partners with a variety of leading financial services and telecom providers to deliver these benefits to its customer base at convenient locations. The Company's extended hours of operation with high-quality customer service, generates more frequent visits by customers. The Company has strong earnings growth potential as incremental revenue is driven by introducing new products, continuing to grow its Canadian operations, and developing its U.K. branch operations.

INVESTMENT HIGHLIGHTS

Income Statement Highlights

C$ in millions	1Q 14	1Q 13	% chg
Revenues	45.2	49.5	(9)%
Sales Expenses	27.6	26.8	3 %
Net Income (Loss)	(7.5)	(1.7)	339
EBITDA*	1.0	6.5	(85)%
Adjusted EBITDA*	4.2	9.2	(54)%

*Non-GAAP financial measures

THIS IS EXHIBIT "1" referred to in the Affidavit of Sharon Fawcett Sworn before me this 11th day of April 20 14

Donna Kathler

DONNA M. KATHLER
My Commission Expires
December 24, 20 15

- Largest footprint in Canada, no franchises
  - 34% market share
- Strong demand for short-term credit
  - New financial products and services allow the Company to extend customer relationships with no incremental overhead
  - Cross-selling opportunities
  - Historically, a significant portion of revenues have come from repeat customers
- Strong management team with extensive bank, insurance and alternative-finance industry experience and relationships

MARKET OPPORTUNITIES

- Under-banked populations - 15% of Canadian consumers don't have access to regular banks, credit and/or bank products/services
- High demand for short term credit related to void left by regular banks abandoning overdraft products
- Geographic expansion - room to expand in Canada and the UK; web/mobile opportunities as identified

SELECT FINANCIALS AND FACTS

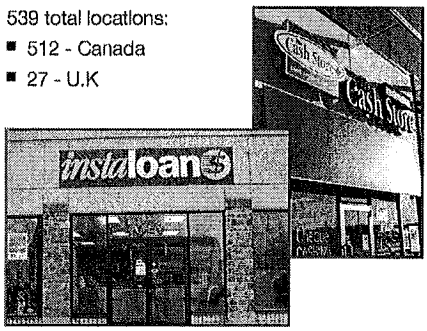
TSX Ticker:	**CSF**
Closing price at 12/31/13:	**C$1.65**
52-Week Range:	**C$1.08 - 4.38**
NYSE Ticker:	**CSFS**
Closing price at 12/31/13:	**US$1.60**
52-Week Range:	**US$1.02 - 4.37**
Shares O/S (diluted):	**17.6 M**
Est. Public Float:	**8.9 M**
Market Cap (12/31/13):	**C$29.0 M**

Balance Sheet Highlights

C$ M	12/31/2013	9/30/13
Total cash*	17.0	11.5
Senior secured notes	139.5	127.2
Shareholders' equity	(8.7)	(1.3)
Current ratio	2.2:1	2.2:1
Working capital	42.4	35.6

*includes restricted cash

539 total locations:
- 512 - Canada
- 27 - U.K



The Cash Store Financial Services Inc.
15511 - 123 Avenue
Edmonton, Alberta, Canada T5V 0C3
Tel: (780) 408-5110
Fax: (780) 408-5122

Website: www.csfinancial.ca

The Cash Store Financial Services Inc. is a Canadian corporation that is not affiliated with Cottonwood Financial Ltd., or the outlets Cottonwood Financial Ltd. operates in the United States under the name "Cash Store". Cash Store Financial does not do business under the name "Cash Store" in the United States and does not own or provide any consumer lending services in the United States.

INDUSTRY PARTNERSHIPS

DCBank · MoneyGram · Ria · Rhino · Rogers Wireless · TELUS · Virgin Mobile · Bell Mobility · fido

COMPANY OVERVIEW: Products, Services

Diversified Product Offering

- Short-term advances
- Amounts range from C$100 to C$1,500
- Line of credit loans up to C$5,000

Other Income

- Bank accounts
  - Standard (introduced Q3 2010)
  - Premium (introduced Q2 2011)
- Payment insurance
- Prepaid MasterCard/private label credit and debit cards
- Money transfers
- Cheque cashing
- Prepaid phone cards

Unique & Differentiated Retail Model & Superior Customer Service

- High-end, bank-like branch environment with comfortable, open-concept floor plan
- Multi-product approach
- Loan proceeds delivered by cheque or electronic fund transfers to bank accounts or prepaid debit or credit cards
- Convenient locations and extended hours of operation
- High quality customer service generating more frequent visits by customers
- Performance-based culture
- Internally developed training program (CSF College, CSF TV)

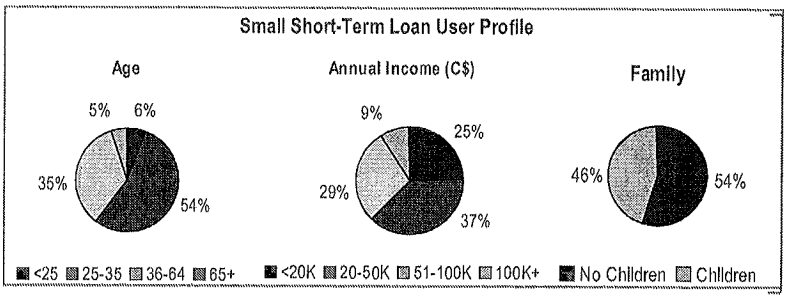
GROWTH STRATEGY

New Line of Credit Products

- Line of Credit up to C$2,000 available throughout Canada; target market ~ 15-20% of overall market with credit scores of 580-650
- Suite of Line of Credit products to enable consumers to re-build credit rating
  - Provides customers the ability to graduate to lower credit products
  - Retains existing customers for longer periods based on longer-term, more affordable products
  - Attracts new customer base
- Revenue is a combination of interest income, bank account and insurance commissions

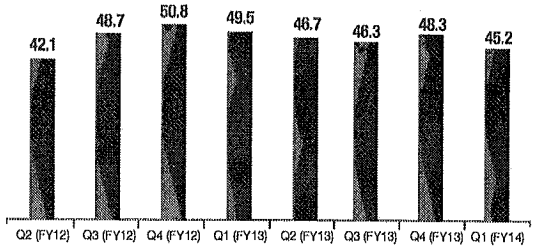
New Insurance Products

- Life insurance coverage: $10,000
- Tenants' Insurance
- Term of policy is one year with annual automatic renewal
  - Diversify revenue and extend customer relationships
  - Fee revenue related to distribution and volume
  - Financial security for difficult times

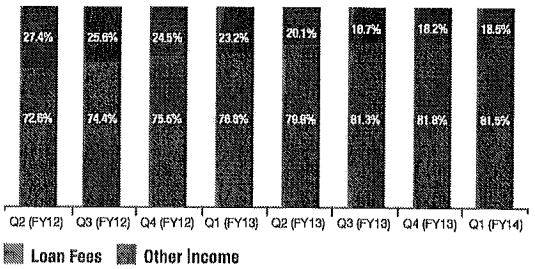


SELECT FINANCIAL DATA

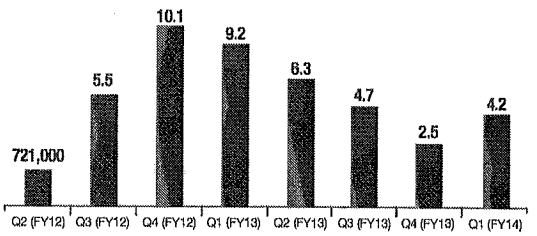
Revenue (C$ Millions)



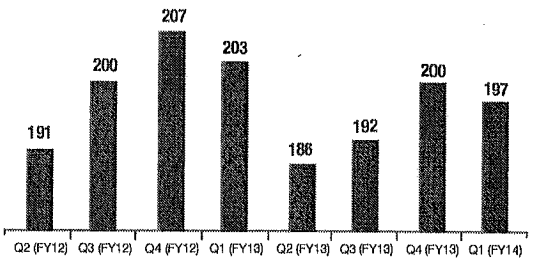
Revenue (% of Total)



Adjusted EBITDA (C$ Millions)



Total Loans Originated (C$ Millions)



Senior Management

Gordon J. Reykdal - Chief Executive Officer

- Mr. Reykdal founded the Company in February 2001.
- He was also the founder, Chairman, President and Chief Executive Officer of RTO Enterprises Inc. from 1991 to 2001. RTO Enterprises Inc. has since been renamed easyhome (TSX:EH).

Craig Warnock - Chief Financial Officer

- A seasoned finance executive with over 25 years of senior financial management experience.
- Previously, Chief Financial Officer, and Executive Vice President and Treasurer with ATB Financial.
- Mr. Warnock joined the Company on July 1, 2012.

Cash Store FINANCIAL

THIS IS EXHIBIT "2"
referred to in the Affidavit of
Sharon Tawell
Sworn before me this 11th
day of April 2014
Donna Kathler

DONNA M. KATHLER
My Commission Expires
December 24, 2015

News Release

February 19, 2014

Cash Store Financial Provides Ontario Update; Board Establishes Special Committee of Directors

EDMONTON, February 19, 2014 /CNW/ - The Cash Store Financial Services Inc. ("Cash Store Financial" or the "Company") (TSX: CSF; NYSE: CSFS) today announced that its Board of Directors has constituted a special committee of independent directors to review and respond to recent developments in Ontario.

On February 12, 2014, the Ontario Superior Court of Justice ordered that the Company's subsidiaries, The Cash Store Inc. and Instaloans Inc., are prohibited from acting as a loan broker in respect of its basic line of credit product without a broker's license under the *Payday Loans Act, 2008* (the "Payday Loans Act"). As part of its overall business strategy, and as a result of the current regulatory environment and the court decision, the Company has taken all steps necessary to immediately cease offering all line of credit products offered to its customers in the Ontario branches.

On February 13, 2014, the Ontario Registrar of Payday Loans issued a proposal to refuse to issue a lender's license to the Company's subsidiaries, The Cash Store Inc. and Instaloans Inc., under the *Payday Loans Act, 2008.* Therefore, the Company is not currently permitted to sell any payday loan products in Ontario.

The Board of Directors believes that in light of these recent developments, it is prudent to mandate a special committee to carefully evaluate the strategic alternatives available to the Company with a view to maximizing value for all of its stakeholders. The special committee has engaged Osler, Hoskin & Harcourt LLP as its independent legal advisor to assist it in its strategic alternative review process.

The Board has not established a definitive timeline for the special committee of independent directors to complete its review and there can be no assurance that this process will result in any specific strategic or financial or other value-creating transaction. The Company does not currently intend to disclose further developments with respect to this process, unless and until the Board of Directors approves a specific transaction, concludes its review of the strategic alternatives or otherwise determines there is material information to communicate.

About Cash Store Financial

Cash Store Financial is the only lender and broker of short-term advances and provider of other financial services in Canada that is listed on the Toronto Stock Exchange (TSX: CSF). Cash Store Financial also trades on the New York Stock Exchange (NYSE: CSFS). Cash Store Financial operates 510 branches across Canada under the banners "Cash Store Financial" and "Instaloans". Cash Store Financial also operates 27 branches in the United Kingdom.

Cash Store Financial and Instaloans primarily act as lenders and brokers to facilitate short-term advances and provide other financial services to income-earning consumers who may not be able to obtain them from traditional banks. Cash Store Financial also provides a private-label debit card (the "Freedom" card) and a prepaid credit card (the "Freedom MasterCard") as well as other financial services, including bank accounts.

Cash Store Financial employs approximately 1,900 associates and is headquartered in Edmonton, Alberta.

Cash Store Financial is a Canadian corporation that is not affiliated with Cottonwood Financial Ltd. or the outlets Cottonwood Financial Ltd. operates in the United States under the name "Cash Store". Cash Store Financial does not do business under the name "Cash Store" in the United States and does not own or provide any consumer lending services in the United States.

For further information, please contact:

Gordon Reykdal, CEO, at 780-408-5118, or
Peter Block, NATIONAL Public Relations, 416-848-1431

Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of United States federal securities legislation, which we refer to herein, collectively, as "forward-looking information". Generally, forward-looking information can be identified by the use of forward-looking terminology such as "estimates", "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". In particular, this news release contains forward-looking information with respect to the Credit Agreement, credit facilities being advanced under the Credit Agreement and the Company's ability to meet payment and interest obligations. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Cash Store Financial, to be materially different from those expressed or implied by such forward-looking information, including, but not limited to, changes in economic and political conditions, legislative or regulatory developments, technological developments, third-party arrangements, competition, litigation, risks associated with but not limited to, market conditions, and other factors described under the heading "Risk Factors" in our Annual MD&A, which is on file with Canadian provincial securities regulatory authorities, and in our Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission. All material assumptions used in providing forward-looking information are based on management's knowledge of current business conditions and expectations of future business conditions and trends, including our knowledge of the current credit, interest rate and liquidity conditions affecting us and the general economic conditions in Canada, the United Kingdom and elsewhere. Although we believe the assumptions used to make such statements are reasonable at this time and have attempted to identify in our continuous disclosure documents important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Certain material factors or assumptions are applied by us in making forward-looking information, including without limitation, factors and assumptions regarding our continued ability to fund our payday loan business, rates of customer defaults, relationships with, and payments to, third party lenders, demand for our products, our operating cost structure, current consumer protection regulations, as well as the ability to meet payments and interest obligations under the Credit Agreement, relationships with the Lenders and ability to abide by the terms of the Credit Agreement. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. We do not undertake to update any forward-looking information, except in accordance with applicable securities laws.

Cash Store FINANCIAL

News Release

February 20, 2014

Cash Store Financial Provides Update On Strategic Review Process

EDMONTON, February 20, 2014 /CNW/ - The Cash Store Financial Services Inc. ("Cash Store Financial" or the "Company") (TSX: CSF; NYSE: CSFS) today announced that the special committee of its Board of Directors has selected Rothschild as its independent financial advisor to assist it in its strategic alternative review process.

As previously disclosed, the Board of Directors constituted a special committee of independent directors to (i) review and respond to recent developments in Ontario regarding the Company's inability to sell payday loan products in Ontario and (ii) to carefully evaluate the strategic alternatives available to the Company with a view to maximizing value for all of its stakeholders.

The Board has not established a definitive timeline for the special committee of independent directors to complete its review and there can be no assurance that this process will result in any specific strategic or financial or other value-creating transaction. The Company does not currently intend to disclose further developments with respect to this process, unless and until the Board of Directors approves a specific transaction, concludes its review of the strategic alternatives or otherwise determines there is material information to communicate.

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For further information, please contact:

Gordon Reykdal, CEO, at 780-408-5118, or
Peter Block, NATIONAL Public Relations, 416-848-1431

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News Article

All News

Cash Store Financial Provides Update on Strategic Review Process

3/28/2014 12:00:00 AM

Edmonton, Alberta, March 28, 2014 /CNW/ - The Cash Store Financial Inc. ("Cash Store Financial" or the "Company") (TSX:CSF) today announced that the Ontario Registrar of the Ministry of Consumer Services ("Registrar") has issued a final order to refuse a license under the *Payday Loans Act, 2008* ("Payday Loans Act") to the Company's subsidiaries, The Cash Store Inc. and Instaloans Inc. The Company is currently not permitted to sell any payday loan products in Ontario and will not be eligible to re-apply for a license for 12 months from the date of issuance of the final order. If the Company chooses to re-apply for a license after such time, the Company will be required to provide new or additional evidence for the Registrar to consider or demonstrate that material circumstances have changed.

The Company also announced that it has appealed the previously announced order of the Ontario Superior Court of Justice February 12, 2014 pursuant to which the Company's basic line of credit product was declared to be a payday loan and the Company was prohibited from acting as a loan broker in respect of its basic line of credit product without a broker's license under the Payday Loans Act. There is no certainty that the appeal will be successful and it is possible that the Company will be required to permanently close its Ontario operations.

The Company also announced that, as part of its ongoing strategic review, the Company and the advisors to the Special Committee of the Board of Directors have engaged in discussions with certain of the Company's creditors and other stakeholders to address near term liquidity issues that have arisen, including as a result of the suspension of the Company's right to make loans in Ontario. The Company has been notified of the formation of an ad hoc committee of holders of the Company's 11.5% senior secured notes through its legal and financial advisors and, accordingly, the ad hoc committee is one of the creditor groups involved in discussions with the Company regarding how to address its near term liquidity issues.

There is no certainty that the Company's near term liquidity issues will be resolved and, if resolved, on terms that are favourable to the Company.

About Cash Store Financial

Cash Store Financial is the only lender and broker of short-term advances and provider of other financial services in Canada that is listed on the Toronto Stock Exchange (TSX:CSF). Cash Store Financial operates 510 branches across Canada under the banners "Cash Store Financial" and "Instaloans". Cash Store Financial also operates 27 branches in the United Kingdom.

Cash Store Financial and Instaloans primarily act as lenders and brokers to facilitate short-term advances and provide other financial services to income-earning consumers who may not be able to obtain them from traditional banks. Cash Store Financial also provides a private-label debit card (the "Freedom" card) and a prepaid credit card (the "Freedom MasterCard") as well as other financial services, including bank accounts.

Cash Store Financial employs approximately 1,900 associates and is headquartered in Edmonton, Alberta.

Cash Store Financial is a Canadian corporation that is not affiliated with Cottonwood Financial Ltd. or the outlets Cottonwood Financial Ltd. operates in the United States under the name "Cash Store". Cash Store Financial does not do business under the name "Cash Store" in the United States and does not own or provide any consumer lending services in the United States.

For further information, please contact:

Gordon Reykdal, CEO, at 780-408-5118, or,

Craig Warnock, CFO, at 780-732-5683, or,

Peter Block, NATIONAL Public Relations, 416-848-1431

Forward looking statements

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of United States federal securities legislation, which we refer to herein, collectively, as "forward-looking information". Generally, forward-looking information can be identified by the use of forward-looking terminology such as "estimates", "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". In particular, this news release contains forward-looking information with respect to the final order of the Registrar, the ability of Cash Store Financial to obtain licenses under the Payday Loans Act in the future, the appeal of the February 12, 2014 decision of the Ontario Superior Court of Justice, the discussions with Cash Store Financial's creditors and other stakeholders, Cash Store Financial's liquidity position and the consequences of suspension of carrying on business in Ontario. Forward-looking information is subject to known and unknown risks,

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uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Cash Store Financial, to be materially different from those expressed or implied by such forward-looking information, including, but not limited to, changes in economic and political conditions, legislative or regulatory developments, technological developments, third-party arrangements, competition, litigation, risks associated with but not limited to, market conditions, and other factors described under the heading "Risk Factors" in our Annual MD&A, which is on file with Canadian provincial securities regulatory authorities, and in our Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission. All material assumptions used in providing forward-looking information are based on management's knowledge of current business conditions and expectations of future business conditions and trends, including our knowledge of the current credit, interest rate and liquidity conditions affecting us and the general economic conditions in Canada, the United Kingdom and elsewhere. Although we believe the assumptions used to make such statements are reasonable at this time and have attempted to identify in our continuous disclosure documents important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Certain material factors or assumptions are applied by us in making forward-looking information, including without limitation, factors and assumptions regarding our continued ability to fund our payday loan business, rates of customer defaults, relationships with, and payments to, third party lenders, creditors and other stakeholders, demand for our products, our operating cost structure, current consumer protection regulations and other laws, Cash Store Financial's liquidity position and the consequences of suspension of carrying on business in Ontario. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. We do not undertake and expressly disclaim any obligation to update any forward-looking information, except in accordance with applicable securities laws.

Cash Store Financial is a Canadian corporation that is not affiliated with Cottonwood Financial Ltd. or the outlets Cottonwood Financial Ltd. operates in the United States under the name "Cash Store." Cash Store Financial does not do business under the name "Cash Store" in the United States and does not own or provide any consumer lending services in the United States.

THIS IS EXHIBIT "3"
referred to in the Affidavit of
Sharon Fawcett
Sworn before me this 11th
day of April 2014
Donna Kathler

DONNA M. KATHLER
My Commission Expires
December 24, 2015

BROKER AGREEMENT

BETWEEN

McCANN FAMILY HOLDING CORPORATION

AND

THE CASH STORE INC.

June 19, 2012

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ARTICLE 8
GENERAL

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BROKER AGREEMENT

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

BETWEEN:

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

- and -

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

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

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

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

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

ARTICLE 1
INTERPRETATION

1.1 DEFINITIONS

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

a. "Applicable Law" means all applicable provisions of laws, statutes, rules, regulations, ordinances, official directives, treaties and orders of all Governmental Bodies (including those of constitutional, federal, provincial, state, local, municipal, foreign, international, and multinational origins) and judgments, orders and decrees of all courts, arbitrators, commissions, administrative tribunals, or bodies exercising similar functions (including the principles of common law resulting therefrom);

b. "Broker Customer" means a customer of Broker who retains Broker to find a lender for a loan to the customer;

c. "Broker Fees" means the fees charged to Broker Customers by the Broker inconsideration of arranging Loans to the Broker Customers.

d. "Broker Services" means all services to be provided by Broker to Financier as provided for in this Agreement, including without limitation, the satisfaction of Documentation & Funding Requirements, and the provision of Loan Services and Maintenance and Facilitation Services;

e. "Business Day" means a day other than a day directed by the *Bills of Exchange Act* (Canada) to be observed as a legal holiday or non-juridical day;

f. "Confidential Material" means all plans, specifications, drawings, sketches, models, samples, data, computer programs, documentation, and other technical and business information, in written, graphic or other form, relating to Financier's or Broker's business, plans or products;

g. "Designated Broker Bank Account" means the bank account of Broker designated by Broker for the purposes of temporarily receiving funds from Financier (if loans are made by Financier way of cash advance) before they are advanced to a Broker Customer;

h. "Designated Financier Bank Account" means, the bank branch and account designated by Financier from time to time where (and into which) deposits of cash and cheques received from Broker Customers, in respect of such Financier funded loans, are to be cleared (deposited) to from time to time;

i. "Documentation & Funding Requirements" means Financier's requirements for: (i) collection (from or in respect of each Broker Customer and proposed loan) of documents and information, (ii) verification or the delivery and communication of such documents and information to Financier by Broker before any loan is advanced using Financier's funds or credit, the current requirements of Financier being set out in Schedule "B" (but which Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker), and (iii) the funding of the Loans;

j. "Government Authorization" means any approval, consent, license, permit, waiver, or other authorization issued, granted, given, or otherwise made available by or under the authority of any Governmental Body or pursuant to any Applicable Law;

k. "Governmental Body" means any (i) nation, province, state, county, city, town, village, district, or other jurisdiction of any nature; (ii) federal, provincial, state, local, municipal, foreign, or other government; (iii) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, department, official, or entity and any court or other tribunal); (iv) multi-national organization or body; or (v) body exercising, or entitled to exercise, any administrative, executive, judicial, legislative, police, regulatory, or taxing authority or power of any nature;

l. "Loan" means a loan made by Financier to a Broker Customer which has been facilitated by the Broker in accordance with this Agreement and includes, for greater certainty, a loan made through virtual or electronic locations accessed by Broker Customer's on line or through other electronic means;

m. "Loan Facilitation Services" means assisting Broker's customers applying for loans, satisfying the Documentation and Funding Requirements and assisting Broker's Customers efforts in repaying any Loan;

n. "Loan Services" means the services and activities for: (i) collection of principal and interest on Loans from Broker Customers in the normal course (and forwarding same to Financier for repayment of the principal and interest owing on Loans), (ii) the contacting of Broker Customers for reminder and other purposes, and (iii) the delivery of documents and information to Financier as established by Financier from time to time, the current requirements being set out in Schedule "C" (which Schedule may be amended from time to time only by mutual written agreement of Financier and Broker);

o. "Loan Selection Criteria" means the criteria that Broker must assure any loan presented to Financier for consideration satisfies, the current criteria of Financier being set out in Schedule "A" (but which Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker);

p. "Maintenance and Facilitation Services" means ongoing services of the Broker in the facilitation, improvement, and development of Brokers delivery of the Loan Services and and the provision thereof including, but not limited to, business form development, software development, web site hosting and development, policy development, product development, marketing, staff training and professional development, credit card and bank account services.

q. "Party" means a party to this Agreement;

r. "Person" means any individual, body corporate, partnership, trust, trustee, executor, administrator, legal representative, unincorporated organization, union, or Governmental Body;

s. "Principal Contact" means each individual designated in writing by Financier who is authorized to make decisions and provide instructions on behalf of Financier from time to time, the current individual being set out in Schedule "A";

t. "Records" means all agreements, documents, writings, papers, computer files, books of account and other paper or electronic records relating to or being records of any Loan or Loan application or relating to any Broker Customer including, without limitation, any computer programmes and software, text or data files, disks, tapes and related operator manuals containing or pertaining to those records;

u. "Recorded Debt" means the amount of principal and accrued interest on a Loan (a) with all payments received from the corresponding Broker Customer in payment of such principal and interest deducted from the amount outstanding, (b) but adding back any such payments that have already been reversed at the time of calculation.

v. "Regulated Jurisdiction" means a province that has been designated by the Governor in Council for the purposes of section 347.1 of the Criminal Code (Canada).

w. "Representatives" means with respect to a Person all of such Person's directors, officers, employees, consultants, counsel, auditors, representatives, advisors or agents ("Insiders") and all of such Person's Affiliates and franchisees and their respective Insiders;

x. "Term" means the period from the effective date of this Agreement until the earlier of: (i) the end of the later of the Initial Term and, if applicable, the last of any Renewal Periods

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

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

1.2 HEADINGS

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

1.3 INTERPRETATION NOT AFFECTED BY HEADINGS

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

1.4 PARTY DRAFTING AGREEMENT

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

1.5 GENDER AND NUMBER

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

1.6 SCHEDULES

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

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

ARTICLE 2
LOAN AMOUNTS, SELECTION, DOCUMENTATION AND MANAGEMENT

2.1 FINANCIER AGREEMENT WITH BROKER

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

2.2 LOAN AMOUNT LIMIT(S)

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

2.3 LOAN SELECTION

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

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

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

2.4 LOAN DOCUMENTATION & FUNDING REQUIREMENTS

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

2.5 LOAN FUNDING BY FINANCIER

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

a. by arranging for the amount of the Loan to be advanced by cheque or electronic funds drawn by Financier directly in favour of the Broker Customer (Financier will have up to 3 Business Days to arrange for issuance of a cheque or electronic funds transfer);

b. by wire transfer of funds to the Designated Broker Bank Account (for redirection/payment to, or for the benefit of, the Broker Customer);

c. by cheque drawn by Financier payable to Broker for deposit to the Designated Broker Bank Account (for redirection/payment to, of for the benefit of, the Broker Customer);

d. by Financier arranging through Broker for delivery of a cash card or other value card for use by the Broker Customer with an advance limit equal to the authorized amount of the Loan.

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

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

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

2.6 LOAN SERVICES

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

2.7 SYSTEM INTEGRITY

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

2.8 LOAN MANAGEMENT POLICY & PROCEDURES MANUAL

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

2.9 EXCHANGING LOANS BETWEEN LENDERS

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

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

(b) The Exchanged Other Lender Loans have a value, inclusive of accrued interest, that equals or exceeds the accrued value, inclusive of accrued interest, of the Exchanged Financier Loans (or to the extent that there is any material shortfall in that regard, that Other Lender receiving the assignment has been repaid a cash amount equal to such difference);

(c) None of the Exchanged Other Lender Loans are then in default or, if any are in default, the aggregate amount of such loans in default do not exceed in amount the Exchanged Financier Loans then in default:

(d) All Exchanged Other Lender Loans meet the Loan Selection Criteria; and,

(e) Broker amends its records accordingly so that from and after such assignment all Exchanged Other Lender Loans and all receipts and dealings with Exchanged Other Lender Loans are accounted for, and in all other respects treated, as Loans made by Financier.

2.10 USAGE OF LOAN ADVANCES

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

2.11 Regulated Jurisdictions

(a) In Regulated Jurisdictions, loans may be made to Broker Customers upon the following terms:

(i) Provided that the loans been done in compliance with the laws and regulations of the Regulated Jurisdiction, Broker may make loans to Broker Customers in a Regulated Jurisdiction and may fund such loans from the funds otherwise available for loans hereunder, including funds held by Broker as a "float" in anticipation of loan approvals.

(ii) Broker shall be the lender of record and shall in the first instance make the loan to the Broker Customer on Broker's own behalf as Lender on its own behalf and not as agent for Financier.

(iii) Broker shall promptly thereafter assign to Financier the entirety of the loan and the Broker's interest therein and shall thereafter deal with, collect, maintain and enforce such loan on Financier's behalf in all respects (subject to the provisions of this section 2.10 and subject to additional requirements or restrictions as may be imposed by any applicable laws and regulations of the Regulated Jurisdiction) as though it was any other loan made hereunder.

(iv) Broker shall in respect of each such loan, pay to Financier a loan participation fee in an amount equal 59% per annum of the principal of all loans collected for the agreed term of the loan, (calculated, for greater certainty, before deduction therefrom of Brokers own fees to the Customer) or at such other rate as Broker and Financier may from time to time agree to within the reporting provided to the Financier on a monthly basis.

(v) In the absence of the execution of any formal assignment of the loan to Financier as contemplated hereunder, any such loan shall be deemed to have been assigned to Financier immediately after advance to the Broker Customer without the requirement of further documentation evidencing or affecting the same.

(vi) It is anticipated that variations to the within terms may be required from time to time to better facilitate the foregoing and/or to accommodate the rules and regulations of particular Regulated Jurisdictions in which event the same shall, at Broker's discretion, be included in the terms of section 2.10 provided that doing so has no material adverse impact upon, and imposes no additional liabilities or obligations upon Financier.

(b) The provisions of this Agreement, including section 2.10, are subject to any further or additional agreements respecting loans in Regulated Jurisdictions as Broker and Financier may agree to from time to time.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 REPRESENTATIONS AND WARRANTIES OF BROKER

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

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

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

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

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

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

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

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

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

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

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

3.2 REPRESENTATIONS AND WARRANTIES OF FINANCIER

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 4
CONFIDENTIALITY PROVISIONS

4.1 PROTECTION OF INFORMATION

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

a. is or becomes publicly available through no act or omission of the other Party or the other Party's Representatives;

b. is subsequently obtained lawfully from a third party, which, after reasonable inquiry, the other Party does not know to be bound to the first Party to restrict the use or disclosure of such information;

c. is already in the Other Party's possession at the time of disclosure, without restriction on disclosure; or

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

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

ARTICLE 5
INSPECTIONS & AUDITS

5.1 INSPECTIONS & AUDITS

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

ARTICLE 6
TERM OF AGREEMENT

6.1 INITIAL TERM

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

6.2 RENEWAL OF TERM

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

6.3 TERMINATION NOTICE AT END OF CURRENT TERM

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

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

6.4 OBLIGATIONS OF BROKER AT END OF TERM

Upon the ending of the Term:

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

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

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

6.5 OBLIGATION OF FINANCIER AT END OF TERM

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

ARTICLE 7
BROKER INDEMNITY PROVISIONS & SUBORDINATION

7.1 INDEMNITY OF FINANCIER BY BROKER

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

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

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

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

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

7.2 SUBORDINATION BY BROKER IN FAVOUR OF FINANCIER

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

ARTICLE 8
GENERAL

8.1 FURTHER ASSURANCES

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

8.2 ENTIRE AGREEMENT

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

8.3 GOVERNING LAW

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

8.4 ASSIGNMENTS & ENUREMENT

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

8.5 RELATIONSHIP OF PARTIES

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

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

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

8.6 TIME OF ESSENCE

Time shall be of the essence in this Agreement.

8.7 NOTICES

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

- on the date of hand delivery or courier, if delivered personally or by courier;

  a. 5 Business Days after delivery thereof if delivered by regular mail (if mailed within Canada); or

  b. twenty-four (24) hours after delivery thereof if delivered by telecopy or email.

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

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

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

8.8 INVALIDITY OF PROVISIONS

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

8.9 WAIVER & APPROVALS

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

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

8.10 AMENDMENT

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

8.11 PUBLIC ANNOUNCEMENTS

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

8.12 COUNTERPART EXECUTION

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

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

FINANCIER
Per: _____
J. MURRAY McCANN
PRESIDENT
McCANN FAMILY HOLDING CORPORATION

THE CASH STORE INC.
Per: _____

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

LOAN SELECTION CRITERIA, ET. AL.

(Note: The contents of this Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker.)
(Amendments to this Schedule only take effect with respect to Loans initiated after the amendment to the Schedule)

Loan Selection Criteria for Most Loans

1. A Loan shall not be made if after making the Loan the aggregate Recorded Debt for Loans would exceed the applicable maximums specified in this Schedule "A".

2. The interest rate charged on the loan shall be 59% per annum (or such other amount as may be agreed to by the Parties from time to time) or as determined by provincial regulations calculated excluding date of funding until accrued debt is paid in full, has been identified as an insurance claim, is written-off, has been placed with a credit counselling agency or is otherwise governed by applicable law.

3. The gross amount of the loan shall not be more than seventy per cent (70%) of the Broker Customer's net take home pay after all deductions as determined from the most recent pay stub or bank statement provided by the Broker Customer. (Note: This criterion is not applicable to loans secured against vehicles.)

4. The term of the loan (i.e. the time between funding and the due date) shall not be more than the lesser of the Broker Customer's next pay date and 18 days. (Note: This criterion is not applicable to loans secured against vehicles or Signature Loans.)

5. The Broker Customer must be an individual (i.e. not a corporation or other legal entity). (Note: This criterion is not applicable to loans secured against vehicles).

6. The Broker Customer must be at least 18 years old and the legal age for contracting purposes in the jurisdiction in which the Broker Customer is resident.

7. The Broker Customer must have evidence of employment or other income immediately preceding the date of application or in the case of signature loans please see below.

8. The Broker Customer must have evidence that the Broker Customer has an active bank account with a branch of a financial institution located within Canada. (Note: This criterion is not applicable to loans secured against vehicles.)

9. If the Broker Customer has indicated employment income is direct deposited then, the account statements provided by the Broker Customer should indicate that the payments being received from the current employer are being deposited to the bank account.

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

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

1. The amount of the loan shall not be more than 25% of the motor vehicle's "black book rough value" as indicated on the CanadianBlackBook.com website. Vehicles not listed on such web site may be used as collateral only if alternative resources such as such as Trader.ca, ebay, Adesa online are used. Industry contacts may be used only if the contact will provide written appraisal of the value of the collateral.

2. The term of the loan (i.e. the time between funding and the due date) shall not be more than 35 days.

3. A registration history search (i.e. vehicle information report) or another valid vehicle registration document against the Vehicle Identification Number must indicate that the vehicle has been registered within the province where the vehicle is located for not less than 14 days and confirm that the Broker Customer is the last registered owner indicated in the records.

4. The vehicle must be insured within provincial law; including collision and comprehensive coverage (glass coverage may be excluded).

5. The PPSA searches against both (1) the Vehicle Identification Number and (2) the full legal name of the Broker Customer (including all inexact matches which should be selected and printed as part of the search result) do not disclose any registration of any type other than:
   (a) registrations which are clearly against a person who is not the Broker Customer (Broker shall bear the responsibility for making this determination and shall indemnify Financier if Broker incorrectly concludes that a registration does not apply to the Broker Customer);
   (b) registrations which are against specific items of household furniture or equipment (and proceeds of same) and claim no other interests in other collateral; and
   (c) registrations which are clearly against a vehicle which is not the Broker Customer's vehicle and does not include a claim for any form of "proceeds" (Broker shall bear the responsibility for making this determination and shall indemnify Financier if Broker incorrectly concludes that a registration does not apply to the vehicle).

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

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

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

Additional/Special Requirements for Signature Loans:

1. A Signature Loan is a loan to a customer who is generally but not limited to someone on a fixed monthly income. Examples include, but are not limited to, Family Allowance, Widow's Allowance, Canada Pension, Old Age Security, Worker's Compensation, Disability Pension or Social Assistance.

2. The gross amount of the loan shall not be more than 70% of the Broker Customer's fixed income pay (as determined from the most recent cheque provided by the Broker Customer), subject to any applicable federal or provincial legislation.

3. The term of the loan shall not be more than 35 days.

4. The Broker Customer must have evidence of continuous payments of fixed monthly income for one (1) month immediately preceding the date of application.

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

LOAN DOCUMENTATION & FUNDING REQUIREMENTS

(Note: The contents of this Schedule may be changed, subject to Broker's consent, by Financier from time to time on 30 days written notice to Broker.)
(Amendments to this Schedule only take effect with respect to Loans initiated after the amendment to the Schedule)

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

Documentation Requirements for All Loans:

1. A Broker Retainer Agreement signed by the Broker Customer evidencing Broker Customer's retainer of Broker to find and select a lender for Broker Customer and to provide the Loan Facilitation Services for the Broker Customer.

2. A Loan Application Form in form reasonably satisfactory to (or otherwise previously approved by) Financier signed by the Broker Customer. The Loan Application Form must be fully executed.

3. A Disclosure Document in form(s) satisfactory to (or otherwise previously approved by) Financier, setting out for the proposed loan all payments that will be required to be made by the Broker Customer including the repayment of principal and interest. This document(s) will include the names of both Financier and Broker identifying which payments are made to Financier and which are made to the Broker. Broker shall assure that this document(s) includes all required disclosures under Applicable Law (including without limitation under federal interest laws and provincial cost of credit legislation).

4. A photocopy of one piece of identification which could include at least one government issued photo identification. The Broker Customer's photo identification may include a current or expired passport or a current driver's license or a current provincial picture identification card or a current Canadian Department of National Defence (DND) picture identification card or any other current provincial or federally recognized picture identification. Other acceptable identification, where photo identification is not available, includes a current version of a provincial health insurance card, social insurance number card, birth certificate, native or Métis status card, citizenship card, employment picture identification (current employer only), or subsidiary issued card, other competitor payday loan card, store credit card, other credit card, union card, or current Canadian VISA.

5. A photocopy of a recent vehicle registration, utility, telephone, or cable TV bill issued in the Broker Customer's name (or legal spouse or roommate) with an address that conforms to the residential address provided by the Broker Customer (billing period of statement must end not more than 40 days before the date the loan application is made)

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

6. Photocopy of pay stub evidencing a source of income.

7. Photocopy of most recent bank statement of one the following types:
   (a) a mailed out account statement with an end of period cut-off date not more than 45 days before the date the loan application is made and must include Broker Customer's name and the corresponding bank account identification number;
   (b) an ATM generated account statement with an end of period cut-off date not more than 5 days before the date the loan application is made and must be for at least a 14 day period and must include Broker Customer's bank account identification number;
   (c) a personal computer (internet) generated account statement with an end of period cut-off date not more than 5 days before the date the loan application is made and must be for at least a 30 day period and must include Broker Customer's name and the corresponding bank account identification number; evidencing that Broker Customer has an active chequing account.

8. Promissory Note in form satisfactory to (or otherwise previously approved by) Financier, where provincial or federal legislation will allow.

9. Security Agreement in form satisfactory to (or otherwise previously approved by) Financier.

10. Receipt signed by Broker Customer for funds advanced to Broker Customer (or for cheque delivered to Broker Customer if Broker Customer elects to receive funds by way of subsequently delivered cheque).

11. Optional Payment Plan, if any, in form satisfactory to Financier and Broker. This collection measure is only to be used where allowable by provincial and/or federal legislation.

12. An alternative means of payment should the Broker Customer neglect to make the required payment in one or both, if available, of the following forms:
   (a) Pre-Authorized Debit Agreement made out to Broker and signed by Broker Customer for amount of interest and principal in form satisfactory to Financier.
   (b) Personalized cheque made out to Broker and signed by Broker Customer for amount of principal and interest. Cheque must be drawn against the account that corresponds to the account statements received. [(a)]

13. Broker Customer Receipt including summary of amounts due on maturity of loan and due dates in form satisfactory to Financier

Notes:

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

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

16. A registration history search against the Vehicle Identification Number.

17. A vehicle PPSA Security Agreement (in form satisfactory to Financier) executed by the Broker Customer.

18. Evidence that a PPSA registration against the Customer's name (with Financier as secured party) and the VIN of the vehicle has been registered in the PPSA registry.

19. A copy of the valuation (i.e. print off of the web pages) indicated on www.canadablackbook.com for the vehicle or similar as identified above.

20. A PPSA current search against (a) the Vehicle Identification Number for the vehicle and (b) the Customer's name, showing no other competing registrations other than the PPSA registrations in favour of Financier carried out forthwith after the registration referred to in paragraph 19 above.

21. A vehicle condition report (in form satisfactory to Financier) fully completed by employees of Broker at the time of application.

22. A photocopy of the Broker Customer's vehicle registration and insurance documents for the vehicle.

23. An electronic (or Polaroid) photograph of the vehicle (need not be printed but must be electronically stored so that it can be printed).

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

LOAN SERVICES

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

Services to be Provided by and Responsibilities of Broker

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

1. Broker shall record applications by Broker Customers to receive loans and communicate those applications which meet the Loan Selection Criteria of Financier.

2. Broker shall verify the following information from the Loan Application Form for a Broker Customer:
   (a) source of income;
   (b) picture ID is accurate;
   (c) banking information matches;

   and ensure that a personalized cheque and/or a Pre-authorized Debit Form are made out for the amount of the principal and interest owing.

3. Where applicable pursuant to the Loan Selection Criteria established by Financier, Broker shall apply pre-set loan evaluation and limiting criteria to the loan applications to determine whether the proposed loan meets Financier's pre-set criteria.

4. Broker shall maintain a database of information concerning Broker Customers with such information as Broker, acting with commercial reasonableness, deems appropriate and practical.

5. Broker shall verify the status of any electronic communication made by Broker and shall establish and maintain a back-up procedure for the reconstruction of any such lost or damaged electronic communication that is to be or has been transmitted.

6. Where applicable, Broker shall review confirmation screens before transmitting any information to Financier (or Financier's agent(s) or service bureau(s)) and shall verify that the information gathered in accordance with this Agreement is accurately recorded from the information provided to Broker before providing or transmitting it.

7. Broker shall to the extent it deems it economic and practical, send and receive batch file information to/from other databases and systems (for example, but without limitation, bank account activity, service bureau activity and cash card facility information) necessary for Broker to integrate into Broker's data base in order to accumulate and report information required by this Agreement.

8. Broker shall to the extent it deems it economic and practical, collect most documents necessary to satisfy the Documentation & Funding Requirements for each Loan.

9. Broker shall, if requested by Financier, deliver to Financier those documents, or portions thereof, where required by the Loan Selection Criteria and Documentation & Funding Requirements.

10. Broker shall track and calculate all interest accruing due from the Broker Customer to Financier.

11. Broker shall track all payments received from Broker Customers on Loans and for each such payment record (a) the date the payment was received by Broker (if the payment is handled by Broker before delivery to Financier), (b) the date of deposit of the payment into the Designated Financier Bank Account and (c) where cheques are returned NSF or Pre-authorized debits are later reversed, the date that the reversal occurred;

12. Broker shall, as allowed by applicable provincial and/or federal collection legislation, provide a phone call reminder to each Broker Customer before a payment is due of the date and amounts owing. The reminder may be provided by direct call to the Broker Customer or by leaving a message with the person answering the phone or on answering machine for such phone number.

13. Broker shall on an ongoing basis provide such additional Maintenance and Facilitation Services as Broker deems appropriate to enhance the quality of its services and its competitiveness.

14. Where payment by a Broker Customer is to be made by any means other than cash or Broker debit terminal, the Broker will, to reduce dishonoured item charges, to the extent it deems it economic and practical, use all reasonable and available means to verify funds before attempting any cheque or electronic deposits. Every attempt will be made to have the Broker Customer pay by cash or debit.

15. Broker shall prepare such weekly and monthly reports concerning all activities related to the Loans as Broker may deem reasonably necessary from time to time.

16. For loans secured against vehicles, Broker shall verify the name of the Broker Customer, the name indicated as the registered owner on the provincial license registration and the insured's name on the evidence of insurance all indicate the same name which corresponds to the Broker Customer's other identification;

Default Realization Services Provided by the Broker:

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

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

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

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

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

1) Contacting customer by home phone, cellular phone, work phone, landlord, references, e-mail, letters, or home visit. These attempts will continue until the Loan is paid in full or it is determined that a third party collection agency should be retained to attempt collection of amounts owing.

2) Presenting Optional Payment Plan form to employer, where allowed by applicable federal or provincial collection legislation.

3) Attempt on or around the customer payday, spouse's payday or government cheque days to certify any cheques on file or process any Pre-authorized Debit.

4) If at anytime during the collection process it is determined that the customer is no longer employed or is no longer at the listed residence, intensified skip tracing efforts will begin.

5) At or around 30 days past due, send a letter notifying the customer of possible legal proceedings and/or third party collection activities, should the account not be paid in full right away.

6) At or around 60 days past due, if there is still dialogue with the customer, send the customer a one time "amnesty letter" offering a structured payout of the loan over a set period of time. The customer would be required to pay interest and a portion of principal on each payment until the account is paid in full. Interest would continue to accrue daily on the remaining principal outstanding.

7) If still unpaid at 90 days past due, and no payment has been made in the past 30 days, send a final letter to the customer advising the account must be paid in full within 10 business days or it will be turned over to a third party collection agency.

8) At or around 120 days past due and no payment received in the past 30 days, the account is then turned over to the Broker's internal collection department and they will attempt collection for a period of 60 days.

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

9) All reasonable and lawful collection and communication methods, within a cost effective structure, may be used to attempt collection of the account.

10) Files will continue to be worked diligently by Broker until it has been determined that the Loan should be given to a third party collection agency.

11) All realization activities will cease upon notification of bankruptcy of Broker Customer. "Proof of Claim" as secured creditor, unsecured creditor or both to be filed with bankruptcy trustee.

For greater certainty Broker, acting with commercial reasonableness, is authorized on the Financier's behalf to settle or compromise any Loans in default and to accept part payment of any Loan in full satisfaction thereof.

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

1) If payment is not received before the 30th day past due, or sooner, instruct a seizure of the vehicle to be carried out.

2) For each seized vehicle arrange for storage of vehicle for necessary time under provincial legislation.

3) For each seized vehicle provide such notices to the vehicle owner (and other creditors, if required under applicable law) of the seizure, planned sale method and other information required by provincial legislation.

4) For each seized vehicle instruct the sale of the vehicle at the earliest time permitted by provincial legislation in the manner permitted by the legislation.

5) Distribute proceeds in accordance with applicable law and this Agreement.

Retention of Records:

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

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

LOAN MANAGEMENT POLICY & PROCEDURE MANUAL

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

See Attached

Cash Store FINANCIAL

www.csfinancial.ca

LENDER STATEMENT OF ACCOUNT

McCann Family Holding Corporation

February 2014

Account Reconciliaton

	MONTH	YTD
Funds made available, opening	$ (13,350,000)	$ (13,350,000)
Additional funds advanced to CSF	-	-
Loans Assigned by CSF at fair value	-	-
Lines of Credit transferred from other lenders	6,910,338	6,910,338
Balance Forward	(22,090)	(7,063)
Interest Collected	(107,561)	(423,215)
Accounts Written Off*	-	117,000
Recoveries	(9,755)	(24,550)
Cash payments made	194,688	393,109
Broker Retention Contribution	(65,038)	(65,038)
Funding (Excess) / Deficiency	$ (6,449,420)	$ (6,449,420)

THIS IS EXHIBIT " 4 "
referred to in the Affidavit of
Sharon Fawcett
Sworn before me this 11th
day of April 2014
Donna Kathler

DONNA M. KATHLER
My Commission Expires
December 24, 2015

**Effective on September 30, 2013 all delinquent receivables related to consumer loans and line of credit advances are written off when they reach 90 days past due. Future collections and recoveries on these written-off amounts will be credited to your account when received.*

Portfolio Continuity

	Loans Assigned by CSF	Lines of Credit Transferred From Other Lenders	Total
Prior Month Closing Balance	$ -	$10,769,390	10,769,390
Transferred to other lenders	-	-	-
Transferred from other lenders	-	-	-
Collections	-	(3,859,052)	(3,859,052)
Loans assigned by CSF	-	-	-
Purchased by CSF	-	-	-
Accounts Written Off*	-	-	-
Current month closing balance	$ -	$ 6,910,338	$ 6,910,338

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

instaloans

Portfolio Summary

1. Lines of Credit Transferred From Other Lenders

Province	Current	1-30 Days	31-60 Days	61-90 Days	90 Days + Overdue	Total
Ontario	$ 4,660,429	$ 2,098,923	$ 10,855	$ 2,116	$ -	$ 6,772,323
AR Discrepancy Under Investigation						$ 138,015
Adjustment for Late PADs						$ -
Sub Total	$ 4,660,429	$ 2,098,923	$ 10,855	$ 2,116	$ -	$ 6,910,338

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

48

THIS IS EXHIBIT "5"
referred to in the Affidavit of
Sharon Fawcett
Sworn before me this 11th
day of April 2014
Donna Kathler

DONNA M. KATHLER
My Commission Expires
December 24, 2015

Interim Consolidated Financial Statements

Cash Store FINANCIAL

For the three months ended December 31, 2013

(unaudited)

THE CASH STORE FINANCIAL SERVICES INC.
INTERIM CONSOLIDATED BALANCE SHEETS
(in thousands of Canadian Dollars)
(unaudited)

	September 30 2013	December 31 2013
ASSETS		
Current Assets		
Cash	$ 6,216	$ 10,553
Restricted cash - Note 3	5,242	6,408
Consumer advances receivable, net - Note 4	25,592	34,804
Other receivables, net - Note 5	8,104	8,332
Prepaid expenses and other assets	3,471	2,584
Income taxes receivable	15,683	15,683
	64,308	78,364
Long term receivable - Note 5	836	—
Deposits and other assets	1,740	2,792
Deferred financing costs	6,203	5,836
Property and equipment, net of accumulated depreciation of $39,424 and $41,033	17,460	16,735
Intangible assets, net of accumulated amortization of $13,506 and $15,482	34,353	32,843
Goodwill	39,685	39,685
	$ 164,585	$ 176,255
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	$ 1,511	$ 2,242
Accrued liabilities	24,715	31,263
Current portion of deferred revenue	1,000	1,000
Current portion of deferred lease inducements	333	355
Current portion of obligations under capital leases and other obligations	1,185	1,119
	28,744	35,979
Deferred revenue	2,918	2,668
Deferred lease inducements	686	596
Obligations under capital leases and other obligations	3,441	3,386
Long-term debt - Note 7	127,182	139,496
Deferred income taxes	2,934	2,859
	165,905	184,984
SHAREHOLDERS' EQUITY		
Share capital, number of voting common shares, issued and outstanding - 17,571,813 and 17,571,813 - Note 8	47,091	47,091
Additional paid-in capital	4,957	5,018
Deficit	(53,368)	(60,838)
	(1,320)	(8,729)
	$ 164,585	$ 176,255

Litigations, Claims and Contingencies - Note 10

Approved by the Board:

Signed "Gordon J. Reykdal"
Director

Signed "Eugene Davis"
Director

See accompanying notes to the interim consolidated financial statements

(in thousands, except share and per share amounts)

Note 2 – Changes in Accounting Policies and Practices

Accounting Pronouncements Not Yet Adopted:

In February 2013, FASB issued ASU No. 2013-04 "Liabilities – Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation is Fixed at the Reporting Date - (Topic 405)". This ASU provides guidance for the recognition, measurement, and disclosure of obligations resulting from joint and several liability arrangements for which the total amount of the obligation is fixed at the reporting date except for obligations addressed within existing guidance in U.S. GAAP. ASU No. 2013-04 is effective for fiscal years and interim periods within those fiscal years, beginning after December 15, 2013. The Company is currently evaluating the impact of the adoption of the provisions of ASU No. 2013-04 on its consolidated financial statements.

In July 2013, FASB issued ASU No. 2013-11 "Presentation of an Unrecognized Tax Benefit When a Net Operating Loss Carryforward, a Similar Tax Loss, or a Tax Credit Carryforward Exists - (Topic 740)." This ASU provides guidance on the financial statement presentation of unrecognized tax benefits when an operating loss carryforward, a similar tax loss, or a tax credit carryforward exists. ASU No. 2013-11 is effective for fiscal years and interim periods within those fiscal years, beginning after December 15, 2013. The Company is currently evaluating the impact of the adoption of the provisions of ASU No. 2013-11 on its consolidated financial statements.

Note 3 – Cash

The significant components of cash are as follows:

	September 30, 2013	**December 31, 2013**
Cash	6,216	**10,553**
Restricted cash	5,242	**6,408**
	$ 11,458	**$ 16,961**

As at December 31, 2013, restricted cash includes $706 (September 30, 2013 - $666) of funds held by a financial institution as security related to banking arrangements and $5,702 (September 30, 2013 - $4,575) advanced from third-party lenders in excess of consumer loans written to customers.

Bennett Jones

Bennett Jones LLP
4500 Bankers Hall East, 855 - 2nd Street SW
Calgary, Alberta, Canada T2P 4K7
Tel: 403.298.3100 Fax: 403.265.7219

Ken T. Lenz, Q.C.
Partner
Direct Line: 403.298.3317
e-mail: lenzk@bennettjones.com
Our File No.: 951-5

THIS IS EXHIBIT "6"
referred to in the Affidavit of
Sharon Fawcett
Sworn before me this 11th
day of April 20 14
Donna Kathler

DONNA M. KATHLER
My Commission Expires
December 24, 2015

April 4, 2014

VIA EMAIL: mwasserman@osler.com

Mr. Marc Wasserman
Oslers
100 King Street West
1 First Canadian Place
Suite 4600, P.O. Box 50
Toronto, ON M5X 1B8

Dear Mr. Wasserman:

Re: Broker Agreement with The Cash Store

We are counsel for the McCann Family Holding Corporation ("McCann") in relation to the Broker Agreement between McCann and The Cash Store Inc. ("Cash Store") dated June 19, 2012 (the "Agreement").

Pursuant to the Agreement, our client provided to Cash Store as broker $13,350,000.00. These funds were lent to customers in Ontario under Cash Store's line-of-credit product. On February 13, 2014 Cash Store ceased offering this product in Ontario. As at February 12, 2014 our clients outstanding loan balance was $8,403,878.71. Since that date our client believes that additional collections of at least $2,300,000 have been made on this loan balance. With those collections, the unexpended funds are at least $7,300,000. It has been advised as recently as ten days ago that this money has not been lent to third parties and remains held in Cash Store account. Our client has demanded the return of this money within the terms of the Agreement.

We are further aware that Cash Store has failed to pay certain interest obligations pursuant to other loan agreements and pursuant to section 3.2 of the Agreement, Cash Store is no longer entitled without misrepresentation to broker loans funded by McCann.

As the money which Cash Store is holding on behalf of our client can be used for no other purpose than lending to customers, we would ask that it be returned forthwith, or held in a segregated account. The money is held in trust for our client, Cash Store which stands in a fiduciary relationship. We put you on notice that if it is dissipated, we will be seeking personal remedies against those responsible, including directors, officers and agents who participate in the breach of trust or conversion.

Finally, pursuant to Section 5.1 of the Broker Agreement, our client demands to inspect all records of Cash Store, and in particular those records in relation to the money being held in trust for our client. Our client appoints PriceWaterhouseCoopers Inc. ("PWC") for this purpose and wishes to make arrangements for PWC to visit the offices of Cash Store in Edmonton, Alberta, at your early convenience and in any event, no later than Monday or Tuesday of next week for this purpose. Please advise of how specific arrangements may be made between PWC and Cash Stores.

I look forward to your reply.

Yours truly,

BENNETT JONES LLP

Ken T. Lenz
KTL/ld
cc: M. McCann
S. Fawcett
P. Darby, PWC

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Osler, Hoskin & Harcourt LLP
Box 50, 1 First Canadian Place
Toronto, Ontario, Canada M5X 1B8
416.362.2111 MAIN
416.862.6666 FACSIMILE

OSLER

THIS IS EXHIBIT "7"
referred to in the Affidavit of
Sharon Fawcett
Sworn before me this 11th
day of April 20 14
Donna Kathler

DONNA M. KATHLER
My Commission Expires
December 24, 20 15

Toronto
Montréal
Ottawa
Calgary
New York

April 8, 2014

Marc S. Wasserman
Direct Dial: 416.862.4208
mwasserman@osler.com
Our Matter Number: 1152411

SENT BY EMAIL

Mr. Ken T. Lenz, Q.C.
Bennett Jones LLP
4500 Bankers Hall East
855 – 2nd Street SW
Calgary AB T2P 4K7

Dear Mr. Lenz:

Re: Broker Agreement with The Cash Store Inc.

Thank you for your letter of April 4, 2014 on behalf of the McCann Family Holding Corporation ("McCann") and for the revised draft of the non-disclosure agreement provided to us by email of the same date. We look forward to continuing to work with you and your client with respect to the liquidity and other issues currently being faced by Cash Store. In this letter, we refer to The Cash Store Inc. and its affiliates collectively and any one of them as "Cash Store".

We note that there is no provision in the Broker Agreement between McCann and Cash Store dated June 19, 2012 (the "Agreement") that establishes a trust relationship or imposes a trust on any funds. In addition, Cash Store's public disclosure does not describe its relationships with its third party lenders as constituting a trust relationship. Accordingly, in these circumstances, there can be no question of Cash Store dissipating trust funds. As your client is aware, all funds collected from Cash Store's customers are comingled, including with funds collected in respect of loans brokered for McCann under the Agreement.

We acknowledge your request that the funds previously advanced by McCann under the Agreement be returned. Section 2.2 of the Agreement provides that McCann may determine the total amount McCann is prepared to fund on an ongoing basis to Cash Store's customers and that this limit may be re-established by McCann upon 120 days written notice to Cash Store. Cash Store had previously received an email from Sharon Fawcett on behalf of McCann dated February 26, 2014 requesting the return of certain funds advanced to Cash Store. This request did not specify any sections of the Agreement, however, we understand that this email was intended as written notice to Cash Store pursuant to section 2.2 of the Agreement that McCann had determined to reduce the total amount that McCann is prepared to fund on an ongoing basis to Cash Store's customers and thus the notice takes effect on or about June 26, 2014. As

previously indicated, Cash Store is hopeful that McCann and its affiliates will be part of the solution to Cash Store's current liquidity issues. We are attempting to work with you to reach agreement on the terms of a non-disclosure agreement to provide you with non-public information that we hope will provide a framework for negotiating the terms of that solution. We note that the revisions you made to the non-disclosure agreement include deleting McCann's agreement not to use any non-public information provided to it in a manner detrimental to Cash Store and adding language to the effect that the provisions of the non-disclosure agreement shall not restrain McCann's and its affiliates' existing rights against Cash Store. While we agree that the non-disclosure agreement should not affect McCann's existing rights against Cash Store, the non-disclosure agreement is not meant to provide information to be used against Cash Store in litigation. Cash Store will only enter into a non-disclosure agreement with McCann that clearly prohibits McCann and its affiliates from using any of the information disclosed pursuant to the non-disclosure agreement against Cash Store in any lawsuit. We would be pleased to continue to a dialogue with you about these matters and are prepared to finalize a non-disclosure agreement with those modifications immediately.

We acknowledge your request that PricewaterhouseCoopers, Inc. be appointed as inspector of certain matters relating to the Agreement and the money advanced by your client. As previously discussed, we understand that PricewaterhouseCoopers, Inc. prepares Cash Store's tax returns and has therefore previously been involved in discussions with Cash Store regarding its present liquidity position. Before Cash Store will agree to the appointment of PricewaterhouseCoopers, Inc. as inspector under the Agreement, we would need to understand how you and PricewaterhouseCoopers, Inc. propose to resolve any potential conflict of interest PricewaterhouseCoopers, Inc. may have, including as a result of its previous work for Cash Store and its possession of certain confidential materials and information regarding Cash Store.

We look forward to continuing to discuss these matters with you in an effort to achieve a mutually beneficial solution to the challenges currently faced by Cash Store.

Yours very truly,

Marc S. Wasserman
MSW:ks

c: Client
Neil Augustine, *Rothschild Inc.*

Bennett Jones

Bennett Jones LLP
4500 Bankers Hall East, 855 - 2nd Street SW
Calgary, Alberta, Canada T2P 4K7
Tel: 403.298.3100 Fax: 403.265.7219

Ken T. Lenz, Q.C.
Partner
Direct Line: 403.298.3317
e-mail: lenzk@bennettjones.com
Our File No.: 951.5

THIS IS EXHIBIT "8"
referred to in the Affidavit of
Sharon Fawcett
Sworn before me this 11th
day of April 2014
Donna Kathler

DONNA M. KATHLER
My Commission Expires
December 24, 2015

April 8, 2014

Via Email

Mr. Marc Wasserman
Osler, Hoskin & Harcourt LLP
Suite 4600, 1 First Canadian Place
100 King Street W.
Toronto ON M5X 1B8

Dear Mr. Wasserman:

Re: Broker Agreement with The Cash Store Inc.

Thank you for your letter of April 8, 2014. First I would be grateful if you could confirm the identity of your client. I am not sure whether you act on behalf of The Cash Store Inc. and its affiliates ("Cash Stores") or the Special Committee of the Board of Directors.

With respect to the appointment of PricewaterhouseCoopers Inc. ("PWC") as inspector pursuant to the Credit Agreement, while we acknowledge that PricewaterhouseCoopers LLP prepared some tax returns which is not a conflict, I am advised that PricewaterhouseCoopers Inc. is a different division and in any event, our client is entitled to information with respect to tax returns. If it will satisfy Cash Stores' concerns, PWC would be prepared to erect an ethical wall between personnel who prepared tax returns and those in the separate entity PWC who will do the inspection. However, we require PWC access immediately for the reasons set out in my earlier letter of April 4, 2014. I look forward to your early reply.

With respect to the remainder of your letter, it is clear from the Credit Agreement that money advanced by our client is not Cash Stores' money. It is to be held in a Designated Broker Bank Account. It is held by Cash Stores as a broker for the purpose of making loans. Cash Stores is no longer entitled to make loans with this money pursuant to the Credit Agreement as it must represent its solvency each time a loan is made. Cash Stores may not use the money for any other purpose than making loans. If it is not done already, we require this money to be immediately segregated so that our client's ownership of it is beyond question.

We make no comment on how Cash Stores has characterized our client's money in its public filings. The fact is it is our client's money, not money of Cash Stores, and if Cash Stores treats it as its own

money, we will be pursuing all remedies against those responsible, including the members of the Special Committee.

Finally, we remain prepared to discuss appropriate terms for a non-disclosure agreement. Our client has no wish to undermine Cash Stores and is prepared to undertake to use information received from Cash Stores only for legitimate purposes like evaluating a loan. We are not proposing to sign the NDA for the purpose of finding information to be used in litigation against Cash Stores. However, we cannot agree to not use information if it raises issues concerning out client's legal rights, just because it was disclosed in this process. We would be prepared to agree not to use any such information for the purposes of any litigation, providing it is not otherwise discoverable. However, if such information is discoverable, we should be able to use it, subject to the kind of undertaking that would be implied in the course of litigation.

If we are unable to reach agreement on the appointment of PWC and the segregation of funds, we will be forced to make application for that relief. Our client does wish to work with Cash Stores if possible, but cannot be left in a position where it does not have appropriate information to make decisions. I look forward to your reply.

Yours truly,

Ken T. Lenz

KTL/dmk

cc: Client

Sharon Fawcett

From: Telus <noreply.ipfax@telus.net>
Sent: April-11-14 11:05 AM
To: Sharon Fawcett
Subject: Fax Delivery Report - Fax Delivered: 17804432653

SUCCESSFUL FAX

The following fax
Customer No. : 5299874
Reference No. : 617902079
Reference ID : 5299874
Sent At : 04/11/2014 11:04:53 AM (GMT-6:00)
Pages : 1
Duration : 48
Your Fax To : 17804432653
To:Gordon J. Reykdal, The Cash Store Inc.
Cost : 0.0000 CAD
Tax - GST : 0.0000 CAD
Tax - PST : 0.0000 CAD
Total Cost : 0.0000 CAD

THIS IS EXHIBIT "9"
referred to in the Affidavit of
Sharon Fawcett
Sworn before me this 11th
day of April 2014
Donna Kathler

DONNA M. KATHLER
My Commission Expires
December 24, 2015

Your fax was sent successfully.

Thank you from TELUS.

0678786 B.C. Ltd.
(formerly McCann Family Holding Corporation)

April 11, 2014

TO: BROKER (THE CASH STORE INC.)
17631 – 103 Avenue
Edmonton, Alberta T5S 1N8

Attn: Gordon J. Reykdal
Via Fax: 780-443-2653

Re: Notice Pursuant to a Broker Agreement made between McCann Family Holding Corporation and The Cash Store Inc. dated June 19, 2012

Please be advised that 0678786 B.C. Ltd. (formerly known as McCann Family Holding Corporation) hereby provides unconditional written notice to The Cash Store Inc. that the Broker Agreement between McCann Family Holding Corporation and The Cash Store Inc. dated June 19, 2012 will *not* be renewed.

This unequivocal notice is provided pursuant to Clause 6.3 of the Broker Agreement. 0678786 demands full return of all funds owing to it effective on the termination of the Agreement.

0678786 B.C. Ltd.

Per: _____
Sharon Fawcett

THIS IS EXHIBIT "DD" TO THE AFFIDAVIT

OF STEVEN CARLSTROM SWORN BEFORE

ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

News Release

February 19, 2014

Cash Store Financial Provides Ontario Update; Board Establishes Special Committee of Directors

EDMONTON, February 19, 2014 /CNW/ - The Cash Store Financial Services Inc. (“Cash Store Financial” or the “Company”) (TSX: CSF; NYSE: CSFS) today announced that its Board of Directors has constituted a special committee of independent directors to review and respond to recent developments in Ontario.

On February 12, 2014, the Ontario Superior Court of Justice ordered that the Company’s subsidiaries, The Cash Store Inc. and Instaloans Inc., are prohibited from acting as a loan broker in respect of its basic line of credit product without a broker’s license under the *Payday Loans Act, 2008* (the “Payday Loans Act”). As part of its overall business strategy, and as a result of the current regulatory environment and the court decision, the Company has taken all steps necessary to immediately cease offering all line of credit products offered to its customers in the Ontario branches.

On February 13, 2014, the Ontario Registrar of Payday Loans issued a proposal to refuse to issue a lender’s license to the Company’s subsidiaries, The Cash Store Inc. and Instaloans Inc., under the *Payday Loans Act, 2008*. Therefore, the Company is not currently permitted to sell any payday loan products in Ontario.

The Board of Directors believes that in light of these recent developments, it is prudent to mandate a special committee to carefully evaluate the strategic alternatives available to the Company with a view to maximizing value for all of its stakeholders. The special committee has engaged Osler, Hoskin & Harcourt LLP as its independent legal advisor to assist it in its strategic alternative review process.

The Board has not established a definitive timeline for the special committee of independent directors to complete its review and there can be no assurance that this process will result in any specific strategic or financial or other value-creating transaction. The Company does not currently intend to disclose further developments with respect to this process, unless and until the Board of Directors approves a specific transaction, concludes its review of the strategic alternatives or otherwise determines there is material information to communicate.

About Cash Store Financial

Cash Store Financial is the only lender and broker of short-term advances and provider of other financial services in Canada that is listed on the Toronto Stock Exchange (TSX: CSF). Cash Store Financial also trades on the New York Stock Exchange (NYSE: CSFS). Cash Store Financial operates 510 branches across Canada under the banners “Cash Store Financial” and “Instaloans”. Cash Store Financial also operates 27 branches in the United Kingdom.

Cash Store Financial and Instaloans primarily act as lenders and brokers to facilitate short-term advances and provide other financial services to income-earning consumers who may not be able to obtain them from traditional banks. Cash Store Financial also provides a private-label debit card (the "Freedom" card) and a prepaid credit card (the "Freedom MasterCard") as well as other financial services, including bank accounts.

Cash Store Financial employs approximately 1,900 associates and is headquartered in Edmonton, Alberta.

Cash Store Financial is a Canadian corporation that is not affiliated with Cottonwood Financial Ltd. or the outlets Cottonwood Financial Ltd. operates in the United States under the name "Cash Store". Cash Store Financial does not do business under the name "Cash Store" in the United States and does not own or provide any consumer lending services in the United States.

For further information, please contact:

Gordon Reykdal, CEO, at 780-408-5118, or
Peter Block, NATIONAL Public Relations, 416-848-1431

Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of United States federal securities legislation, which we refer to herein, collectively, as "forward-looking information". Generally, forward-looking information can be identified by the use of forward-looking terminology such as "estimates", "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". In particular, this news release contains forward-looking information with respect to the Credit Agreement, credit facilities being advanced under the Credit Agreement and the Company's ability to meet payment and interest obligations. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Cash Store Financial, to be materially different from those expressed or implied by such forward-looking information, including, but not limited to, changes in economic and political conditions, legislative or regulatory developments, technological developments, third-party arrangements, competition, litigation, risks associated with but not limited to, market conditions, and other factors described under the heading "Risk Factors" in our Annual MD&A, which is on file with Canadian provincial securities regulatory authorities, and in our Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission. All material assumptions used in providing forward-looking information are based on management's knowledge of current business conditions and expectations of future business conditions and trends, including our knowledge of the current credit, interest rate and liquidity conditions affecting us and the general economic conditions in Canada, the United Kingdom and elsewhere. Although we believe the assumptions used to make such statements are reasonable at this time and have attempted to identify in our continuous disclosure documents important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Certain material factors or assumptions are applied by us in making forward-looking information, including without limitation, factors and assumptions regarding our continued ability to fund our payday loan business, rates of customer defaults, relationships with, and payments to, third party lenders, demand for our products, our operating cost structure, current consumer protection regulations, as well as the ability to meet payments and interest obligations under the Credit Agreement, relationships with the Lenders and ability to abide by the terms of the Credit Agreement. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. We do not undertake to update any forward-looking information, except in accordance with applicable securities laws.

THIS IS EXHIBIT "EE" TO THE AFFIDAVIT

OF STEVEN CARLSTROM SWORN BEFORE

ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

News Release

February 20, 2014

Cash Store Financial Provides Update On Strategic Review Process

EDMONTON, February 20, 2014 /CNW/ - The Cash Store Financial Services Inc. (“Cash Store Financial” or the “Company”) (TSX: CSF; NYSE: CSFS) today announced that the special committee of its Board of Directors has selected Rothschild as its independent financial advisor to assist it in its strategic alternative review process.

As previously disclosed, the Board of Directors constituted a special committee of independent directors to (i) review and respond to recent developments in Ontario regarding the Company’s inability to sell payday loan products in Ontario and (ii) to carefully evaluate the strategic alternatives available to the Company with a view to maximizing value for all of its stakeholders.

The Board has not established a definitive timeline for the special committee of independent directors to complete its review and there can be no assurance that this process will result in any specific strategic or financial or other value-creating transaction. The Company does not currently intend to disclose further developments with respect to this process, unless and until the Board of Directors approves a specific transaction, concludes its review of the strategic alternatives or otherwise determines there is material information to communicate.

About Cash Store Financial

Cash Store Financial is the only lender and broker of short-term advances and provider of other financial services in Canada that is listed on the Toronto Stock Exchange (TSX: CSF). Cash Store Financial also trades on the New York Stock Exchange (NYSE: CSFS). Cash Store Financial operates 510 branches across Canada under the banners “Cash Store Financial” and “Instaloans”. Cash Store Financial also operates 27 branches in the United Kingdom.

Cash Store Financial and Instaloans primarily act as lenders and brokers to facilitate short-term advances and provide other financial services to income-earning consumers who may not be able to obtain them from traditional banks. Cash Store Financial also provides a private-label debit card (the “Freedom” card) and a prepaid credit card (the “Freedom MasterCard”) as well as other financial services, including bank accounts.

Cash Store Financial employs approximately 1,900 associates and is headquartered in Edmonton, Alberta.

Cash Store Financial is a Canadian corporation that is not affiliated with Cottonwood Financial Ltd. or the outlets Cottonwood Financial Ltd. operates in the United States under the name “Cash Store”. Cash

Store Financial does not do business under the name "Cash Store" in the United States and does not own or provide any consumer lending services in the United States.

For further information, please contact:

Gordon Reykdal, CEO, at 780-408-5118, or
Peter Block, NATIONAL Public Relations, 416-848-1431

Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of United States federal securities legislation, which we refer to herein, collectively, as "forward-looking information". Generally, forward-looking information can be identified by the use of forward-looking terminology such as "estimates", "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Cash Store Financial, to be materially different from those expressed or implied by such forward-looking information, including, but not limited to, changes in economic and political conditions, legislative or regulatory developments, technological developments, third-party arrangements, competition, litigation, risks associated with but not limited to, market conditions, and other factors described under the heading "Risk Factors" in our Annual MD&A, which is on file with Canadian provincial securities regulatory authorities, and in our Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. We do not undertake to update any forward-looking information, except in accordance with applicable securities laws.

THIS IS EXHIBIT "FF" TO THE AFFIDAVIT

OF STEVEN CARLSTROM SWORN BEFORE

ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

As of February 20, 2014

The Special Committee of the Board of Directors
The Cash Store Financial Services Inc.
15511 - 123 Avenue
Edmonton, AB T5V 0C3 Canada

Members of the Special Committee:

This letter (the "Agreement") will confirm the terms and conditions of the agreement among the Special Committee (the "Special Committee") of the Board of Directors (the "Board of Directors") of The Cash Store Financial Services Inc. (collectively with its direct and indirect subsidiaries, the "Company"), the Company and Rothschild Inc. ("Rothschild") regarding the retention of Rothschild as exclusive financial advisor and investment banker to the Special Committee in connection with a possible sale of the Company or a restructuring of its businesses and/or certain liabilities of the Company. The Company understands and acknowledges that Rothschild is being retained by the Special Committee and, unless otherwise instructed by the Special Committee, will report to the Special Committee, notwithstanding that among other matters, Rothschild's fees, expenses and indemnification will be provided by the Company.

Section 1 Services to be Rendered. In connection with the formulation, analysis and implementation of various options for a sale, restructuring, reorganization or other strategic alternative relating to the Company, whether pursuant to a Transaction (as defined below) or any series or combination of Transactions, Rothschild will perform the following services to the extent Rothschild deems necessary, appropriate and feasible and as requested by the Special Committee:

(a) review and analyze the Company's assets and the operating and financial strategies of the Company;

(b) review and analyze the business plans and financial projections prepared by the Company including, but not limited to, testing assumptions and comparing those assumptions to historical Company and industry trends;

(c) determine a range of values for the Company and any securities that the Company offers or proposes to offer in connection with a Transaction;

(d) advise the Special Committee on the risks and benefits of considering a Transaction with respect to the Company's intermediate and long-term business prospects and strategic alternatives to maximize the business enterprise value of the Company;

(e) identify and/or initiate potential Transactions;

(f) evaluate the Company's debt capacity in light of its projected cash flows and assist in the determination of an appropriate capital structure for the Company;

Rothschild Inc.
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New York, NY 10020
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Neil A. Augustine
Executive Vice Chairman of North American GFA
Co-Chair of the North American Debt Advisory and Restructuring Group
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(g) assist the Special Committee and the Company in arranging financing, including secured debt, unsecured debt, mezzanine securities or equity or equity-linked securities, as requested by the Special Committee;

(h) assist the Special Committee and the Company and their other professionals in reviewing the terms of any proposed Transaction, in responding thereto and, if directed, in evaluating alternative proposals for a Transaction;

(i) assist the Special Committee and the Company in the development and implementation of a marketing plan, compilation of a prospective buyers list and, if deemed appropriate, preparation of an information memorandum describing the Company for use with potential counterparties to a Transaction;

(j) lead or assist in negotiations with the parties in interest, including, without limitation, any current or prospective creditors of, holders of equity in, or claimants against the Company and/or their respective representatives in connection with a Transaction;

(k) advise the Special Committee with respect to, and attend, meetings of the Special Committee or the Board of Directors, creditor groups, official constituencies, regulators and other interested parties, as necessary;

(l) if requested by the Special Committee prior to the commencement of an Insolvency Case (as defined herein), and if appropriate and customary in the circumstances, deliver an opinion (an "Opinion") to the Special Committee and/or the Board of Directors as to the fairness, from a financial point of view, to the Company or to the holders of the Company's common stock, as applicable, of the consideration to be received by the Company or such holders in connection with a proposed M&A Transaction (as defined herein);

(m) in the event the Company determines to commence an Insolvency Case, and if requested by the Company, participate in hearings before the court in which such cases are commenced (the "Court") and provide relevant testimony with respect to the matters described herein and issues arising in connection with any proposed Plan (as defined below); and

(n) render such other financial advisory and investment banking services as may be agreed upon by Rothschild and the Special Committee.

The Special Committee may direct Rothschild to work directly with and advise the Company in connection with any of the foregoing services, including, without limitation, in connection with any Restructuring Transaction (as defined herein). It is understood that upon the commencement of an Insolvency Case, this engagement shall automatically be deemed to be an engagement between

Rothschild and the Company, and Rothschild shall report to the Company and the Board of Directors with respect to all matters herein.

In performing the foregoing services, Rothschild may utilize the services of one or more of its affiliates, as appropriate, including, without limitation, Rothschild (Canada) Inc.

As used herein, the term "Restructuring Transaction" shall mean any one or more of the following, whether or not pursuant to a plan of reorganization, compromise or arrangement (a "Plan") confirmed in connection with any case or cases commenced by or against The Cash Store Financial Services Inc., any of its subsidiaries, any of its affiliates or any combination thereof, whether individually or on a consolidated basis, under the Companies' Creditors Arrangement Act (Canada) (the "CCAA") or the Bankruptcy and Insolvency Act (Canada) (the "BIA") (any such case under the CCAA or BIA, an "Insolvency Case"), under the Canada Business Corporations Act or otherwise: (a) any transaction or series of transactions that effects or proposes to effect material changes in any of the Company's outstanding indebtedness and/or other liabilities (whether on or off balance sheet) including, without limitation, any exchange, repurchase or forgiveness of any portion thereof; (b) pursuant to an Insolvency Case or through a credit bid, (i) any merger, consolidation, sale, business combination, arrangement or other transaction pursuant to which the Company (or a material portion thereof) is acquired by, or combined with, any person, group of persons, partnership, corporation or other entity (an "Acquirer") or (ii) any acquisition, directly or indirectly, by one or more Acquirers (or by one or more persons acting together with an Acquirer pursuant to a written agreement or otherwise), whether in a single transaction or a series of related transactions, of (x) other than in the ordinary course of business, any material portion of the assets or operations of the Company or (y) any outstanding or newly-issued shares of the Company's capital stock or any securities convertible into, or options, warrants or other rights to acquire, such capital stock or other equity securities of the Company for the purpose of effecting a recapitalization or change of control of the Company; (c) any restructuring, recapitalization, reorganization, exchange offer, similar transaction, whether or not pursuant to a Plan, or (d) any transaction similar to any of the foregoing.

As used herein, the term "M&A Transaction" shall mean any one or more of the following other than a Restructuring Transaction: (a) (i) any merger, consolidation, sale, business combination, arrangement or other transaction pursuant to which the Company (or a material portion thereof) is acquired by, or combined with, any person, group of persons, partnership, corporation or other entity (an "Acquirer"); or (ii) any acquisition, directly or indirectly, by one or more Acquirers (or by one or more persons acting together with an Acquirer pursuant to a written agreement or otherwise), whether in a single transaction or a series of related transactions, of (x) other than in the ordinary course of business, any material portion of the assets or operations of the Company or (y) any outstanding or newly-issued shares of the Company's capital stock or any securities convertible into, or options, warrants or other rights to acquire such capital stock or other equity securities of the Company for the purpose of effecting a change of control of the Company; or (b) other than in the ordinary course of business, any acquisition, directly or indirectly, by the Company, whether in a

single transaction, multiple transactions or a series of transactions, of any outstanding or newly issued shares of another person's capital stock or any securities convertible into, or options, warrants or other rights to acquire, such capital stock or other equity securities of another person, for the purpose of effecting a recapitalization or change of control of the Company and/or the other person.

As used herein, the term "Transaction" shall mean a Restructuring Transaction or a M&A Transaction.

In performing its services pursuant to this Agreement, Rothschild shall not have any obligation or responsibility to provide accounting, audit, "crisis management" or business consultancy services to the Company, and shall have no responsibility for designing or implementing operating, organizational, administrative, cash management or liquidity improvements. Rothschild is retained under this Agreement solely to provide financial advice to the Special Committee and the Company regarding a Transaction.

The Special Committee and the Company acknowledge that Rothschild is not providing any advice on tax, legal or accounting matters, and that the Special Committee and the Company will seek the advice of their own professional advisors with respect to such matters and make an independent decision regarding any transaction contemplated herein based on such advice.

Section 2 Information Provided by the Special Committee and the Company.

(a) The Special Committee and the Company will cooperate with Rothschild and furnish to, or cause to be furnished to, Rothschild any and all information that is available relating to the Company as reasonably requested by Rothschild to enable Rothschild to render services hereunder (all such information being the "Information"). The Special Committee and the Company recognize and confirm that Rothschild (i) will use and rely solely on the Information and on information available from generally recognized public sources in performing the services contemplated by this Agreement without having assumed any obligation to verify independently the same; (ii) will be entitled to assume and rely upon the accuracy and completeness of the Information and such other information; (iii) does not assume responsibility for the accuracy or completeness of the Information and such other information and (iv) will not act in the official capacity of an appraiser of specific assets or liabilities of the Company or any other party. The Company represents and warrants that the information to be furnished by the Company, when delivered, to the best of its knowledge, will be true and correct in all material respects, will be prepared in good faith, and will not contain any material misstatement of fact or omit to state any material fact. Without limitation of the foregoing, the Company also represents and warrants that any projections or forecasts prepared by the Company and provided to Rothschild will have been prepared, to the best of its knowledge, in good faith and will be based upon assumptions which, in light of the circumstances under which they are made, are reasonable. Rothschild will assume that any such

projected or forecasted financial information reflects the best available estimates of future financial performance. The Special Committee and the Company will promptly notify Rothschild if they learn of any material inaccuracy or misstatement in, or material omission from, any Information theretofore delivered to Rothschild.

(b) The Special Committee and the Company acknowledge that in the course of this engagement it may be necessary for Rothschild, on the one hand, and the Special Committee and the Company, on the other hand, to communicate electronically. The Special Committee and the Company further acknowledge that although Rothschild will use commercially reasonable and industry-standard procedures to check for the most commonly known viruses, the electronic transmission of information cannot be guaranteed to be secure or error-free. Furthermore such information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use. Accordingly, the Special Committee and the Company agree that Rothschild shall have no liability to the Special Committee or the Company with respect to any error or omission arising from or in connection with: (i) the electronic communication of information to the Special Committee or the Company or (ii) the Special Committee's or the Company's reliance on such information.

Section 3 Application for Retention of Rothschild.

(a) In the event an Insolvency Case is commenced, the Company shall apply promptly to the Court for approval of (a) this Agreement, (b) the Indemnification Agreement (as defined herein) and (c) Rothschild's retention by the Company under the terms of this Agreement (for the avoidance of doubt, such retention of Rothschild shall be made by the Company itself rather than by the Special Committee), including, without limitation, the fees payable to Rothschild by the Company pursuant to Section 4 hereof and the reimbursement of the fees, disbursements and other charges of Rothschild's counsel pursuant to Section 6 hereof without the requirement that the retention of such counsel be approved by the Court, *nunc pro tunc* to the date the Insolvency Case was commenced, and shall use its best efforts to obtain Court authorization and approval thereof. The Company shall use commercially reasonable efforts to obtain from the Court authorization to grant to Rothschild a charge on the assets of the Company, which charge shall be in an amount mutually agreed to by the Company and Rothschild, acting reasonably and in good-faith, and shall rank in priority to any secured creditors of the Company but equal to the administration charge in favor of other professionals of the Company, in respect of all of Rothschild's fees and expenses payable under this Agreement. The Company shall supply Rothschild and its counsel with a draft of such applications and any proposed order related thereto sufficiently in advance of the filing of such applications and proposed order to enable Rothschild and its counsel to review and comment thereon. Rothschild shall have no obligation to provide any services under this Agreement unless Rothschild's retention under the terms of this Agreement is approved in the manner set forth above by a final order of the Court no longer subject to appeal, rehearing, reconsideration or petition for certiorari, and which order is reasonably acceptable to Rothschild in all respects.

(b) Rothschild acknowledges that in the event that the Court approves its retention by the Company pursuant to the application process described in this Section 3, payment of Rothschild's fees and expenses shall be subject to (a) the jurisdiction and approval of the Court and any order approving Rothschild's retention, (b) any applicable fee and expense guidelines and/or orders and (c) any requirements governing interim and final fee applications. In the event that Rothschild's engagement hereunder is approved by the Court, the Company shall pay all fees and expenses of Rothschild hereunder as promptly as practicable in accordance with the terms hereof and the orders governing interim and final fee applications, and after obtaining all necessary further approvals from the Court, if any.

(c) In agreeing to seek Rothschild's retention hereunder, the Company acknowledges that it believes that Rothschild's general restructuring experience and expertise, its knowledge of the industry in which the Company operates and the capital markets and its merger and acquisition capabilities will inure to the benefit of the Company, that the value to the Company of Rothschild's services hereunder derives in substantial part from that expertise and experience and that, accordingly, the structure and amount of the M&A Fee, New Capital Fee, Completion Fee and Opinion Fee are reasonable regardless of the number of hours expended by Rothschild's professionals in performance of the services provided hereunder.

Section 4 Fees of Rothschild. As compensation for the services rendered hereunder, the Company, and its successors, if any, agree to pay Rothschild (via wire transfer or other mutually acceptable means) the following fees in cash and in US dollars:

(a) A retainer (the "Retainer") in an amount equal to US$100,000, payable upon the execution of this Agreement, to be applied against the fees and expenses of Rothschild under this Agreement.

(b) Whether or not a Transaction is proposed or consummated, an advisory fee (the "Monthly Fee") of US$125,000 per month during the term hereof. The initial Monthly Fee shall be payable by the Company upon the Special Committee's and/or the Company's determination to actively engage in pursuing alternatives other than or in addition to a M&A Transaction, and thereafter the Monthly Fee shall be payable by the Company in advance of the first day of each month. The initial Monthly Fee shall be pro-rated based on the date of such determination.

(c) A fee (the "Completion Fee") of US$1,500,000, payable upon the earlier of (i) the confirmation and effectiveness of a Plan and (ii) the closing of a Restructuring Transaction.

(d) A fee (the "M&A Fee") as specified in Exhibit A hereto, payable upon the closing of a M&A Transaction.

(e) A new capital fee (the "New Capital Fee") equal to (i) 1.0% of the face amount of any senior secured debt raised including, without limitation, any debtor-in-possession financing raised; (ii) 2.0% of the face amount of any junior secured debt raised; (iii) 3.0% of the face amount of any unsecured debt raised and (iv) 5.0% of any equity capital, capital convertible into equity or hybrid capital raised, including, without limitation, equity underlying any warrants, purchase rights or similar contingent equity securities (each, a "New Capital Raise). The New Capital Fee shall be payable upon the closing of the New Capital Raise. For the avoidance of doubt, the term "raised" shall include the amount committed or otherwise made available to the Company whether or not such amount (or any portion thereof) is drawn down at closing or is ever drawn down and whether or not such amount (or any portion thereof) is used to refinance existing obligations of the Company. For the further avoidance of doubt, the New Capital Fee relating to any warrants, purchase rights or similar contingent equity securities shall be due and payable upon the closing of the transaction by which such instruments are issued and shall be calculated as if all such instruments are exercised in full (and the full cash exercise price is paid) on the date of such closing, whether or not all or any portion of such instruments are vested and whether or not such instruments are actually so exercised.

(f) If the Special Committee requests an Opinion, a fee of US$500,000 (the "Opinion Fee"), payable upon the delivery of the Opinion (regardless of the conclusion reached therein).

(g) In the event the Company enters into a transaction that constitutes both a Restructuring Transaction and a M&A Transaction, Rothschild shall be entitled to the higher of the Completion Fee and the M&A Fee.

(h) To the extent the Special Committee and/or the Company requests that Rothschild perform additional services not contemplated by this Agreement, such additional fees as shall be mutually agreed upon by Rothschild, the Special Committee and the Company, in writing, in advance.

The Special Committee, the Company and Rothschild acknowledge and agree that (a) the hours worked, (b) the results achieved and (c) the ultimate benefit to the Special Committee and the Company of the work performed, in each case, in connection with this engagement, may be variable, and that the Special Committee, the Company and Rothschild have taken such factors into account in setting the fees hereunder.

Section 5 Credit. Rothschild shall credit against the Completion Fee, the M&A Fee or the New Capital Fee (such credit to be applied only once and without duplication): (a) 50% of the Monthly Fees paid in excess of US$750,000, and (b) to the extent not otherwise applied against the fees and expenses of Rothschild under the terms of this Agreement, 100% of the Retainer; provided that the sum of such credits shall not exceed any one of the Completion Fee, the M&A Fee or the New Capital Fee, as applicable.

Section 6 Expenses. Without in any way reducing or affecting the provisions of the Indemnification Agreement (as defined herein), the Company shall reimburse Rothschild for its reasonable and documented expenses incurred in connection with the performance of its engagement hereunder, including, without limitation, the reasonable fees, disbursements and other charges of Rothschild's counsel (without the requirement that the retention of such counsel be approved by the Court). Reasonable expenses shall also include, but not be limited to, expenses incurred in connection with travel and lodging, data processing and communication charges, research and courier services. If an Insolvency Case is commenced, consistent with and subject to any applicable order of the Court, the Company shall promptly reimburse Rothschild for such expenses under this Section 6 upon presentation of an invoice or other similar documentation with reasonable detail. If an Insolvency Case is commenced, it is understood that Rothschild's reimbursable counsel fees may include, without limitation, fees incurred in representing Rothschild's interests during the pendency and following the conclusion of any Insolvency Case, including, without limitation, counsel fees incurred in connection with Rothschild's retention and payment hereunder.

Section 7 Indemnity. As further compensation for Rothschild's services hereunder, the Company shall indemnify Rothschild and hold it harmless against any losses, claims, damages or liabilities arising in any manner out of or in connection with Rothschild's rendering of services hereunder as more fully described in the letter agreement, dated February 20, 2014, between the Company and Rothschild (the "Indemnification Agreement"). For purposes of the Indemnification Agreement, the term "Services" shall be deemed to include any services rendered by Rothschild pursuant to this Agreement (including, without limitation, pursuant to any amendment hereto), and the Indemnification Agreement shall be incorporated by reference herein. The Indemnification Agreement shall survive any termination, expiration or completion of this Agreement or Rothschild's engagement hereunder.

Section 8 Term. The term of Rothschild's engagement shall commence on the date hereof. This Agreement may be terminated by either the Special Committee or Rothschild after ninety (90) days from the date hereof by providing thirty (30) days advance notice in writing. If terminated, Rothschild shall be entitled to (a) reimbursement of any and all reasonable expenses described in Section 6 and (b) payment of any fees which are due and owing to Rothschild upon the effective date of termination (including, without limitation, any additional Monthly Fees required by Section 4(b) hereof); provided, that the final Monthly Fee will be pro-rated for any incomplete monthly period of service. Termination of Rothschild's engagement hereunder shall not affect or impair the Company's continuing obligation to indemnify Rothschild and certain related persons as provided in the Indemnification Agreement. Without limiting any of the foregoing, the Completion Fee, M&A Fee(s) and New Capital Fee(s) shall be payable in the event that (a) as applicable, a Restructuring Transaction, a M&A Transaction or a New Capital Raise, is consummated at anytime prior to the expiration of twelve (12) months after such termination or (b) a letter of intent or definitive agreement with respect thereto is executed at any time prior to twelve (12) months after such termination (and which letter of intent or definitive agreement subsequently results in the

consummation of a Restructuring Transaction, M&A Transaction or New Capital Raise, as applicable, at any time).

Section 9 Miscellaneous.

(a) *Fairness Opinion.* If Rothschild is asked to render an Opinion, the nature and scope of the analysis as well as the form and substance of the Opinion shall be as Rothschild deems appropriate. If requested by the Special Committee, the Opinion shall be delivered in writing.

In connection with rendering any Opinion, Rothschild may rely upon, without independent verification, the Information and all other information available from public sources reviewed by Rothschild. It is also understood that the Opinion may state that Rothschild has not independently verified any such information.

Any Opinion rendered by Rothschild will expressly exclude consideration of the amount and scope of any compensation or compensation arrangements arising from the M&A Transaction or any alternative transaction which benefit any officer, director or employee of the Company or any class of such persons.

Any Opinion shall be limited to the fairness to the Company or the holders of the Company's common stock, as applicable, from a financial point of view of the consideration to be received by the Company or such holders pursuant to the M&A Transaction and shall not address the Company's underlying business decision to proceed with or effect such M&A Transaction.

In order to permit compliance with FINRA Rule 5150, any Opinion rendered by Rothschild may disclose any items required to be disclosed under such Rule.

Notwithstanding anything herein to the contrary, it is understood that Rothschild shall not have any obligation to update, bring-down, revise or reaffirm any Opinion rendered by Rothschild.

Notwithstanding anything herein to the contrary, it is understood that Rothschild shall have no obligation to deliver an Opinion in connection with any transaction that does not constitute a change of control merger or acquisition transaction.

(b) *Survival, Successors & Assigns.* Sections 4 through 9 hereof, inclusive, including the provisions set forth in Exhibit A hereto and the Indemnification Agreement, shall survive the termination or expiration of this Agreement. The benefits of this Agreement and the indemnification and other obligations of the Company to Rothschild and certain related persons contained in the Indemnification Agreement shall inure to the respective successors and assigns of the parties hereto and thereto and of the indemnified parties, and the obligations and liabilities

assumed in this Agreement and the Indemnification Agreement by the parties hereto and thereto shall be binding upon their respective successors and assigns. The Company shall use its commercially reasonable efforts to cause any purchaser of all or substantially all of the Company's assets to assume the Company's obligations hereunder and under the Indemnification Agreement.

(c) *Benefit of Agreement; No Reliance by Third Parties.* The advice (oral or written) rendered by Rothschild pursuant to this Agreement is intended solely for the benefit and use of the Special Committee and the Company in considering the matters to which this Agreement relates, and the Special Committee and the Company agree that such advice may not be relied upon by any other person, used for any other purpose or reproduced, disseminated, quoted or referred to at any time, in any manner or for any purpose without the prior written consent of Rothschild. In addition, each of the Special Committee and the Company agrees that it will not, and will not permit any of the Company's affiliates to, make any public reference to Rothschild except with the prior consent of Rothschild or as otherwise provided in this Agreement.

(d) *Nature of Relationship.* The relationship of Rothschild to the Special Committee and the Company hereunder shall be that of an independent contractor and Rothschild shall have no authority to bind, represent or otherwise act as agent, executor, administrator, trustee, lawyer or guardian for the Special Committee or the Company, nor shall Rothschild have the authority to manage money or property of the Company. The parties hereto acknowledge and agree that by providing the services contemplated hereunder, Rothschild will not act, nor will it be deemed to have acted, in any managerial or fiduciary capacity whatsoever with respect to the Special Committee, the Board of Directors or the Company or any third party including, without limitation, security holders, creditors or employees of the Company.

(e) *Rothschild Affiliates.* Rothschild, through the equity owners of its parent company, Rothschild North America Inc., has indirect affiliate relationships with numerous investment banking institutions located worldwide (the "Affiliated Entities"). The Affiliated Entities are involved in a wide range of investment banking and other activities. Rothschild can make no representation as to the "disinterestedness" of the professionals or employees of the Affiliated Entities. Information that is held by the Affiliated Entities will not for any purpose be taken into account in determining Rothschild's responsibilities to the Company hereunder. None of the Affiliated Entities will have any duty to disclose to the Special Committee or the Company or any other party, or utilize for the Special Committee's or the Company's benefit, any non-public information acquired in the course of providing services to any other person engaging in any transaction or otherwise carrying on its business.

(f) *Required Information.* The Company agrees to provide Rothschild with its tax or other similar identification number and/or other identifying documents, as Rothschild may request, to enable it to comply with applicable law. For your information, Rothschild may also screen the Company against various databases to verify its identity.

(g) *Public Announcements.* The Special Committee and the Company acknowledge that Rothschild may at its option and expense, after announcement of a Restructuring Transaction, M&A Transaction or New Capital Raise, place announcements and advertisements or otherwise publicize the Restructuring Transaction, M&A Transaction or New Capital Raise in such financial and other newspapers and journals as it may choose, stating that Rothschild acted as financial advisor to the Special Committee in connection with such transaction. The Special Committee and the Company further consent to Rothschild's use of the Company's name and logo as part of Rothschild's general marketing materials.

(h) *CHOICE OF LAW: JURISDICTION.* THIS AGREEMENT HAS BEEN NEGOTIATED, EXECUTED AND DELIVERED AT AND SHALL BE DEEMED TO HAVE BEEN MADE IN NEW YORK, NEW YORK. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO SUCH STATE'S PRINCIPLES OF CONFLICTS OF LAWS. REGARDLESS OF ANY PRESENT OR FUTURE DOMICILE OR PRINCIPAL PLACE OF BUSINESS OF THE PARTIES HERETO, EACH SUCH PARTY HEREBY IRREVOCABLY CONSENTS AND AGREES THAT ANY AND ALL CLAIMS OR DISPUTES BETWEEN THE PARTIES HERETO PERTAINING TO THIS AGREEMENT OR TO ANY MATTER ARISING OUT OF OR RELATED TO THIS AGREEMENT SHALL BE BROUGHT IN (A) ANY STATE OR FEDERAL COURT OF COMPETENT JURISDICTION IN THE STATE OF NEW YORK OR (B) THE COURT OR ANY COURT HAVING APPELLATE JURISDICTION OVER THE COURT. BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH PARTY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR SUIT COMMENCED IN ANY SUCH COURT. EACH PARTY HERETO HEREBY WAIVES ANY OBJECTION WHICH IT MAY HAVE BASED ON LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS AND HEREBY CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY SUCH COURT. THE SPECIAL COMMITTEE CONSENTS TO THE SERVICE OF PROCESS IN ACCORDANCE WITH NEW YORK LAW, AND AGREES THAT ANY OF ITS MEMBERS SHALL BE AUTHORIZED TO ACCEPT SERVICE ON ITS BEHALF. THE COMPANY CONSENTS TO THE SERVICE OF PROCESS IN ACCORDANCE WITH NEW YORK LAW, AND AGREES THAT THE CHIEF EXECUTIVE OFFICER SHALL BE AUTHORIZED TO ACCEPT SERVICE ON ITS BEHALF.

(i) *Waiver of Jury Trial.* Each of the parties hereto hereby knowingly, voluntarily and irrevocably waives any right it may have to a trial by jury in respect of any claim upon, arising out of or in connection with this Agreement or any Transaction. Each of the parties hereto hereby certifies that no representative or agent of any other party hereto has represented, expressly or otherwise, that such party would not seek to enforce the provisions of this waiver. Each of the

parties hereto hereby acknowledges that it has been induced to enter into this Agreement by and in reliance upon, among other things, the provisions of this paragraph.

(j) *Entire Agreement.* This Agreement, including the exhibit(s) hereto, and the Indemnification Agreement embody the entire agreement and understanding of the parties hereto and supersede any and all prior agreements, arrangements and understandings relating to the matters provided for herein. No alteration, waiver, amendment, change or supplement hereto shall be binding or effective unless the same is set forth in writing signed by a duly authorized representative of each of the parties hereto.

(k) *Authority.* Each party hereto represents and warrants that it has all requisite power and authority to enter into this Agreement and the transactions contemplated hereby. Each party hereto further represents that this Agreement has been duly and validly authorized by all necessary corporate action and has been duly executed and delivered by each of the parties hereto and constitutes the legal, valid and binding agreement thereof, enforceable in accordance with its terms. Rothschild will assume that any instructions, notices or requests have been properly authorized by the Company if they are given or purported to be given by a person who is, or is reasonably believed by Rothschild to be, a director, officer, employee or authorized agent of the Company. The Special Committee represents that it has been formed by a duly authorized and binding resolution of the Board of Directors (the "Board Resolution") and represents further that the Board Resolution gives the Special Committee the authority to engage the services of Rothschild and to bind the Company with regard to the obligations of this Agreement, including among other things, the payment of any and all fees and expenses of Rothschild and the provision of indemnification to Rothschild. The undersigned signatory for the Special Committee and the Special Committee represent that such undersigned signatory is duly authorized by the Special Committee to execute this Agreement on behalf of the Special Committee and to bind the Special Committee with regard to the obligations of this Agreement.

(l) *Counterparts.* This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile, portable document format (PDF) or other electronic means shall be effective as delivery of a manually executed counterpart to this Agreement.

(m) *Notices.* Any notice given pursuant to, or relating to, this Agreement shall be in writing and shall be mailed or delivered by courier (a) if to the Company, at the address set forth above, Attn: Gordon Reykdal, Chief Executive Officer, (b) if to the Special Committee, at the address of the Company set forth above, to the attention of the members of the Special Committee and (c) if to Rothschild, to Rothschild Inc., 1251 Avenue of the Americas, 33rd Floor, New York, New York 10020, Attention: Neil A. Augustine, with a copy to Rothschild Inc., 1251 Avenue of the Americas, 34th Floor, New York, New York 10020, Attention: General Counsel.

If the foregoing correctly sets forth the understanding and agreement between Rothschild, the Special Committee and the Company, please so indicate by signing the enclosed copy of this Agreement, whereupon it shall become a binding agreement between the parties hereto as of the date first above written.

Very truly yours,

ROTHSCHILD INC.

By: _____
Neil A. Augustine
Executive Vice Chairman of North American GFA
Co-Chair of the North American Debt Advisory and Restructuring Group

Date: March 11, 2014

Accepted and Agreed:

THE SPECIAL COMMITTEE OF
THE BOARD OF DIRECTORS OF
THE CASH STORE FINANCIAL SERVICES, INC.

By: _____
Name: Thomas L. FAIRFIELD
Title: Duly Authorized Representative

Date: 3/13/14

Accepted and Agreed to as of
the date first written above on
behalf of itself and its direct
and indirect subsidiaries:

THE CASH STORE FINANCIAL SERVICES INC.

By: _____
Gordon Reykdal
Chief Executive Officer

Date: March 13, 2014

Exhibit A

ROTHSCHILD INC.

M&A Fee Schedule

The M&A Fee shall equal 1.5% of the Aggregate Consideration (as defined below) involved in the M&A Transaction, subject to a minimum fee of US$1,000,000.

In addition to the foregoing, the M&A Fee shall be increased by the following additional performance amounts:

(a) 3.0% of the incremental proceeds received by the Company or its shareholders in the M&A Transaction above a purchase price per share of CDN$2.11 and up to CDN$3.11, plus

(b) 2.0% of the incremental proceeds received by the Company or its shareholders in the M&A Transaction above a purchase price per share of CDN$3.11 and up to CDN$5.11.

For purposes hereof, the term "Aggregate Consideration" shall mean the total amount of all cash plus the total value (as determined pursuant hereto) of all securities, contractual arrangements (including, without limitation, any lease arrangements or put or call agreements) and other consideration, including, without limitation, any contingent, escrowed or earned consideration, paid or payable, directly or indirectly, in connection with an M&A Transaction (including, without limitation, amounts paid (i) pursuant to covenants not to compete, employment contracts, employee benefit plans, management fees or other similar arrangements, and (ii) to holders of any warrants, stock purchase rights or convertible securities of the Company and to holders of any options or stock appreciation rights issued by the Company, whether or not vested). Aggregate Consideration shall also include (without duplication of any other components of Aggregate Consideration) the amount of any short-term liabilities and any long-term liabilities of the Company (including, without limitation, the principal amount of any indebtedness for borrowed money and capitalized leases and the full amount of any off-balance sheet financings) (x) repaid, defeased or retired, directly or indirectly, in connection with or in anticipation of a M&A Transaction or (y) existing on the Company's balance sheet at the time of an M&A Transaction (if such M&A Transaction takes the form of a merger, consolidation or a sale of stock or partnership interests) or assumed in connection with an M&A Transaction (if such M&A Transaction takes the form of a sale of assets). In the event such M&A Transaction takes the form of a sale of assets, Aggregate Consideration shall include (i) the

value of any current assets not purchased, minus (ii) the value of any current liabilities not assumed. In the event such M&A Transaction takes any other form, Aggregate Consideration shall include the fair market value of (i) the equity securities of the Company retained by the Company's security holders following such M&A Transaction and (ii) any securities received by the Company's security holders in exchange for or in respect of securities of the Company following such M&A Transaction (all securities received by such security holders being deemed to have been paid to such security holders in such M&A Transaction). The value of securities that are freely tradable in an established public market will be determined on the basis of the last market closing price prior to the consummation of an M&A Transaction. The value of securities that are not freely tradable or have no established public market, or if the consideration consists of property other than securities, the value of such property shall be the fair market value thereof as mutually determined in good faith by Rothschild and the Company, provided, however, that all debt securities shall be valued at their stated principal amount without applying a discount thereto. If the consideration to be paid is computed in any foreign currency, the value of such foreign currency shall, for purposes hereof, be converted into US dollars at the prevailing exchange rate on the date or dates on which such consideration is payable.

THIS IS EXHIBIT "GG" TO THE AFFIDAVIT

OF STEVEN CARLSTROM SWORN BEFORE

ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

CONWAY MACKENZIE

600 FIFTH AVENUE, 25TH FLOOR
NEW YORK, NY 10020
212.586.2200 | 212.586.5400 FAX
WWW.CONWAYMACKENZIE.COM

ATLANTA | CHICAGO | DALLAS | DAYTON | DETROIT | FRANKFURT | HOUSTON | LONDON | LOS ANGELES | NEW YORK

January 29, 2014

Private and Confidential
Via Email

Mr. Don Campion
Board Member and Chairman of Audit Committee
The Cash Store Financial Services, Inc.
15511 123 Avenue
Alberta, Canada T5V 0C3

Re: Engagement of Conway MacKenzie, Inc. to Provide Professional Services to The Cash Store Financial Services, Inc.

Dear Mr. Campion:

This letter (the "Agreement") proposes the terms and conditions of the engagement (the "Engagement") by The Cash Store Financial Services, Inc. (the "Company") of Conway MacKenzie, Inc. ("CM") to provide professional services in connection with the resolution of issues relating to the Company's current financial circumstances.

Scope of Engagement

Based upon confidential discussions with you, our services are contemplated to initially include the following, but may be subsequently modified during the term of the Engagement based upon circumstances and at your direction, the following:

1. Evaluate near term cash flow and financing requirements of the Company and assist with the management of liquidity throughout the term of our Engagement. This will include:

    a. Development of a robust 13-week, integrated cash flow model that may be used by management on an ongoing basis to assist with effectively managing the liquidity of the Company;

    b. Identification and evaluation of strategies and actions designed to enhance liquidity and/or improve profitability of the Company; and

c. Assist management, as requested, in implementation of liquidity strategies that may include negotiations with the Company's various creditors.

2. Perform a focused review of the Company's recent historical financial performance and assist with the review, analysis and validation of financial projections, strategic plans and other information to assess the effectiveness of the Company's current longer-term budgeting process and identify opportunities to enhance that effectiveness. This may also include assistance with implementation of those enhancements;

3. Assist with the formulation of pro forma financial projections, which reflect the impact of identified financial and operational restructuring scenarios for evaluation purposes; and

4. Other services as directed by you and the Board of Directors and as mutually agreed.

Engagement Fees

Fees for our services will be based upon the actual number of hours incurred at hourly rates ranging from $130 (paraprofessional) to $745 (senior managing director) and will be billed weekly, together with out-of-pocket expenses incurred (e.g., coach air travel, mid-level hotel accommodations, mileage, meals, IT charges, etc.) in connection with this Engagement. Specifically, Robert Kolb's hourly rate for this engagement will initially be $475 per hour. If additional Conway MacKenzie professionals are required, the hourly rates will be disclosed to you prior to providing services to the Company. Such invoices are due upon receipt in U.S. funds in accordance with the accompanying instructions. Hourly rates are subject to periodic adjustment. In addition, we require a retainer of $50,000 to commence services. The retainer will be deposited into our client trust account and be applied against our final invoice at the conclusion of this Engagement with any balance due either party paid immediately thereafter. If circumstances dictate, we reserve the right to increase our retainer amount accordingly.

Access to Records

In order for us to perform our services, it will be necessary for our personnel to have unfettered access to the books, records and reports, including management reporting, of the Company, and to have discussions with Company personnel. Accordingly, we understand that the Company has agreed to cooperate with our personnel, and to make available its personnel and fully disclose any books, records and other sources from which data can be obtained and that the books, records and reports of the Company are of reasonable organization and quality.

Non-Audit

Because of the time and scope limitations implicit in our Engagement, the depth of our analysis and verification of data is significantly limited. We understand that we are not being requested to perform an audit nor apply generally accepted auditing standards or procedures. We

understand that we are entitled, in general, to rely on the accuracy and validity of the data disclosed to us or supplied to us by employees and representatives of the Company. We will not, nor are we under any obligation to, update data submitted to us or review any areas unless you specifically request us to do so in writing.

Confidentiality

It is agreed that all professional services will be performed on a confidential basis. Any information that CM requests of the Company will be for the sole purpose of accomplishing the services as described above, and such information shall be used for no other purposes. Such information will be held in confidence and not used, disclosed to others, or in any way used by CM for any purposes other than as specifically provided for by the terms of this Agreement. CM will restrict dissemination of any information provided or disclosed to us or to our employees and agents who have an actual need to know, and are informed by us of the confidential nature of the information and the obligations herein. All such information shall remain the sole property of the Company and CM shall obtain no right of any kind to any of the information. Upon written notice, CM will promptly return all writings, records, documents and copies containing and/or referencing any of the confidential information.

No Known Conflict of Interest

At the present time, CM knows of no facts or circumstances that would represent a conflict of interest for it with regard to its engagement by the Company in connection with the aforementioned services.

Covenant Regarding Hiring of CM Employees

The Company agrees to notify CM if it extends an offer of employment to an employee of CM working on this Engagement ("CM Engagement Employee"). In recognition of the training, time, and other resources CM invests in the development of CM's employees, in the building of relationships between clients and CM employees, the loss of client billable time that is necessitated by the transition of client files from a departing employee to another employee, and the difficulty of placing a monetary value on these investments by CM, the Company further agrees that if it hires any CM Engagement Employee up to two years subsequent to the date of the final invoice rendered by CM for this engagement, the Company will pay CM a cash fee in the amount $1 million. Such cash fee shall be paid upon the Company's hiring of such CM Engagement Employee. This Agreement does not prohibit the Company from making general solicitations for employment or from soliciting for employment any individuals who have ceased to be employees or agents of CM prior to such solicitation.

Indemnification

In consideration of our agreement to act on the Company's behalf in connection with this Engagement, the Company agrees to indemnify, hold harmless, and defend CM and certain other entities and persons as set forth on the attached Schedule 1.

Limitation of Liability

CM and any of its partners, employees, agents, officers, directors, affiliates, subsidiaries, shareholders, successors, heirs or assigns shall not be liable to the Company or any of its equity holders for any loss or damage except such as is a direct result of CM's gross negligence or willful misconduct. CM will in no case be liable for special, incidental, consequential, punitive or indirect loss or damage, including lost profits or lost savings, whether or not such are foreseeable or CM has been advised of the possibility of such damage. CM's liability, if any, under or in relation to this Agreement shall be limited in amount to fees paid to CM by the Company for professional services rendered.

Termination

Either the Company or CM may terminate this Agreement at any time and for any reason whatsoever provided that, if terminated by either party, all professional fees and expenses due, both billed and unbilled, up through the time and date of termination shall become immediately due and payable and set off first against the retainer with any balance due to either the Company or to CM paid immediately thereafter. The confidentiality, covenant regarding hiring of CM employees, indemnification, limitation of liability and dispute resolution provisions of this Agreement shall survive termination of CM's Engagement by the Company under this Agreement.

Dispute Resolution

In the event of a dispute, each of the parties agrees to submit to binding arbitration exclusively to resolve any and all differences and disputes which may arise between them (and their heirs, successors, assigns, employees, officers, directors, affiliates, subsidiaries, or shareholders) related to this Agreement, any other agreement between the parties, or otherwise arising between the parties. Prior to initiating arbitration, the parties shall first meet face-to-face to affect a resolution of the differences. Any differences, which the parties are unable to resolve in said face-to-face meeting, shall be heard and finally settled in New York County, New York, or in any other location mutually agreed upon by the parties, by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Such arbitration shall be initiated in the New York, New York, office of the American Arbitration Association. Any award entered in any such arbitration shall be final, binding, and may be entered and enforced in any court of competent jurisdiction.

Governing Law

This Agreement letter shall be governed by and construed in accordance with the laws of the State of New York without regard to such state's rules concerning conflict of laws.

Severability

If any term, provision or portion of this Agreement letter shall be determined to be invalid, void or unenforceable, the remainder of the terms, provisions and portions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

Complete Understanding

This Agreement sets forth the entire understanding of the parties concerning the matters contained herein and supersedes all prior agreements, arrangements and communications, whether oral or written, with respect to the matters contained herein.

Modification

This Agreement may not be altered, modified or changed in any manner except by a writing duly executed by the parties hereto.

Notices

All notices required or permitted to be delivered under this Agreement shall be sent, if to CM, to the address set forth at the head of this letter, to the attention of Mr. Van E. Conway, and if to the Company, to the address set forth above to the attention of the Company's General Counsel, or to such other name or address as may be given in writing to the other party. All notices under this Agreement shall be sufficient if delivered by facsimile or overnight mail. Any notice shall be deemed to be given only upon actual receipt.

* * * * * * * * * * *

Acceptance of Terms and Conditions

If you are in agreement with the foregoing terms of our Engagement, please sign and date in acknowledgment in the space provided below and return via facsimile and via overnight mail one executed original of this Agreement. In addition, please execute a wire transfer in the amount of $50,000 for our retainer, in accordance with the accompanying instructions. Upon receipt of the executed Agreement and retainer amount, we will commence work immediately.

We appreciate this opportunity to be of assistance to the Company and look forward to working with you in this important matter.

Very truly yours,

CONWAY MACKENZIE, INC.

/s/

Donald S. MacKenzie

Above Terms Agreed to and Accepted:

The Cash Store Financial Services, Inc.

By: _____

Name: _____Gordon J. Reykdal_____

Its: _____Chief Executive Officer____

Date: _____February 1, 2014_____

WIRE TRANSFER INSTRUCTIONS
TO CONWAY MACKENZIE NEW YORK, LLC

Federal Tax ID: 26-0885702

Retainer:

Comerica Bank
188 North Old Woodward
Birmingham, MI 48009
ABA Routing #072000096
(248) 644-2601

Conway MacKenzie New York, LLC
Account # 1852-78836-1

Any Billings Thereafter:

Comerica Bank
188 North Old Woodward
Birmingham, MI 48009
ABA Routing #072000096
(248) 644-2601

Conway MacKenzie New York, LLC
Account # 1852-78835-3

Schedule I

In the event that CM or any of its affiliates, partners, officers, directors, shareholders, agents, employees or controlling persons (collectively, the "Indemnified Persons" and each, an "Indemnified Person") becomes involved in any capacity in any claim, action, proceeding or investigation (collectively, "Actions") brought by or against any person, including equity holders of the Company, in connection with or as a result of either the Engagement or any matter referred to in this Agreement, the Company periodically will advance to the Indemnified Persons amounts necessary to pay their reasonable out-of-pocket legal and other expenses (including the cost of any investigation and preparation) incurred in connection therewith; provided, however, that if it is finally found (in a non-appealable judgment) by a court of competent jurisdiction that any loss, claim, judgment, damage or liability of an Indemnified Person has resulted primarily from the gross negligence or willful misconduct of such Indemnified Person in performing the services that are the subject of this Agreement, such Indemnified Person shall repay such portion of the advanced amounts that is attributable to expenses incurred in relation to the act or omission of such Indemnified Person that is the subject of such non-appealable judgment. The Company also will indemnify and hold the Indemnified Persons harmless from and against any and all losses, claims, judgments, damages or liabilities to which such Indemnified Person may become subject under any applicable law, or otherwise, that is related to, arising out of, or in connection with either the Engagement or any matter referred to in this Agreement and without regard to the exclusive or contributory negligence of any Indemnified Person except to the extent that it is finally found (in a non-appealable judgment) that any such loss, claim, damage of liability resulted primarily from the gross negligence or willful misconduct bad faith of the Indemnified Persons in performing the services that are the subject of this Agreement.

Upon receipt by an Indemnified Person of actual notice of an Action against such Indemnified Person with respect to which indemnity may be sought under this Agreement, such Indemnified Person shall promptly notify the Company in writing; provided that failure to so notify the Company shall not relieve the Company from any liability that the Company may have on account of this indemnity or otherwise, except to the extent the Company shall have been materially prejudiced by such failure. The Company shall, if requested by the Indemnified Person, assume the defense of any such Action, including the employment of counsel reasonably satisfactory to the Indemnified Person. An Indemnified Person may retain separate counsel to represent it in the defense of any Action, which shall be at the expense of the Company if (i) the Indemnified Party does not request the Company to assume the defense of any such Action or the Company does not assume the defense of the Action within a reasonable period of time after being requested to assume the defense of the Action, or (ii) the Indemnified Person is advised by counsel in writing that there is an actual or potential conflict in the Company's and the Indemnified Person's respective interests or additional defenses are available to the Indemnified Person, which makes representation by the same counsel inappropriate; provided that in no event shall the Company be obligated to pay expenses for more than one counsel in any one jurisdiction for all Indemnified Persons in connection with any Action.

No Indemnified Person shall have any liability (whether direct or indirect, in contract or tort or otherwise) to the Company or its equity holders or creditors related to, arising out of, or in connection with, advise or services rendered or to be rendered by any Indemnified Person pursuant to this Agreement, the transactions contemplated in this Agreement or any Indemnified Person's actions or inactions in connection with any such advise, services or transactions except to the extent any loss, claim, judgment, damage or liability is finally found (in a non-appealable judgment) by a court of competent jurisdiction to have resulted from the Indemnified Person's gross negligence or willful misconduct.

If for any reason the foregoing indemnification is unavailable to an Indemnified Person or insufficient to hold it harmless, then the Company shall contribute to the amount paid or payable by the Indemnified Person as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect (i) the relative economic benefits to the Company and its equity holders, on the one hand, and to the Indemnified Persons, on the other hand, of the matters covered by this engagement; or (ii) if the allocation provided by the immediately preceding clause is not permitted by applicable law, not only such relative economic benefits but also the relative fault of the Company, on the one hand, and the Indemnified Persons, on the other hand, with respect to such loss, claim, damage or liability and any other relevant equitable considerations. For purposes of this paragraph, the relative economic benefits to the Indemnified Persons of the matters contemplated in this Agreement, shall be deemed to be the fees paid or to be paid to CM under this Agreement; provided, however, that, to the extent permitted by applicable law, in no event shall the Indemnified Persons be required to contribute an aggregate amount in excess of the aggregate fees actually paid to CM under this Agreement.

The reimbursement, indemnity and contribution obligations of the Company in this Schedule I shall be in addition to any liability which the Company may otherwise have, shall extend upon the same terms and conditions to any affiliate of the Indemnified Persons, and shall be binding upon and inure to the benefit of any successors, heirs and personal representatives of the Company, the Indemnified Persons, any such affiliate and any such person.

The Company shall not be required to indemnify an Indemnified Person for any amount paid or payable by the Indemnified Person in the settlement of any action, proceeding or investigation without the written consent of the Company, which consent shall not be unreasonably withheld. Prior to entering into any agreement or arrangement with respect to, or effecting, any proposed sale, exchange, dividend or other distribution or liquidation of all or a significant portion of its assets in one of a series of transactions or any significant recapitalization or reclassification of its outstanding securities that does not directly or indirectly provide for the assumption of the obligations of the Company set forth in this Schedule I, the Company will notify CM in writing thereof (if not previously so notified) and, if requested by CM, shall arrange in connection therewith alternative means of providing for the obligations of the Company set forth in this Schedule I, including the assumption of such obligations by another party, insurance, surety bonds or the creation of an escrow, in each case in an amount and upon terms and conditions reasonably satisfactory to CM.

THIS IS EXHIBIT "HH" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

News Release

February 27, 2014

Cash Store Financial Provides Ontario Update – Cash Store Financial Engages Chief Compliance and Regulatory Affairs Officer

Edmonton, February 27, 2014 /CNW/ - The Cash Store Financial Inc. ("Cash Store Financial" or the "Company") (TSX: CSF: NYSE: CSFS) today announces that it has created the position of Chief Compliance and Regulatory Affairs Officer (the "CCRO"). The CCRO reports directly to the special committee of independent directors (the "Special Committee"), which was appointed to review and respond to regulatory developments in Ontario and to evaluate strategic alternatives.

Cash Store Financial is pleased to announce that it has engaged Michele McCarthy to act as CCRO and to fulfill the mandate described below. Ms. McCarthy is an experienced senior executive with experience in numerous roles with global financial services companies. She has previously had mandates which included Chief Legal Officer, Chief Privacy Officer, and Chair of the Board of Directors at significant public and private corporations.

The mandate of the CCRO will include the following responsibilities:

- Ensure that the Company and its affiliates (collectively, the "Cash Store Group") are in compliance with all federal and provincial legislation, regulations and regulatory directives (the "Governing Legislation");
- Ensure that all documents used in the business of the Cash Store Group are compliant with Governing Legislation;
- Develop procedures to identify, assess and communicate internally any changes or proposed changes to Governing Legislation;
- Foster a constructive relationship between the Cash Store Group and its regulators; and
- Oversee and assist business units within the Cash Store Group in the resolution of compliance issues.

Cash Store Financial further announces that it is engaging in ongoing discussions with its Ontario regulator in an effort to address the regulator's concerns regarding the issuance of a lender loan license to the Company and its subsidiaries under the *Payday Loans Act, 2008*. Ms. McCarthy will lead these discussions in her role as CCRO while the Special Committee continues its review of strategic alternatives.

About Cash Store Financial

Cash Store Financial is the only lender and broker of short-term advances and provider of other financial services in Canada that is listed on the Toronto Stock Exchange (TSX: CSF). Cash Store Financial also trades on the New York Stock Exchange (NYSE: CSFS). Cash Store Financial operates 510 branches across Canada under the banners "Cash Store Financial" and "Instaloans". Cash Store Financial also operates 27 branches in the United Kingdom.

Cash Store Financial and Instaloans primarily act as lenders and brokers to facilitate short-term advances and provide other financial services to income-earning consumers who may not be able to obtain them from traditional banks. Cash Store Financial also provides a private-label debit card (the "Freedom" card) and a prepaid credit card (the "Freedom MasterCard") as well as other financial services, including bank accounts.

Cash Store Financial employs approximately 1,900 associates and is headquartered in Edmonton, Alberta.

Cash Store Financial is a Canadian corporation that is not affiliated with Cottonwood Financial Ltd. or the outlets Cottonwood Financial Ltd. operates in the United States under the name "Cash Store". Cash Store Financial does not do business under the name "Cash Store" in the United States and does not own or provide any consumer lending services in the United States.

For further information, please contact:

Gordon Reykdal, CEO, at 780-408-5118, or
Peter Block, NATIONAL Public Relations, 416-848-1431

Forward-Looking Information

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of United States federal securities legislation, which we refer to herein, collectively, as "forward-looking information". Generally, forward-looking information can be identified by the use of forward-looking terminology such as "estimates", "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Cash Store Financial, to be materially different from those expressed or implied by such forward-looking information, including, but not limited to, changes in economic and political conditions, legislative or regulatory developments, technological developments, third-party arrangements, competition, litigation, risks associated with but not limited to, market conditions, and other factors described under the heading "Risk Factors" in our Annual MD&A, which is on file with Canadian provincial securities regulatory authorities, and in our Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. We do not undertake to update any forward-looking information, except in accordance with applicable securities laws.

THIS IS EXHIBIT "II" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

DEBTOR-IN-POSSESSION TERM SHEET

Dated as of April 13, 2014

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

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

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

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

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

GUARANTORS: 7252331 Canada Inc., 5515433 Manitoba Inc., Instaloans Inc., The Cash Store Inc., TCS Cash Store Inc., 16939623 Alberta Ltd., The Cash Store Financial Limited, CSF Insurance Services Limited and The Cash Store Limited (each a **Guarantor** and together the **Guarantors**).

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

DIP LENDERS: Coliseum Capital Partners, LP, Coliseum Capital Partners II, LP and Blackwell Partners, LLC (together the **DIP Lender A**) and any financial institution, fund or other entity which has become a party to this term sheet in accordance with the Section below entitled "Assignment by the Lenders" (each a **DIP Lender** and, collectively, the **DIP Lenders**).

AGENT: Coliseum Capital Management, LLC as agent (the **Agent**).

FINANCE PARTIES RIGHTS AND OBLIGATIONS:

(a) The obligations of each Finance Party (as defined below) under the DIP Credit Documentation (as defined below) are several (and not joint and several). Failure by a Finance Party to perform its obligations under the DIP Credit Documentation does not affect the obligations of any other party under the DIP Credit Documentation. No Finance Party is responsible for the obligations of any other Finance Party under the DIP Credit Documentation.

(b) The rights of each Finance Party under or in connection with the DIP Credit Documentation are separate and independent rights and any debt arising under the DIP

Credit Documentation to a Finance Party from a Loan Party shall be a separate and independent debt.

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

MAJORITY LENDERS:

Majority Lenders means:

(a) if there are no DIP Advances (as defined below) then outstanding, a DIP Lender or DIP Lenders whose commitments aggregate more than 50% of the total DIP Facility (or, if the DIP Facility has been reduced to zero, aggregate more than 50% of the DIP Facility which remains undisbursed immediately prior to the reduction); and

(b) at any other time, a DIP Lender or DIP Lenders whose participations in the DIP Advances then outstanding aggregate more than 50% of all the DIP Advances then outstanding.

In this term sheet, references to any decisions, determinations or directions to be made by the DIP Lenders or decisions, determinations or directions to be made in the sole discretion of the DIP Lenders, or consent to be given by the DIP Lenders, shall be construed as decisions, determinations or directions to be made, or consent to be given, by the Majority Lenders.

PURPOSE AND PERMITTED PAYMENTS:

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

(a) For the payment of legal fees, financial advisory fees and other costs and expenses of the DIP Lenders incurred in connection with this term sheet, the other DIP Credit Documentation, the CCAA Proceedings (as defined below) and the transactions contemplated herein; and

(b) To fund the Borrower's and Guarantors' immediate funding requirements during the CCAA Proceedings in accordance with the Cash Flow Projections (as defined below) and subject to the terms of this term sheet and any other DIP Credit Documentation.

DIP FACILITY AND MAXIMUM AMOUNT:

CDN$ 20,500,000 (the **Maximum Amount**) super priority secured non-revolving credit facility (the **DIP Facility**). DIP Advances shall be made by the DIP Lenders to the Borrower and shall be deposited into a separate, segregated account of the Borrower with a financial institution approved by the DIP Lenders (the **Borrower's Account**). In addition, the amount made available under the DIP Facility shall not, at any time, exceed the Maximum Amount.

Advances under the DIP Facility will be made available to the

Borrower by way of non-revolving loans denominated in Canadian Dollars (the **DIP Advances**). Each DIP Advance shall be for an amount of no less than CDN$2 million (the **Minimum Draw**) and in multiples of CDN$50,000.

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

DIP LENDERS COMMITMENTS:

The respective commitments of each DIP Lender is as follows:

(a) in relation to the DIP Lender A, CDN$20,500,000 (the **DIP Lender A Commitment**); and

(b) in relation to any other DIP Lender, the amount of any of the DIP Lender A Commitment transferred to it under this term sheet and pursuant to an Assignment and Assumption Agreement substantially in the form of Schedule "**F**" of this term sheet,

in each case, and together, to the extent not cancelled, reduced or transferred under this term sheet (the **Commitments**).

FUNDING GAP RIGHT:

The DIP Lender A shall have the right, but not the obligation to fund any shortfall of any DIP Advance requested from another DIP Lender.

GUARANTEE:

Each Guarantor irrevocably and unconditionally jointly and severally:

(a) guarantees to each Finance Party punctual performance by the Borrower of the Borrower's indebtedness, obligations and liabilities arising under, or in connection with, the DIP Facility or under the DIP Credit Documentation;

(b) undertakes with each Finance Party that whenever a Borrower does not pay any amount when due under or in connection with any DIP Credit Documentation, that Guarantor shall immediately on demand pay that amount as if it was the principal obligor; and

(c) indemnifies each Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Finance Party would otherwise have been entitled to recover.

<u>Continuing guarantee</u>

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Loan Party under the

DIP Credit Documentation, regardless of any intermediate payment or discharge in whole or in part.

Reinstatement

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

(a) the liability of each Loan Party shall continue as if the payment, discharge, avoidance or reduction had not occurred; and

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

Waiver of defences

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

(a) any time, waiver or consent granted to, or composition with, any Loan Party or other person;

(b) the release of any other Loan Party or any other person under the terms of any composition or arrangement with any creditor of the Borrower or its affiliates;

(c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Loan Party or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

(d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Loan Party or any other person;

(e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any DIP Credit Documentation or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any DIP Credit Documentation or other document or security;

(f) any unenforceability, illegality or invalidity of any obligation of any person under any DIP Credit Documentation or any other document or security; or

(g) any insolvency or similar proceedings.

Immediate recourse

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

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

Deferral of Guarantors' rights

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

(a) to be indemnified by a Loan Party;

(b) to claim any contribution from any other guarantor of any Loan Party's obligations under the DIP Credit Documentation; and/or

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the DIP Credit Documentation or of any other guarantee or security taken pursuant to, or in connection with, the DIP Credit Documentation by any Finance Party.

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

Additional security

This guarantee is in addition to and is not in any way prejudiced by

any other guarantee or security now or subsequently held by any Finance Party.

FUNDING CONDITIONS UNDER THE DIP FACILITY:

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

(a) the Initial Order has been vacated, stayed or otherwise caused to become ineffective or is amended in a manner not reasonably acceptable to the DIP Lenders (in their sole and absolute discretion);

(b) a Default or Event of Default (each as defined below) has occurred and is continuing under the DIP Facility or would result from it; or

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

MATURITY DATE AND

Subject to the terms of the Initial Order, the DIP Facility shall be

REPAYMENT:

repayable in full on the earlier of:

(a) the date on which a demand is made following the occurrence of any Event of Default which is continuing;

(b) 180 days from the date of the granting of the Initial Order;

(c) the date an Approved Transaction (as defined below) is consummated;

(d) the date on which the stay of proceedings pursuant to the Initial Order expires without being extended or on which the CCAA Proceedings are terminated,

(the **Maturity Date**).

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

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

CASH FLOW PROJECTIONS:

The Borrower, with the assistance of the Monitor, shall have provided to the Agent prior to the execution of this term sheet the cash flow projections to be attached as Schedule **"A"**, in form and substance, and containing such details as shall be, satisfactory to the DIP Lenders and the DIP Lenders shall confirm their satisfaction with same prior to the execution of this term sheet, acting reasonably, reflecting the projected cash requirements of the Borrower from April 11, 2014 through the period ending October 11, 2014 (the **CCAA Cash Flow**).

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

To the extent that the Borrower delivers a Drawdown Certificate, it shall be delivered concurrently with the Cash Flow Projection for that week.

BUSINESS PLAN:

The Borrower, with the assistance of the Monitor and in consultation with the DIP Lender A, shall provide to the Agent, no later than May 12, 2014, a revised operational business plan for

the business (the **Business Plan**) in form and content satisfactory to the DIP Lenders, acting reasonably, and the funding available under this term sheet and the Cash Flow Projections shall be adjusted accordingly (subject always to the Maximum Amount).

DIP LENDERS' RIGHT TO APPOINT A FINANCIAL ADVISOR

The DIP Lenders shall have the right and may instruct the Agent to engage Moelis & Company as financial advisor to assist them in relation to this term sheet, the CCAA Proceedings or any potential Plan or Sale Transaction (the **DIP Lenders' Financial Advisor**).

AVAILABILITY UNDER DIP FACILITY:

The Borrower shall not be entitled to issue a Drawdown Certificate until the terms and conditions contained in this term sheet (including, without limitation the following) are satisfied in the DIP Lenders' sole discretion and, each DIP Advance shall be disbursed from an account of the applicable DIP Lender to the Borrower within two (2) Business Days of receipt by the Agent of the Drawdown Certificate (attached to it shall be the most recent Cash Flow Projection applicable to the DIP Advance requested in the Drawdown Certificate) executed by an officer on behalf of the Borrower, certifying, *inter alia*, that the drawdown is: (i) is based on the funding requirements of the Borrower and the Loan Parties at the time of the draw and in an amount sufficient to ensure that the cash balance of the Borrower and the Loan Parties shall not fall below CDN$3 million based on, and in accordance with, the Cash Flow Projections; and (ii) within the relevant Cash Flow Projections, or not in excess of: (A) the greater of CDN$1.5 million or 20% of DIP Advances requested during the first four weeks following the issuance of the Initial Order, measured on a cumulative basis from April 11, 2014 to the date of each such DIP Advance; and (B) thereafter, by the greater of CDN$2 million or 15% of DIP Advance, measured on a cumulative basis from April 11, 2014 to the date of such DIP Advance (in each case, as reflected in the Cash Flow Projections and without giving effect, in such calculation, to any fees which may be payable to the CRO, if any); or (iii) in an amount which is no greater than the Minimum Draw, and that the Borrower is in compliance with this term sheet and the other DIP Credit Documentation (as defined below), (such drawdown certificate to be countersigned by the Monitor);

(a) each DIP Advance (i) is based on the funding requirements of the Borrower and the Loan Parties at the time of the draw and in an amount sufficient to ensure that the cash balance of the Borrower and the Loan Parties shall not fall below CDN$3 million based on, and in accordance with, the Cash Flow Projections and (ii) must be no greater than the amount of DIP Advances shown to be required in the most recent Cash Flow Projections delivered to the DIP Lenders for that week; provided, however, that a DIP Advance may exceed the amount shown in the most recent Cash Flow Projections: (A) by the greater of CDN$1.5 million or 20% of DIP Advances requested during the first four weeks following the issuance of the Initial Order, measured on a cumulative basis from April 11, 2014 to the date of each such DIP Advance; (B) thereafter, by the greater of CDN$2 million or 15% of DIP Advance, measured on a cumulative basis

from April 11, 2014 to the date of such DIP Advance (in each case, as reflected in the Cash Flow Projections and without giving effect, in such calculation, to any fees which may be payable to the CRO, if any), subject always to the Maximum Amount and the terms of this term sheet; and (C) in order to meet the Minimum Draw requirement; and

(b) no Default or Event of Default has occurred and is continuing and none will occur, as a result of the DIP Advance.

Notwithstanding the foregoing, to the extent that an emergency cash need arises in the Borrower's business that is not contemplated in the Cash Flow Projections, the Borrower may request a DIP Advance from the DIP Lenders by providing written particulars relating to such emergency cash need, which DIP Advance shall only be permitted with the prior written consent of the DIP Lenders, in their discretion, acting reasonably. If such requested emergency DIP Advance is so consented by the DIP Lenders, such DIP Advance shall be made from the DIP Facility and deposited into the Borrower's Account.

VOLUNTARY PREPAYMENTS:

Except as otherwise provided in this term sheet, the Borrower and the Guarantors shall not be entitled to voluntarily prepay any principal amount of the DIP Obligations, in whole or in part in any circumstances, except that if any aspect of the Initial Order that approved any aspect of the DIP Facility is subsequently reversed, vacated or rescinded on appeal, then the Borrower shall have the right to prepay in full the amount of the DIP Obligations then outstanding without penalty or premium.

MANDATORY PREPAYMENTS

(a) At the option of the DIP Lenders, the Borrower shall make the following mandatory prepayments of the DIP Obligations, if any, at the time of receipt of the net cash proceeds described below, in an amount equal to 100% of the net cash proceeds:

(i) of any sale or disposition (including as a result of casualty or condemnation) that are not used by such Loan Party to replace or repair any such lost or damaged property, asset or undertaking of any of its property, assets, or undertakings outside the ordinary course of business with net proceeds greater than CDN$25,000 in the aggregate;

(ii) from any extraordinary receipts of cash outside of the ordinary course of business, including, without limitation, (A) tax refunds, (B) any proceeds of insurance paid on account of any loss or damage of any property, assets, or undertakings of any Loan Party, and (C) judgements, awards, proceeds of settlements or other consideration of any kind in connection with any cause of action; and

(b) All net cash proceeds from any of the events described above shall be applied, except as otherwise agreed to by

the DIP Lenders in writing, as follows:

(i) *first,* to pay unpaid and accrued interest on, and fees and expenses payable in respect of, the DIP Obligations; and

(ii) *second*, to repay any principal amounts of the DIP Obligations.

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

INTEREST RATE:

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

(a) Less than or equal to CDN$12,500,000, shall be 12.50% *per annum* payable monthly in arrears provided that all such accrued and unpaid interest will be capitalised (and not paid in cash) and added to the outstanding principal balance of the loan and all such capitalised interest shall be due and payable on the Maturity Date (the **Interest Rate A**); and

(b) Solely for amounts in excess of CDN$12,500,000, shall be the aggregate of: (i) 10.50% *per annum* and monthly in arrears in cash on the first Business Day of each month and on the Maturity Date; and (ii) 7% *per annum* monthly in arrears provided that all such accrued and unpaid interest will be capitalised (and not paid in cash) and added to the outstanding principal balance of the loan and all such capitalised interest shall be due and payable on the Maturity Date (the **Interest Rate B**),

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

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

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

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

which the calculation is made and divided by 365, as applicable.

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

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

(i) *first*, by reducing the amount or rate of interest required to be paid to the DIP Lenders during such one-year period; and

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

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

(b) Any Excess Amount shall be payable and paid by the Loan Parties to the DIP Lenders in the then next succeeding one-year period or then next succeeding one-year periods until paid to the DIP Lenders in full, subject to the same limitations and qualifications set out in paragraph (a), so that the amount of Criminal Code interest payable or paid during any subsequent one-year period shall not exceed an amount that would result in the receipt by the DIP Lenders of Criminal Code interest at a criminal rate.

(c) Any amount or rate of Criminal Code interest referred to in this section shall be calculated and determined in accordance with generally accepted actuarial practices

and principles as an effective annual rate of interest over the term that any DIP Advances remain outstanding on the assumption that any charges, fees or expenses that constitute Criminal Code interest shall be *pro-rated* over the period commencing on the date of the first DIP Advance and ending on the relevant Maturity Date (as may be extended by the DIP Lenders from time to time under this term sheet) and, in the event of a dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by the DIP Lenders shall be conclusive for the purposes of such calculation and determination.

AGENCY FEE

The Borrower shall pay to the Agent monthly, for its own account, an agency fee in an aggregate amount equal to CDN$30,000 in respect of Agent's services for each month (or part thereof) while the DIP Facility is in effect, which fee shall be fully earned and payable in advance on the first date of each month commencing on the date of this term sheet.

DIP FINANCING FEE:

The Borrower shall pay to the DIP Lender A for its own account, a fee of 3.5% of CDN$12,500,000 plus 5% of CDN$8,000,000, in respect of the establishment of this DIP Facility and the commitment to provide the DIP Funding. Such fee shall be fully earned and payable upon court approval and shall be paid from the proceeds of the initial DIP Advance.

EXIT FEES:

The Borrower shall pay to the DIP Lenders an exit fee which is equal to, in the case of the first CDN$40 million of Excess, 15% of such Excess; which fee shall be earned on the date of this term sheet and payable on the closing date or implementation date of the Sale Transaction, out of the closing proceeds of the Sale Transaction, or out of the consideration being offered pursuant to the Plan, in accordance with the priority of the DIP Obligations.

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

(a) (A) the purchase price (taking into account any assumption of debt and potential contingent consideration included therein) offered by the purchaser(s) under Sale Transaction(s); or (B) the enterprise value used in determining the proposed distributions, pursuant to Plan transaction(s), in each case, involving any Loan Party; and

(b) the aggregate amount of the DIP Obligations and the drawn obligations under the Priority Lien Credit Agreement.

DIP SECURITY AND PRIORITY:

All obligations of the Borrower under, or in connection with, the DIP Facility, this term sheet and any other definitive documentation in respect of the DIP Facility that are in form and substance satisfactory to the DIP Lenders, acting reasonably, shall be secured by a first super priority charge (subject only to: (i) any charge, encumbrance or security arising by operation of, and given priority over the DIP Security (as defined below) by, any applicable law without any contractual grant of security; (ii) the

Administration Charge, (iii) the D&O Charge but only to the extent of an amount equal to CDN$1,250,000; (iv) the TPL Protections (which shall rank *pari passu*) and (v) in respect of the assets of the English Entities only, the English Registrations (as defined below)), over all present and after-acquired property, assets and undertakings of the Loan Parties, including, without limitation, accounts, rights of repayments or reimbursement, claims for cash, accounts receivable and proceeds thereof, and all cash whether in any Loan Party's bank accounts or elsewhere and, subject to (i), (ii), (iii), (iv) and (v) above, ahead of and senior to all other creditors, interest holders, lien holders and claimants of any kind whatsoever, pursuant to a Court ordered charge under the CCAA (the **DIP Priority Charge**) and any Additional DIP Security Documents (as defined below).

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

ADDITIONAL CONDITIONS PRECEDENT TO EACH DIP ADVANCE:

The DIP Lenders shall have no obligation to fund a DIP Advance unless the conditions set forth in this term sheet are in form and substance satisfactory to the DIP Lenders (unless waived by the DIP Lenders):

(a) The Initial Order shall have been issued by the Court and such Initial Order shall be in form and substance satisfactory to the DIP Lenders, acting reasonably, which order: (i) shall be in full force and effect; (ii) shall not (in whole or in part) have been revised, rescinded, reversed, modified, amended, stayed, vacated, appealed or subject to stay pending appeal or otherwise challenged, unless otherwise consented to by the DIP Lenders, acting reasonably; and (iii) shall, without limitation, include:

(i) provisions approving this term sheet and the DIP Facility created in it, the execution and delivery by the Loan Parties of this term sheet and such other documents as the DIP Lenders deem necessary or appropriate, acting reasonably, and directing the Loan Parties to comply with the *terms hereof;*

(ii) provisions granting to the DIP Lenders the DIP Priority Charge;

(iii) provisions authorizing and directing the Loan Parties to execute and deliver such loan and security documents relating to the DIP Facility and such security documents evidencing the DIP Priority Charge in such form and substance as the DIP Lenders may reasonably require;

(iv) provisions authorizing the DIP Lenders to effect registrations, filings and recordings wherever in their discretion they deem appropriate regarding

the DIP Priority Charge;

(v) provisions confirming that the DIP Priority Charge, the documents delivered pursuant hereto (collectively, the **DIP Security**) (including without limitation, the Additional DIP Security Documents (as defined below)) shall have priority over all present and future charges, encumbrances and security, whether legal or equitable, other than (i) any charge, encumbrance or security arising by operation of, and given priority over the DIP Priority Charge and the DIP Security by, any applicable statutory law, (ii) the Administration Charge; (iii) the D&O Charge but only to the extent of an amount equal to CDN$1,250,000; and (iv) the TPL Protections (which shall rank *pari passu*);

(vi) provisions providing that the DIP Priority Charge shall be valid and effective to secure all of the obligations of the Loan Parties to the DIP Lenders without the necessity of the making of any registrations or filings and whether or not any other documents are executed by the Loan Parties and/or the DIP Lenders pursuant to this term sheet; and

(vii) provisions declaring that the granting of the DIP Priority Charge and all other documents executed and delivered to the DIP Lenders as contemplated herein, including, without limitation, all actions taken to perfect, record and register the DIP Priority Charge, do not constitute conduct meriting an oppression remedy, settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions under any applicable federal or provincial legislation;

(b) The DIP Lenders shall have received evidence satisfactory to them in their sole discretion, that the Borrower's Account has been opened by the Borrower;

(c) The Agent shall have received weekly updates of the Borrower's cash flow requirements by providing subsequent Cash Flow Projections and the same shall be in form and substance, and contain such details as shall be, satisfactory to the DIP Lenders, acting reasonably;

(d) The DIP Lenders shall be satisfied that each of the Loan Parties has, to such Loan Parties' knowledge or to the extent such Loan Party could reasonably be expected to know, complied with and is continuing to comply in all material respects with all applicable laws, regulations and policies in relation to its business (other than with respect to those matters disclosed in the affidavit of Steven Carlstrom dated April 13 , 2014, including in respect of its payday loan lender's licence in Ontario under the *Payday*

Loans Act, 2008 (Ontario) and its payday loan lender's license in Manitoba under the *Consumer Protection Act* (Manitoba));

(e) The DIP Lenders shall be satisfied that there are no Liens ranking ahead of the DIP Priority Charge and the DIP Security, except for the Administration Charge, the D&O Charge but only to the extent of an amount equal to CDN$1,250,000, the TPL Protections (which shall rank *pari passu*), Liens arising by operation of law and given priority over the DIP Priority Charge and the DIP Security by applicable law without any contractual grant of security, and in the case of the English Entities only, the English Registrations;

(f) all reasonable and documented expenses of the DIP Lenders incurred up to the date of each DIP Advance in connection with this term sheet and the CCAA Proceedings, including, without limitation, the reasonable and documented fees of legal counsel and financial advisors to the DIP Lenders, shall have been paid in full from the proceeds of the applicable DIP Advance hereunder;

(g) the Loan Parties shall be in compliance with all their covenants under this term sheet and any other DIP Credit Documentation;

(h) all representations and warranties contained in this term sheet and any other DIP Credit Documentation remain true and correct in all material respects as of the date of issuance of the relevant DIP Advance (unless stated to related to a specific earlier date, in which case such representations and warranties shall have been true and correct in all material respects as of such earlier date);

(i) the issuance of any DIP Advance shall not violate any applicable law, judgement or order of any court of competent jurisdiction;

(j) each Loan Party has adequate insurance for each Loan Party;

(k) the Borrower or other Loan Parties have engaged a chief restructuring officer (a **CRO**), whose identity and scope of authority shall be agreed to by the Borrower and the DIP Lenders, acting reasonably; and

(l) before any amount can be paid, loaned or transferred to any Loan Party that carries on business in England & Wales (the **English Entities**), the DIP Lenders shall have received from such English Entities such DIP Credit Documentation as the DIP Lenders shall require in order to obtain valid and enforceable guarantees and security

interests in all of the assets of the English Entities.

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

REPRESENTATIONS AND WARRANTIES:

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

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

(i) are within the powers of the Loan Parties;

(ii) have been duly authorized by all necessary corporate approval;

(iii) have been duly executed and delivered by or on behalf of the Loan Parties;

(iv) upon the granting of the Initial Order, constitute legal, valid and binding obligations of the Loan Parties, enforceable in accordance with their terms;

(v) upon the granting of the Initial Order, do not require the consent or approval of, registration or filing with, or any other action by, any governmental authority, other than filings that may be made to register or otherwise record the DIP Security; and

(vi) will not violate the charter documents or by-laws of the Loan Parties or any applicable law relating to such party;

(b) To the Borrower's knowledge, or to the extent the Borrower could be reasonably expected to know, the business operations of the Loan Parties have been and will continue to be conducted in compliance with all laws of each jurisdiction in which the business has been or is carried out, other than in respect of those matters disclosed in the affidavit of Steven Carlstrom dated April 13, 2014, including in respect of its payday loan lender's licence in Ontario under the *Payday Loans Act, 2008*

(Ontario) and its payday loan lender's license in Manitoba under the *Consumer Protection Act* (Manitoba);

(c) Each Loan Party has obtained all licenses and permits required for the operation of its business, which licenses and permits remain in full force and effect and no proceedings have been commenced or threatened to revoke or amend any of such licenses or permits, in each case other than in respect of those matters disclosed in the affidavit of Steven Carlstrom dated April 13, 2014, including in respect of the lending licence required under the *Payday Loans Act* (Ontario) 2008 for the purposes of the Borrower's operations in Ontario;

(d) Each Loan Party has filed all tax returns and paid all taxes owing for all prior fiscal periods;

(e) The Loan Parties own their assets and undertaking free and clear of all liens other than the Permitted Liens;

(f) No Loan Party has a pension plan;

(g) The Borrower and each of its subsidiaries has been duly incorporated and is validly existing under the law of its jurisdiction of incorporation except for those subsidiaries listed in **Schedule "D"** (the **Inactive Affiliates**);

(h) No Inactive Affiliate: (i) carries on any business whatsoever, (ii) owns any inventory, accounts or any other personal or real property and assets, and (iii) has granted a Lien to any person and no person otherwise has a Lien against it or its personal or real property and assets;

(i) To its knowledge or to the extent it could reasonably be expected to know, each Loan Party maintains adequate insurance coverage, except with respect to directors and officers insurance, of such type, in such amounts and against such risks as is prudent for a business of its nature with financially sound and reputable insurers and contain coverage and scope;

(j) Each Loan Party has maintained its obligations for payroll, source deductions, retail sales tax, and Harmonized Sales Tax/Goods and Services Tax, and is not in arrears in respect of these obligations;

(k) The Loan Parties are not aware of any introduction, amendment, repeal or replacement of any law or regulation being made or proposed which may result in a Material Adverse Change other than in respect of those matters disclosed in the affidavit of Steven Carlstrom dated April 13, 2014;

(l) The Loan Parties have not entered into any transaction or other contractual relationship with any related party

(material or immaterial) other than as provided to the DIP Lenders as part of their diligence, including whatever is posted in the data room prior to the date of this term sheet, other than currently existing employment arrangements;

(m) All of the third party lenders to any of the Loan Parties and all contractual arrangements with such parties have been disclosed by the Borrower to the DIP Lenders, and each such party and each such arrangement is set out in Schedule "**G**";

(n) The commencement of the CCAA proceedings will not trigger change of control provisions or severance obligations, in each case, which would entitle any officer or director of any Loan Party to claim additional compensation or severance; and

(o) No Default or Event of Default has occurred and is continuing.

AFFIRMATIVE COVENANTS:

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

(a) Allow the DIP Lenders reasonable access to the books and records of the Loan Parties, including internal memoranda, work papers and any other documents in the possession of any Loan Party, subject to solicitor-client privilege and applicable privacy laws, and cause management thereof to fully co-operate with the DIP Lenders;

(b) Keep the DIP Lenders apprised on a timely basis of all material developments with respect to the business and affairs of the Loan Parties and the CCAA Proceedings;

(c) Deliver to the DIP Lenders the reporting and other information from time to time reasonably requested by the DIP Lenders and as set out in this term sheet including, without limitation, the Cash Flow Projections at the times requested and in form and substance satisfactory to the DIP Lenders;

(d) Use the proceeds of the DIP Facility only for the Permitted Payments and in a manner consistent with the restrictions set out herein and the Cash Flow Projections;

(e) Comply with the provisions of the Court orders made in connection with the CCAA Proceedings and (collectively, the **Court Orders** and each a **Court Order**);

(f) Preserve, renew and keep in full force its corporate existence and its existing licenses and any licences it obtains in the future;

(g) Conduct all activities in accordance with the Cash Flow

Projections previously approved by the DIP Lenders and the credit limits established under the DIP Facility as set out hereunder;

(h) Notify the DIP Lenders of the occurrence of any Default or Event of Default, or Material Adverse Change or of any event or circumstance that may materially affect the Cash Flow Projections, including any material change in its contractual arrangements or relationships with third parties;

(i) Make commercially reasonable efforts to comply in all material respects with all applicable laws, rules and regulations applicable to its business;

(j) (A) Provide the DIP Lenders, on a timely basis, with information on the proposed steps to be taken by the Loan Parties or their advisors to solicit initial bids or letters of intent for the business or assets of the Loan Parties ("**Preliminary Indications of Interest**"), which steps are to be acceptable to the DIP Lenders; (B) provide the DIP Lenders with copies of the written Preliminary Indications of Interest within two (2) Business Days of receipt of the same by the Loan Parties; and (C) if warranted in the circumstances after receipt of Preliminary Indications of Interest and in consultation with the DIP Lenders, provide the DIP Lenders with the Loan Parties' proposed sale and investment solicitation process (the **Sale Process**), which Sale Process shall be acceptable to the DIP Lenders and shall include the milestones set out in paragraph (r) below;

(k) Cause any tax refund (as set out in, and as described as, "income taxes receivable" in the December 31 2013 financial statements of the Borrower) which is due to be reimbursed by the Canada Revenue Agency, or any provincial tax authority, to the Borrower (or any Loan Party) (the **Tax Refunds**) to be deposited directly into the Borrower's Account.

(l) Provide the DIP Lenders and Norton Rose Fulbright Canada LLP (**NRF**) draft copies of all motions, applications, proposed orders (including without limitation, the draft Initial Order and any other orders in respect of the DIP Facility, DIP Credit Documentation or DIP Priority Charge) or other materials or documents that any of Loan Parties intend to file in the CCAA Proceedings at least three (3) Business Days prior to any such filing or, where it is not practically possible to do so within such time, as soon as possible, which all such filings shall be in form and substance acceptable to the DIP Lenders or NRF, and when served and filed with the Court, such materials shall be in form which is, confirmed by the DIP Lenders to be, satisfactory.

(m) Take all actions necessary or available to defend the Court Orders from any appeal, reversal, modifications,

amendment, stay or vacating not expressly consented to in advance by the DIP Lenders;

(n) The DIP Lenders shall be entitled to have an observer attend all board and committee meetings of the Loan Parties and any such observer shall have all information disclosure rights that existing board members have;

(o) The Loan Parties shall promptly provide notice to the DIP Lenders and NRF of any material developments in respect of any licence or permit required for the operation of the Loan Parties' business and of any notices, orders, decisions, letters, or other documents, materials, information or correspondence received from any regulatory authority having jurisdiction over the Loan Parties in respect of such licence or permit;

(p) Provide the DIP Lenders and NRF with draft copies of all letters, submissions, notices, or other materials or correspondence that any of the Loan Parties intend to file with or submit to any regulatory authority having jurisdiction over the Loan Parties relating to any licence or permit required for the operation of their business at least three (3) Business Days prior to such submission or filing or, where it is not practically possible to do so within such time, as soon as possible, which all such submissions or filings shall be in form and substance acceptable to the DIP Lenders;

(q) Provide the Agent with any written proposal in respect of any Sale Transaction or Plan, or any amendments to any such proposal, which in each case is received by any of its representatives within two (2) Business Days of receipt by the Loan Parties and in any event before engaging in any discussions or further negotiations with the party which provided the proposal;

(r) Subject to paragraph (j) above, on or before 45 days following the issuance of the Initial Order, the Borrower shall have obtained from the Court an Order approving the Sale Process, in form and substance satisfactory to the DIP Lenders (the **Sale Process Order**); (ii) to the extent that the "Successful Bid" pursuant to the Sale Process is a Sale Transaction, the Borrower shall have obtained an Order from the Court, in form and substance satisfactory to the DIP Lenders, approving the Sale Transaction (the **Sale Approval Order**), by no later than 60 days following the date of the Sale Process Order, and the closing of the Sale Transaction shall have taken place no later than 60 days following the Sale Approval Order; (iii) to the extent that the "Successful Bid" pursuant to the Sale Process is a Plan transaction, the Borrower shall have obtained an Order from the Court, authorizing the Borrower to file the Plan and to call a meeting of creditors to vote on the Plan (the **Plan Filing and Meeting Order**) by no later than 60 days following the date of the Sale Process Order, the

Borrower shall have obtained a sanction Order (the **Sanction Order**) in respect of the Plan by no later than 30 days following the date of the Plan Filing and Meeting Order, and the Plan transaction shall have been implemented by no later than 30 days following the date of the Sanction Order;

(s) Execute and deliver, or cause each Guarantor (as applicable) to execute and deliver, loan and collateral security documentation (including any guarantees in respect of the indebtedness, obligations and liabilities of the Borrower arising under, or in connection with, the DIP Facility and the other DIP Credit Documentation) in a manner satisfactory in all respects to the DIP Lenders, acting reasonably, including, without limitation, such security agreements, financing statements, discharges, opinions or other documents and information, in form and substance satisfactory to the DIP Lenders, acting reasonably (collectively, the **Additional DIP Security Documents**);

(t) Complete of all necessary lien and other searches, together with all registrations, filings and recordings wherever the DIP Lenders, acting reasonably, deem appropriate, in connection with the DIP Security, and satisfaction that there are no Liens affecting the property or assets of the Loan Parties except: (A) Liens granted to the lender under the Priority Lien Credit Agreement; (B) Liens granted to the noteholders under the Indenture; (C) Liens arising by operation of law in the normal course of business without any contractual grant of security, (D) Liens for leased equipment and not prohibited by term sheet; provided that such Liens only cover the property subject to such arrangements; (E) the Liens set out in Schedule "**C**" Permitted Liens; (F) Liens granted by the Court with the consent of the DIP Lenders in their sole discretion; (G) the D&O Charge and (H) the TPL Protections , (collectively, the **Permitted Liens**);

(u) Use its best efforts to obtain an estoppel certificate from each of Barclays Bank plc, Kerwal Limited and Portculis Investments Limited as secured parties in the assets of The Cash Store Limited as described in Schedule "**C**" hereto (collectively, the "**English Registrations**"); in form and substance satisfactory to the DIP Lenders;

(v) Ensure that the CRO shall have responsibility and final decision making authority for all restructuring, sale and other similar matters (in consultation with the Monitor); and

(w) Cause each DIP Lender to be listed as the loss payee on the insurance policies of the Loan Parties before the date of the third DIP Advance.

REPORTING REQUIREMENTS:

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

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

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

NEGATIVE COVENANTS:

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

(a) Transfer, lease or otherwise dispose of all or any part of its property, assets or undertaking over CDN$ 25,000 at any one time or through a series of related transactions, or more than CDN$ 75,000 in the aggregate;

(b) Make any payment of existing (pre-filing) indebtedness or liability or make any payment that reduces any trade or unsecured liabilities of the Loan Parties; provided that the Loan Parties may make critical vendor payments to the extent contemplated in the CCAA Cash Flow and may make interest payments under the Priority Lien Credit Agreement;

(c) Other than as stayed pursuant to the Initial Order, create or permit to exist any indebtedness other than: (A) debt owing under the Priority Lien Credit Agreement; (B) debt owing under the Indenture; (C) the DIP Obligations; (D) post-filing trade payables in the ordinary course of business; (E) if applicable, any debt relating to paragraph (i) of the definition of TPL Protections; (F) the D&O Charge; and (G) the Administration Charge;

(d) Make (i) any distribution, dividend, return of capital or other distribution in respect of equity securities (in cash, securities or other property or otherwise) to any Loan Party, Inactive Affiliate or other affiliate of the Borrower or otherwise; or (ii) a retirement, redemption, purchase or repayment of other acquisition of equity securities or indebtedness (including any payment of principal, interest, fees or any other payments thereon) to any Loan Party, Inactive Affiliate or other affiliate of the Borrower; or (iii) any other payments, loans or transfers to any Inactive

Affiliate or English Entity or other affiliate of the Borrower which is not subject to the Initial Order, in each case other than with the prior consent of the DIP Lenders or as permitted under the CCAA Cash Flow, and, for greater certainty, in the case of paragraph (iii), no payment, loan or transfer shall be made to English Entities until condition precedent (l) of this term sheet is satisfied, in the DIP Lenders' sole discretion, and once such condition is met, payments, loans or transfers to English Entities shall be limited to the amounts set out in the CCAA Cash Flow;

(e) Enter into any transaction or contractual relationship with any affiliate, related party or subsidiary or any of its or their directors or senior or executive officers or senior management, or enter into or assume any employment, consulting or analogous agreement or arrangement with any of its or their directors or senior or executive officers or senior management, or make any payment to any of its or their directors or senior or executive officers or senior management, industry bonuses, change of control payments or severance packages of any kind whatsoever (other than as permitted under the CCAA Cash Flow only so far as permitted by paragraph (d) above);

(f) Make any investments or acquisitions of any kind, direct or indirect, in any business or otherwise other than as reflected in the CCAA Cash Flow;

(g) Make any payments on account of bonuses or new retainers (other than to the CRO or as contemplated in the CCAA Cash Flow) or establish or create any trust accounts;

(h) Make any retention payments or any other type of payment (in cash, or otherwise) or enter into any assignment or transfer (whether voluntary or otherwise) of accounts receivable, cash, or any other property, or any swap of cash for accounts receivable, or other property with any third party lender other than as contemplated in the CCAA Cash Flow;

(i) Create or permit to exist any new Liens on any of its properties or assets other than the Administration Charge, the D&O Charge, the TPL Protections, Liens in favour of the DIP Lenders and Permitted Liens;

(j) Make any capital expenditures other than as reflected in the CCAA Cash Flow;

(k) Seek, obtain or support any Court Order that affects the DIP Lenders except with the prior written consent of the DIP Lenders, acting reasonably, which Court Order shall be in form and substance acceptable to the DIP Lender, acting reasonably;

(l) Amalgamate, consolidate with or merge into or sell all or

substantially all of their assets to another entity, or change the nature of their business or their corporate or capital structure or enter into any agreement committing to such actions;

(m) Unless the transaction satisfies all of the DIP Obligations and payments that have priority over the DIP Priority Charge, in full, make a public announcement in respect of, enter into any agreement or letter of intent with respect to, or attempt to consummate, or support an attempt to consummate by another party, any transaction or agreement outside the ordinary course of business, if not approved in advance by the DIP Lenders;

(n) Enter into, extend, renew, waive or otherwise modify in any material respect the terms of any transaction with an affiliate, or extend or renew existing operational arrangements without the prior approval of the DIP Lenders;

(o) Participate in any material discussions with a regulatory authority having jurisdiction over the Loan Parties relating to any licence or permit required for the operation of their business without providing the DIP Lenders and NRF reasonable advance notice of such discussions and discuss and agree with the DIP Lenders in advance regarding the conduct and nature of such discussions provided that the Loan Parties or their advisors shall, following such discussion, advise the DIP Lenders and NRF of the content of those discussions aside from external counsel only matters;

(p) Participate in any material discussions with any party (other than their legal and financial advisors) with respect to any Sale Transaction or Plan after the delivery by such party of a written expression of interest in respect of same, in each case without providing reasonable notice to the DIP Lenders and NRF, and an opportunity for a representative of NRF or Moelis & Company to participate in such discussions;

(q) Enter into any settlement agreement or agree to any settlement arrangements with any regulatory authority or in connection with any litigation, arbitration, other investigations, proceedings or disputes or other similar proceedings which are threatened or pending against any one of them without the DIP Lenders' prior consent, or make any payments or repayments to customers, outside the ordinary course of business, other than those set out in the CCAA Cash Flow;

(r) Cease to carry on its business or activities as they are currently being conducted or change their operations or business practices (including normal lending practices) without the prior approval of the DIP Lenders; and

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

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

(a) Failure of the Borrower to pay: (i) interest, fees or other amounts when due under this term sheet or any other DIP Credit Documentation; (ii) principal when due under the DIP Facility; or (iii) legal fees of the DIP Lenders and the Agent and the DIP Lender's Financial Advisors within, in the case of paragraph (iii) only, five (5) Business Days of being invoiced therefore (if applicable);

(b) Failure of any Loan Party to perform or comply with any term or covenant under this term sheet or any other DIP Credit Documentation (other than as set out in paragraph (a) above) unless remedied in three (3) days;

(c) Any representation or warranty by a Loan Party made or deemed to be made in this term sheet or any DIP Credit Document is or proves to be incorrect or misleading in any material respect as of the date made or deemed to be made unless remedied in three (3) days;

(d) Issuance of an order (i) dismissing the CCAA Proceedings or lifting the stay in the CCAA Proceedings to permit the enforcement of any security against any Loan Party or the Collateral, the appointment of a receiver, interim receiver or similar official, an assignment in bankruptcy, or the making of a bankruptcy order or receiving order against or in respect of any Loan Party, other than in respect of a non-material asset not required for the operations of any Loan Party's business and which is subject to a priority Lien; (ii) granting any other claim super priority status or a Lien equal or superior to that granted to the DIP Lenders other than the Administration Charge, the D&O Charge but only to the extent of an amount equal to CDN$1,250,000 and the TPL Protections (which shall rank *pari passu*); or (iii) staying, reversing, vacating or otherwise modifying this term sheet or the DIP Credit Documentation, any Court Order (including the Initial Order and the DIP Priority Charge) or the entry of an order by the Court having the equivalent effect, without the prior written consent of the DIP Lenders;

(e) Unless consented to by the DIP Lenders, the expiry without further extension of the stay of proceedings provided for in the Initial Order;

(f) Any Loan Party ceases to carry on business in the ordinary course, except where such cessation occurs in connection with a sale of all or substantially all of the assets of a Loan Party or other restructuring or

reorganization of a Loan Party, which has been consented to by the DIP Lenders;

(g) A Cash Flow Projection is not acceptable to the DIP Lenders, acting reasonably, or is not delivered to the DIP Lenders within three (3) Business Days of its due date under this term sheet;

(h) The existence of an adverse variance of actual cash flows from the CCAA Cash Flow (without taking into account any positive variance in cash flow as a result of receiving the Tax Refund or any negative variance as a result of any fees which may be payable to a CRO), by an amount exceeding: (i) with respect to the Operating Cash Flow, the greater of CDN$ 2.0 million or 20% during the first two weeks following the issuance of the Initial Order, measured on a cumulative basis from April 11, 2014; and (ii) thereafter, by the greater of CDN$1.5 million or 15%, measured on a cumulative basis from April 11, 2014; and (iii) with respect to any Non-Operating Disbursements, the greater of CDN$500,000 or 15% of the CCAA Cash Flow, measured on a cumulative basis from April 11, 2014;

(i) If at any time, the Updated Peak Funding Requirement exceeds by more than 15% the Original Peak Funding Requirement (without taking into account any positive variance in cash flow as a result of receiving the Tax Refund or any negative variance as a result of any fees which may be payable to a CRO).

(j) The filing by any of the Loan Parties of any motion or proceeding which (i) is not consistent with any provision of this term sheet, the DIP Credit Documentation or the DIP Priority Charge, in a manner that is materially adverse to the interests of the DIP Lenders; (ii) seeks to obtain a "critical supplier charge" or similar protection pursuant to the CCAA to any party, other than the critical vendor payments contained in the CCAA Cash Flow; (iii) could reasonably be expected to materially adversely affect the interests of the DIP Lenders; (iv) seeks an order which, if granted, could reasonably be expected to result in a Material Adverse Change, or (v) seeks to continue the CCAA Proceedings under the jurisdiction of a court other than the Court, unless in the case of any of the foregoing, the DIP Lenders have consented thereto in writing;

(k) An order of the court that results in any third party lender receiving from a Loan Party any of the following, in each case, except such amounts as are subject to paragraph (i) of the definition of TPL Protection, such amounts contemplated in the CCAA Cash Flow, or as otherwise provided in this term sheet or with the prior consent of the DIP Lenders: (i) any retention payment or other type of payment (in cash or otherwise); (ii) any assignment of accounts receivable or any swap of cash for accounts receivable or other property; or (iii) other property or any

other amount transferred to a third party lender for its benefit;

(l) Unless the transaction satisfies all DIP Obligations and payments that have priority over the DIP Priority Charge, in full, any proceeding, motion or application shall be commenced or filed by any Loan Party, or if commenced by another party, supported or otherwise consented to by any Loan Party, seeking the approval of any Sale Transaction or Plan that does not have the prior consent of the DIP Lenders;

(m) The making by the Borrower or any Guarantor of a payment of any kind not permitted by the Initial Order, this term sheet, the DIP Credit Documentation or the CCAA Cash Flow without the prior consent of the DIP Lenders;

(n) The occurrence and continuance of an event of default under any of the DIP Credit Documentation that is not cured or waived in accordance with the terms thereof;

(o) Except as stayed by order of the Court, a default under, revocation or cancellation of, any material contract, licence or permit, which has or could reasonably be expected to result in a Material Adverse Change;

(p) In the event a CRO is appointed, the removal, termination, replacement or change in the scope or extent of the authority of the CRO, without the prior consent of the DIP Lenders, acting reasonably;

(q) In the event that any of the directors of the Borrower resign without leaving at least one independent director or one independent replacement director on the board or a CRO with the authority to act on behalf of the Loan Parties;

(r) Receipt of Tax Refunds which are in the aggregate less than CDN$10 million or not received by August 30, 2014;

(s) The denial or repudiation by any Loan Party of the legality, validity, binding nature or enforceability of this term sheet, any DIP Credit Documentation or any other document or certificate delivered pursuant to the terms hereof or thereof;

(t) Except as stayed by order of the Court, (i) the entry of one or more final judgements, writs of execution, garnishment or attachment representing a claim in excess of CDN$ 20,000 individually, or CDN$ 50,000 in the aggregate, against any Loan Party or the Collateral that is not released, bonded, satisfied, discharged, vacated, stayed or accepted for payment by an insurer within 30 days after their entry, commencement or levy (ii) any requirement by a regulatory authority that any of the Loan Parties reimburse amounts to customers of any of the Loan

Parties; or

(u) The occurrence of a Material Adverse Change.

REMEDIES:

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

(a) Declare the DIP Obligations to be immediately due and payable;

(b) Apply to a court: (i) for the appointment of an interim receiver, a receiver or a receiver and manager of the undertaking, property and assets of any Loan Party; (ii) for the appointment of a trustee in bankruptcy of any Loan Party; or (iii) to seek other relief;

(c) Exercise the powers and rights of a secured party under the *Personal Property Security Act* (Manitoba), *Personal Property Security Act* (Alberta), *Personal Property Security Act* (Ontario) or any other legislation of similar effect applicable to the DIP Security; and

(d) Exercise all such other rights and remedies under this term sheet and the DIP Credit Documentation and the Court Orders.

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

INDEMNITY AND RELEASE:

Each Loan Party agrees to indemnify and hold harmless the Finance Parties and each of its directors, officers, employees, agents, attorneys, advisors and affiliates (all such persons and entities being referred to hereafter as **Indemnified Persons**) from and against any and all actions, suits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or expenses of any kind or nature whatsoever which may be incurred by or asserted against or involve any Indemnified Person as a result of or arising out of or in any way related to or resulting from the CCAA Proceedings, any bankruptcy or insolvency proceedings, this term sheet or any other DIP Credit Documentation, and, upon demand, to pay and reimburse any Indemnified Person for any reasonable legal or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding (including, without limitation, any inquiry or investigation) or claim (whether or not any Indemnified Person is a party to any action or proceeding out of which any such expenses arise); provided, however, the Loan Parties shall not be obligated to indemnify pursuant to this paragraph any Indemnified Person against any loss, claim, damage, expense or liability to the extent it resulted from the gross negligence or wilful misconduct of such Indemnified Person as

finally determined by a court of competent jurisdiction.

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

EXPENSES:

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

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

APPOINTMENT OF COLLATERAL AGENT:

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

APPOINTMENT OF AGENT AND AGENT'S ROLE:

(a) Each DIP Lender appoints the Agent to act as its agent under and in connection with this term sheet and the DIP Credit Documentation.

(b) Each DIP Lender authorises the Agent to exercise the rights, powers, authorities and discretions specifically given to the Agent under or in connection with this term sheet and the DIP Credit Documentation together with any other incidental rights, powers, authorities and discretions.

(c) Any communication or document to be delivered to the Agent will be effective only when received by the Agent.

(d) Nothing in this Agreement constitutes the Agent as a trustee or fiduciary of any other person.

(e) The Agent shall not be bound to account to any DIP Lender for any sum or the profit element of any sum received by it for its own account.

(f) The Agent may accept deposits from, lend money to and generally engage in any kind of banking or other business with any Loan Party.

DUTIES OF THE AGENT:

(a) The Agent's duties under this term sheet and the DIP Credit Documentation are solely mechanical and administrative in nature.

(b) Except with respect to the Assignment and Assumption Agreement, the Agent shall as soon as reasonably practicable forward to a DIP Lender the original or a copy of any document which is delivered to the Agent for that party by any other party.

(c) The Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another party.

(d) The Agent shall have only those duties, obligations and responsibilities expressly specified in this term sheet or the other DIP Credit Documentation to which it is expressed to be a party (and no others shall be implied).

LIMITATIONS ON AGENT'S DUTIES:

Responsibility for documentation

The Agent is not responsible or liable for:

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

(b) the legality, validity, effectiveness, adequacy or enforceability of this term sheet or any DIP Credit Documentation or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any of them; or

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

No duty to monitor

The Agent shall not be bound to enquire:

(d) whether or not any Default has occurred;

(e) as to the performance, default or any breach by any Party of its obligations under this term sheet or any DIP Credit Documentation; or

(f) whether any other event specified in this term sheet or any DIP Credit Documentation has occurred.

RIGHTS AND DISCRETIONS:

(a) The Agent may rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised.

(b) The Agent may:

(i) assume that (A) any instructions received by it from the Majority Lenders, are duly given in accordance with the terms of this term sheet and any DIP Credit Documentation; and (B) unless it has received notice of revocation, that those instructions have not been revoked; and

(ii) rely on a certificate from any person (A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or (B) to the effect that such person approves of any particular dealing, transaction, step, action or thing, in each case as sufficient evidence that that is the case and, in the case of paragraph (a) above, may assume the truth and accuracy of that certificate.

(c) The Agent may act in relation to this term sheet and any other DIP Credit Documentation through its personnel and agents and is not liable for any error of judgment made by any such person or bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part, of any such person.

(d) The Agent may disclose to any other Finance Party any information it reasonably believes it has received as agent under this term sheet and the other DIP Credit Documentation.

(e) Notwithstanding any provision of this term sheet or any DIP Credit Documentation to the contrary, the Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

DIP LENDER INSTRUCTIONS:

(a) Unless a contrary indication appears in the DIP Credit Documentation, the Agent shall: (i) exercise any right, power, authority or discretion vested in it as Agent in accordance with any instructions given to it by the Majority Lenders (or, if so instructed by the Majority Lenders, refrain from exercising any right, power, authority or discretion vested in it as Agent) and (ii) not be liable for any act (or omission) if it acts (or refrains from taking any action) in accordance with an instruction of the Majority Lenders.

(b) Unless a contrary indication appears in this term sheet or any other DIP Credit Documentation, any instructions given by the Majority Lenders will be binding on all the Finance Parties.

(c) The Agent shall be entitled to request instructions, or clarification of any instruction, from the Majority Lenders (or, if this term sheet or the relevant DIP Credit Documentation stipulates the matter is a decision for any other DIP Lender or group of DIP Lenders, from that DIP Lender or group of DIP Lenders) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion and the Agent may refrain from acting unless and until it receives those instructions or that clarification.

(d) The Agent may refrain from acting in accordance with the instructions of the Majority Lenders (or, if appropriate, the DIP Lenders) until it has received such security as it may require for any cost, loss or liability (together with any associated VAT) which it may incur in complying with the instructions.

(e) In the absence of instructions from the Majority Lenders, (and to the extent they are entitled to vote, the DIP Lenders) the Agent may act (or refrain from taking action) as it considers to be in the best interest of the DIP Lenders.

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

The Administration and Mechanics of Voting

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

Deemed Responses

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

decision.

EXCLUSION OF AGENT'S LIABILITY:

(a) Without limiting paragraph (b) below in this Section, the Agent shall not be liable for any action taken by it under, or in connection with, this term sheet or any other DIP Credit Documentation, unless directly caused by its gross negligence or wilful misconduct.

(b) No party (other than the Agent) shall take proceedings against any officer, employee or agent of the Agent in respect of any claim it might have against the Agent or in respect of any act or omission of any kind by that officer, employee or agent in relation to this term sheet or any other DIP Credit Documentation and any officer, employee or agent of the Agent may rely on this provision.

(c) If any monies are transferred to the Agent, the Agent will not be liable for any delay (or related consequences) in crediting an account with any amount required under this term sheet or any other DIP Credit Documentation to be paid by the Agent if the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system which may be used by the Agent for that purpose.

(d) Nothing in this term sheet or the other DIP Credit Documentation, shall oblige the Agent to carry out any "know your customer" or other checks in relation to any person on behalf of any DIP Lender and each DIP Lender confirms to the Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Agent.

DIP LENDERS' INDEMNITY TO THE AGENT:

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

ADDITIONAL AGENCY PROVISIONS:

Delegation or Assignment of Authority

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

Resignation

(a) The Agent may resign at any time and appoint another

party as successor by giving notice to the other Finance Parties and the Borrower.

(b) The retiring Agent shall, make available to the successor Agent such documents and records as the successor Agent may reasonably request for the purposes of performing its functions as Agent under this term sheet, the DIP Credit Documentation and the DIP Security. The Borrower shall, within three (3) Business Days of demand, reimburse the retiring Agent for the amount of all costs and expenses (including legal fees) properly incurred by it in making available such documents and records and providing such assistance.

(c) The Agent's resignation notice shall only take effect upon the appointment of a successor.

(d) Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of performing its functions as Agent under this term sheet, the DIP Credit Documentation and the DIP Security but shall be entitled to the benefit of the Section above entitled "DIP Lenders' Indemnity to the Agent" and this Section entitled "Agent's Resignation" (and any agency fees for the account of the retiring Agent shall cease to accrue from (and shall be payable on) that date). Any successor and each of the other parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original party.

CONDUCT OF BUSINESS BY THE FINANCE PARTIES:

No provision of this term sheet will:

(a) Interfere with the right of any Finance Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;

(b) Oblige any Finance Party to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or

(c) Oblige any Finance Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax.

ADMINISTRATION OF THE DIP FACILITY:

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

CURRENCY:

The DIP Facility shall be repaid by the Borrower or a Loan Party (as applicable and as required under this term sheet) in the currency in which the DIP Facility was obtained by it. Any payment on account of an amount payable under any DIP Credit Documentation in a particular currency (the **proper currency**) made to or for the account of a DIP Lender in a currency (the **other currency**) other than the proper currency, whether pursuant to a judgement or order of any court or tribunal or otherwise, shall

constitute a discharge of such Loan Party's obligation under such DIP Credit Documentation only to the extent of the amount of the proper currency which the applicable DIP Lender is able, in the normal course of its business within one (1) Business Day after receipt by it of such payment, to purchase with the amount of the other currency so received. If the amount of the proper currency which such DIP Lender is so able to purchase is less than the amount of the proper currency originally due to it under such DIP Credit Documentation, the Loan Party, from whom such sum is due, shall indemnify and save such DIP Lender harmless from and against any loss or damage arising as a result of such deficiency.

TAXES:

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

If any Taxes are required by applicable law to be withheld (**Withholding Taxes**) from any interest or other amount payable to the DIP Lenders under any DIP Credit Documentation, the amount so payable to the DIP Lenders shall be increased to the extent necessary to yield to the DIP Lenders on a net basis after payment of all Withholding Taxes, the amount payable under such DIP Credit Documentation at the rate or in the amount specified in such DIP Credit Documentation and the Borrower and any applicable Loan Party shall provide evidence satisfactory to the DIP Lenders that the Taxes have been so withheld and remitted, provided however that Withholding Taxes shall not include any such taxes that arise by virtue of: (i) the Borrower or any applicable Loan Party not dealing at arm's length for purposes of the Tax Act with a DIP Lender; (ii) a payment being deemed to be a dividend for purposes of the Tax Act,(iii) the application of proposed subsection 212(3.2) of the Tax Act or (iv) other customary exclusions.

STATUS OF PERMITTED LIENS:

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

FURTHER ASSURANCES:

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

NOTICES:

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

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

(a) in the case of the Borrower and the Guarantors is set out in Schedule "E" (Initial administrative details of the Parties);

(b) in the case of each DIP Lender, as set out in Schedule "**E**" (Initial administrative details of the Parties) or notified in writing to the Agent on or prior to the date on which it becomes a Party; and

(c) in the case of the Agent, as set out in Schedule "**E**" (Initial administrative details of the Parties),

or any substitute address, fax number, e-mail address or department or officer as the party may notify to the Agent (or the Agent may notify to the other Parties, if a change is made by the Agent) by not less than five Business Days' notice.

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

ENTIRE AGREEMENT; CONFLICT:

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

DIP LENDER APPROVALS:

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

AMENDMENTS, WAIVERS, ETC.:

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

Any term of this term sheet or the other DIP Credit Documentation may be amended or waived only with the consent of the Majority Lenders and any such amendment or waiver will be binding on all

Parties, provided however that no amendment may be made without the prior written consent of the Loan Parties.

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

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

ASSIGNMENT BY DIP LENDERS:

A DIP Lender (the Existing Lender, for the purposes of this section) may, subject to the Right of First Refusal (as defined below), assign its rights and obligations under this term sheet, in whole or in part, to any party (the New Lender for the purposes of this section) acceptable to the DIP Lender A, in its sole and absolute discretion.

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

(b) An assignment may be effected when the Agent executes an otherwise duly completed assignment and assumption agreement attached in Schedule "**F**" (the Assignment and Assumption Agreement) delivered to it by the Existing Lender and the New Lender, whereby the New Lender has agreed to be bound by the terms of the term sheet, the DIP Credit Documentation and the DIP Security as a DIP Lender and has agreed to a specific Commitment with respect to the DIP Facility. The Agent shall as soon as reasonably practicable after receipt by it of a duly completed Assignment and Assumption Agreement execute that Assignment and Assumption Agreement.

(c) Once the transfer is effected, the Commitment of the Existing Lender shall be deemed to be reduced by the amount of the Commitment of the New Lender with respect to the DIP Facility.

(d) The Borrower and the other Finance Parties irrevocably authorise the Agent to execute any Assignment and Assumption Agreement on their behalf, without any consultation with them.

(e) The New Lender shall become a party as a "DIP Lender" and will be bound by its obligations under this term sheet, the DIP Credit Documentation and the DIP Security.

(f) On behalf of itself and the other Loan Parties, the Borrower authorizes the Agent and the DIP Lenders to disclose to any New Lender (each, a "**Transferee**") and any prospective Transferee or any professional advisor of any Transferee or prospective Transferee and authorizes each of the DIP Lenders to

disclose to any other DIP Lender any and all financial information in their possession concerning the Loan Parties which has been delivered to them by or on behalf of any Loan Party pursuant to this term sheet or which has been delivered to them by or on behalf of any Loan Party in connection with their credit evaluation of the Loan Parties prior to becoming a party to this term sheet, so long as any such Transferee or professional advisor agrees not to disclose any confidential, non-public information to any person other than the Transferee's affiliates, employees, accountants or legal counsel, unless required by law and authorizes each of the DIP Lenders to disclose to any other DIP Lender and to any person where disclosure is required by law, regulation, legal process or regulatory authority (for certainty under any circumstance and not solely in connection with assignment of rights).

(g) Each New Lender confirms to the Existing Lender and the other Finance Parties that it:

(i) has made, and shall continue to make, its own independent investigation and assessment of the financial condition and affairs of the Borrower and each Loan Party or any related entities in connection with its participation in this term sheet or the other DIP Credit Documentation and has not relied exclusively on any information provided to it by the Existing Lender in connection with this term sheet or the other DIP Credit Documentation and

(ii) will continue to make its own independent appraisal of the creditworthiness of the Borrower and their related entities whilst any amount is or may be outstanding under this term sheet or the DIP Credit Documentation.

Right of First Refusal

The DIP Lender A shall have a right of first refusal to participate in any transfer of the rights and obligations of any DIP Lender. The DIP Lender A shall have 10 days upon receipt of notice from the Existing Lender of the proposed transfer to confirm whether or not they wish to participate (such right being the Right of First Refusal).

Rights of the DIP Lender A

To the extent that Coliseum Capital Management, LLC or its affiliates comprise the Agent and DIP Lender A, the DIP Lender A may require any DIP Lender to assign any or all of its rights and obligations (in whole or in part) under the term sheet, DIP Credit Documentation and the DIP Security at par plus accrued interest by giving three (3) Business Days of notice to such other DIP Lender, following which time such DIP Lender shall execute an Assignment and Assumption Agreement to give effect to such assignment of rights and obligations. If the DIP Lender fails to sign the Assignment and Assumption Agreement within three (3)

Business Days after receipt of the above notice, it hereby authorises the Agent to do so on its behalf.

ASSIGNMENT BY THE LOAN PARTIES: Neither this term sheet nor any right and obligation under it may be assigned by any Loan Party.

TIME OF ESSENCE: Time is of the essence in this term sheet and the time for performance of the obligations of each Loan Party may be strictly enforced by the Finance Parties.

SEVERABILITY: Any provision in any DIP Credit Documentation which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this term sheet or any other DIP Credit Documentation affecting the validity or enforceability of such provision in any other jurisdiction.

COUNTERPARTS AND FACSIMILE SIGNATURES: This term sheet may be executed in any number of counterparts and by facsimile or other electronic transmission, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this term sheet by signing any counterpart of it.

GOVERNING LAW AND JURISDICTION: This term sheet shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable in it. Each Loan Party irrevocably submits to the non-exclusive courts of the Province of Ontario, waives any objections on the ground of venue or forum *non conveniens* or any similar grounds, and consents to service of process by mail or in any other manner permitted by relevant law.

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

Administration Charge is a court-ordered administration charge to secure payment of the professional fees and disbursements of counsel to the Loan Parties, counsel to the special committee of the board of the Loan Parties, financial advisors to the Loan Parties, counsel to the DIP Lenders and the Agent, the Monitor and its legal counsel, in a maximum amount of CDN$1,500,000;

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

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

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

Collateral means all present and after-acquired property, assets and undertakings of the Loan Parties, including, without limitation,

accounts, rights of repayments or reimbursement, claims for cash, accounts receivable of the Loan Parties and proceeds thereof, and all cash whether in any Loan Party's bank accounts or elsewhere;

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

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

DIP Credit Documentation means this term sheet, the Additional Security Documents and any other definitive documentation in respect of the DIP Facility that are in form and substance satisfactory to the DIP Lenders;

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

D&O Charge means a Court-ordered directors' charge in favour of the existing directors and officers of the Loan Parties, up to a maximum amount of CDN$ 2,500,000, CDN$1,250,000 of which shall rank ahead of the DIP Priority Charge and CDN$1,250,000 shall rank behind any liens granted in connection with the Priority Lien Credit Agreement;

Initial Order means an initial order granted by the Court in respect of the Borrowers and the Guarantors in form and substance satisfactory to the DIP Lenders acting reasonably, as the same may be amended by the Court with the consent of the DIP Lenders acting reasonably;

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

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

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

Monitor means FTI Consulting Canada Inc.;

Non-Operating Disbursements shall mean total cash flow less operating cash flow pursuant to the CCAA Cash Flow;

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

Original Peak Funding Requirement means the maximum

projected draw under the DIP Facility as reflected in the CCAA Cash Flow.

Priority Lien Credit Agreement means the priority lien credit agreement between dated as of November 29, 2013 DIP Lender A and the other lenders;

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

related party has the meaning ascribed to it in the *Securities Act* and any regulations, rules and policies made under it;

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

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

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

TPL Protections means each of the following, which are for the sole purpose of preserving the claims of the third party lenders as they existed immediately prior to the effective time of the Initial Order and which are without prejudice to the rights or remedies of any party, including the Finance Parties: (i) a Court-ordered charge in favour of the third party lenders in an amount equal to the Loan Parties' cash as of the effective time of the Initial Order which court-ordered charge shall rank *pari-passu* with the DIP Priority Charge; and (ii) such accounting or other actions provided for in the Initial Order to track the receipt by the Loan Parties of accounts receivable in connection with loans brokered for the Loan Parties' third party lenders, and for greater certainty, the protections in (i) and (ii) above is not intending to grant third party lenders any new, additional or greater right than they would have had without the protections in (i) and (ii); and

Updated Peak Funding Requirement means any revised maximum projected draw under the DIP Facility as reflected in the updated Cash Flow Projections.

[Remainder of page intentionally left blank.]

IN WITNESS HEREOF, the parties hereby execute this term sheet as at the date above.

THE CASH STORE FINANCIAL SERVICES INC. AS BORROWER

Per: _____

Name:

Title:

I have authority to bind the corporation

7252331 CANADA INC. AS GUARANTOR

Per: _____

Name:

Title:

I have authority to bind the corporation.

5515433 MANITOBA INC. AS GUARANTOR

Per: _____

Name:

Title:

I have authority to bind the corporation

INSTALOANS INC. AS GUARANTOR

Per: _____

Name:

Title:

I have authority to bind the corporation.

THE CASH STORE INC. AS GUARANTOR

Per: _____

Name:

Title:

I have authority to bind the corporation

TCS CASH STORE INC. AS GUARANTOR

Per: _____

Name:

Title:

I have authority to bind the corporation.

1693926 ALBERTA LTD. AS GUARANTOR

Per: _____

Name:

Title:

I have authority to bind the corporation

THE CASH STORE FINANCIAL LIMITED AS GUARANTOR

Per: _____

Name:

Title:

I have authority to bind the corporation

CSF INSURANCE SERVICES LIMITED AS GUARANTOR

Per: _____

Name:

Title:

I have authority to bind the corporation

THE CASH STORE LIMITED AS GUARANTOR

Per: _____

Name:

Title:

I have authority to bind the corporation

COLISEUM CAPITAL MANAGEMENT, LLC
AS AGENT

Per: _____

Name:
Title:
Authorised signatory.

COLISEUM CAPITAL PARTNERS, LP, AS DIP LENDER A

by: Coliseum Capital, LLC, General Partner

Per: _____

Name:
Title: Manager
Authorised signatory.

COLISEUM CAPITAL PARTNERS II, LP
AS DIP LENDER A

by: Coliseum Capital, LLC, General Partner

Per: _____

Name:
Title: Manager
Authorised signatory.

BLACKWELL PARTNERS, LLC
AS DIP LENDER A

by: Coliseum Capital, MANAGEMENT, LLC, Attorney-in-fact

Per: _____

Name:
Title:
Authorised signatory.

SCHEDULE "A"

CCAA CASH FLOW

The Cash Store Financial Services, Inc.
Weekly Cash Forecast
(CAD 000's)

Week of Cash Flow	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	26
Week Ended	4/11/2014	4/18/2014	4/25/2014	5/2/2014	5/9/2014	5/16/2014	5/23/2014	5/30/2014	6/6/2014	6/13/2014	6/20/2014	6/27/2014	7/4/2014	7/11/2014	7/18/2014	7/25/2014	8/1/2014	8/8/2014	8/15/2014	8/22/2014	8/29/2014	9/5/2014	9/12/2014	9/19/2014	9/26/2014	10/3/2014	Total
Cash Receipts	$ 7,537	$ 10,821	$ 8,153	$ 7,853	$ 7,080	$ 9,440	$ 14,160	$ 16,520	$ 6,175	$ 8,234	$ 12,350	$ 14,409	$ 6,660	$ 4,440	$ 8,880	$ 11,099	$ 13,319	$ 6,855	$ 9,973	$ 13,709	$ 15,160	$ 7,858	$ 11,430	$ 15,716	$ 17,383	$ 7,628	$ 272,840
OPERATING DISBURSEMENTS:																											
Loan Disbursements	6,732	10,726	5,363	7,569	5,222	10,444	10,444	8,703	5,045	10,089	10,089	8,408	3,474	6,949	6,948	6,949	10,423	6,452	12,905	12,905	10,754	6,899	8,929	14,610	10,146	4,403	221,581
Operating Expenses	2,969	1,385	4,117	2,475	3,372	905	3,297	2,464	2,924	702	3,040	1,626	2,535	504	2,333	302	3,771	673	3,282	673	4,688	626	2,229	783	5,374	538	57,587
TOTAL OPERATING DISBURSEMENTS	9,700	12,111	9,479	10,044	8,594	11,350	13,741	11,167	7,968	10,792	13,130	10,034	6,009	7,453	9,282	7,251	14,194	7,125	16,186	13,577	15,442	7,526	11,158	15,393	15,520	4,941	279,168
OPERATING CASH FLOW	$ (2,163)	$ (1,290)	$ (1,327)	$ (2,191)	$ (1,514)	$ (1,910)	$ 419	$ 5,353	$ (1,793)	$ (2,558)	$ (779)	$ 4,375	$ 650	$ (3,013)	$ (403)	$ 3,848	$ (875)	$ (270)	$ (6,213)	$ 132	$ (282)	$ 332	$ 272	$ 322	$ 1,863	$ 2,687	$ (6,328)
NON-OPERATING DISBURSEMENTS:																											
Post Petition Non Operating Expenses	506	1,063	253	438	301	301	241	467	239	239	191	398	191	191	191	143	343	206	206	206	526	491	491	491	1,084	-	9,399
Credit Facility Interest	-	-	-	250	-	-	-	125	-	-	-	125	-	-	-	-	125	-	-	-	125	-	-	-	125	-	875
DIP Interest and Related Fees	-	868	-	-	30	-	-	70	30	-	-	70	30	-	-	-	71	30	-	-	71	30	-	-	71	-	1,372
Capex	-	-	-	-	-	-	-	-	6	6	6	6	5	5	5	5	5	6	6	6	6	6	6	6	6	5	105
TOTAL NON-OPERATING DISBURSEMENTS	506	1,930	253	688	331	301	241	662	275	245	197	600	226	196	196	148	544	243	212	212	728	528	497	497	1,287	5	11,751
BoP Cash	$ 3,988	$ 1,318	$ 3,134	$ 3,739	$ 3,139	$ 3,293	$ 3,083	$ 3,261	$ 7,952	$ 5,883	$ 3,081	$ 3,104	$ 6,879	$ 7,303	$ 4,094	$ 3,495	$ 7,196	$ 5,777	$ 5,264	$ 3,339	$ 4,758	$ 3,748	$ 3,552	$ 3,327	$ 3,152	$ 3,728	$ 3,988
Total Cash Flow	(2,669)	(3,220)	(1,580)	(2,880)	(1,846)	(2,211)	178	4,691	(2,068)	(2,803)	(977)	3,775	424	(3,209)	(599)	3,700	(1,419)	(513)	(6,425)	(80)	(1,011)	(196)	(225)	(175)	576	2,682	(18,078)
EoP Cash Before New Borrowing	$ 1,318	$ (1,901)	$ 1,554	$ 859	$ 1,293	$ 1,083	$ 3,261	$ 7,952	$ 5,883	$ 3,081	$ 2,104	$ 6,879	$ 7,303	$ 4,094	$ 3,495	$ 7,196	$ 5,777	$ 5,264	$ (1,161)	$ 3,258	$ 3,748	$ 3,552	$ 3,327	$ 3,152	$ 3,728	$ 6,410	$ (14,090)
BoP DIP Loan	$ -	$ -	$ 5,035	$ 7,220	$ 9,500	$ 11,500	$ 13,500	$ 13,500	$ 13,500	$ 13,500	$ 13,500	$ 14,500	$ 14,500	$ 14,500	$ 14,500	$ 14,500	$ 14,500	$ 14,500	$ 14,500	$ 19,000	$ 20,500	$ 20,500	$ 20,500	$ 20,500	$ 20,500	$ 20,500	$ -
DIP Proceeds	-	5,035	2,185	2,280	2,000	2,000	-	-	-	-	1,000	-	-	-	-	-	-	-	4,500	1,500	-	-	-	-	-	-	20,500
EoP DIP Loan	$ -	$ 5,035	$ 7,220	$ 9,500	$ 11,500	$ 13,500	$ 13,500	$ 13,500	$ 13,500	$ 13,500	$ 14,500	$ 14,500	$ 14,500	$ 14,500	$ 14,500	$ 14,500	$ 14,500	$ 14,500	$ 19,000	$ 20,500	$ 20,500	$ 20,500	$ 20,500	$ 20,500	$ 20,500	$ 20,500	$ 20,500
EoP Cash After New Borrowing	$ 1,318	$ 3,134	$ 3,739	$ 3,139	$ 3,293	$ 3,083	$ 3,261	$ 7,952	$ 5,883	$ 3,081	$ 3,104	$ 6,879	$ 7,303	$ 4,094	$ 3,495	$ 7,196	$ 5,777	$ 5,264	$ 3,339	$ 4,758	$ 3,748	$ 3,552	$ 3,327	$ 3,152	$ 3,728	$ 6,410	$ 6,410

SCHEDULE "B"

FORM OF DRAWDOWN CERTIFICATE

TO: Coliseum Capital Management, LLC as Agent for the DIP Lenders

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

as countersigned by the Monitor

DATE: ●, 2014

1 This certificate is delivered to you, as Agent for the DIP Lenders, in connection with a request for DIP Advances pursuant to the term sheet made as of [*insert date*] between, inter alia, the Borrower and the DIP Lenders, as amended, supplemented, restated or replaced from time to time (the **Term Sheet**). All defined terms used, but not otherwise defined, in this certificate shall have the respective meanings set forth in the Term Sheet, unless the context requires otherwise.

2 The Borrower hereby requests a DIP Advance from the DIP Lenders as follows:

(d) Date of DIP Advance: _____

(e) Proposed amount of DIP Advance CDN ($): _____ to be shared *pro rata* among of the DIP Lenders.

3 All of the representations and warranties of the Loan Parties as set forth in the Term Sheet are true and accurate in all material respects as at the date hereof, as though made on and as of the date hereof.

4 All of the covenants of the Loan Parties contained in the Term Sheet together with all of the conditions precedent to the DIP Advances hereby requested and contained in the Term Sheet, and all other terms and conditions contained in the Term Sheet to be complied with by the Loan Parties, not properly waived in writing by or on behalf of the DIP Lenders, have been fully complied with.

5 In addition to the foregoing, the Loan Parties are in compliance with the DIP Credit Documentation, including, without limitation, the Court Orders.

6 The DIP Advance, hereby requested is: (a) within the relevant Cash Flow Projections, or not in excess of: (i) the greater of $1.5 million or 20% of DIP Advances requested during the first four weeks following the issuance of the Initial Order, measured on a cumulative basis from April 11, 2014 to the date of each such DIP Advance; and (ii) thereafter, the greater of $2 million or 15% of DIP Advance, measured on a cumulative basis from April 11, 2014 to the date of such DIP Advance (in each case, as reflected in the Cash Flow Projections and without giving effect, in such calculation, to any fees which may be payable to the CRO, if any); or (b) in an amount which is no greater than the Minimum Draw, and that the Borrower is in compliance with this term sheet and the other DIP Credit Documentation.

7 The DIP Advance hereby requested is: (i) is based on the funding requirements of the Borrower and the Loan Parties at the time of the draw and in an amount sufficient to ensure that the cash

balance of the Borrower and the Loan Parties shall not fall below CDN$3 million based on, and in accordance with, the Cash Flow Projections

8 The DIP Advance hereby requested is in compliance with the Term Sheet and the other DIP Credit Documentation.

9 No Default or Event of Default has occurred and is continuing nor will any such event occur as a result of the DIP Advances hereby requested.

*delete as appropriate

THE CASH STORE FINANCIAL SERVICES INC.

Per: _____

Name:

Title:

I have authority to bind the corporation.

FTI CONSULTING INC., SOLELY IN ITS CAPACITY AS MONITOR AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

Per: _____

Name:

Title:

I have authority to bind the corporation.

CASH FLOW PROJECTION FOR [*insert applicable period*]

[*TO BE ATTACHED*]

SCHEDULE "C"
PERMITTED LIENS

Debtors	**Secured Creditors**	**Jurisdiction of Registration**	**Registration Number and Date**	**Limitations on the scope of the secured interest**
- The Cash Store Inc. - The Cash Store Financial Services Inc.	Assistive Financial Corp.	Alberta	13090526496 (September 5, 2013)	Borrower to provide evidence satisfactory to the DIP Lenders that this registration will be subordinated to the DIP Priority Charge, or satisfactory estoppel letter with respect to its scope or a discharge.
The Cash Store Limited	Barclays Bank plc	England, UK	Created September 15, 2011)	Borrower to use best efforts to provide DIP Lenders with satisfactory estoppel letter with respect to its scope.
The Cash Store Limited	Kerwal Limited	England, UK	Created September 30, 2011)	Borrower to use best efforts to provide DIP Lenders with satisfactory estoppel letter with respect to its scope.
The Cash Store Limited	Portcullis Investments Limited	England, UK	Created December 12, 2011)	Borrower to use best efforts to provide DIP Lenders with satisfactory estoppel letter with respect to its scope.

SCHEDULE "D"
INACTIVE AFFILIATES

1677547 Alberta Ltd

The Cash Store Financing Corporation

SCHEDULE "E"
ADMINISTRATIVE DETAILS OF THE PARTIES

The Borrower and each Guarantor

15511 – 123rd Avenue
Edmonton, Alberta, T5V 0C3
Fax No: +1 780 408 5110
Email: gord@csfinancial.ca
Attention: The Chief Executive Officer

With copy to:
Osler, Hoskin & Harcourt LLP.
Box 50, 1 First Canadian Place
Toronto, ON M5X 1B8, Canada
Fax No.: +1 416.862.6666
Email: mwasserman@osler.com
Attention: Marc Wasserman

The DIP Lenders

Coliseum Capital Partners, LP, Coliseum Capital Partners II, LP and Blackwell Partners, LLC
Metro Center
One Station Place, 7th Floor South
Stamford, CT, USA, 06902
Fax No: +1 203 286 1111
Email: cshackelton@ccap-llc.com
Attention: Chris Shackelton

The Agent

Coliseum Capital Management, LLC
Metro Center
One Station Place, 7th Floor South
Stamford, CT, USA, 06902
Fax No: +1 203 286 1111
Email: cshackelton@ccap-llc.com
Attention: Chris Shackelton

With copy to:
Norton Rose Fulbright Canada LLP.
Royal Bank Plaza, South Tower, Suite 3800
200 Bay Street, P.O. Box 84, Toronto, ON M5J 2Z4, Canada
Fax No.: +1 416.216.3930
Email: walied.soliman@nortonrosefulbright.com
and virginie.gauthier@nortonrosefulbright.com
Attention: Walied Soliman and Virginie Gauthier

SCHEDULE "F"
ASSIGNMENT AND ASSUMPTION AGREEMENT

To: The Agent (on its own behalf and on behalf of the Finance Parties); the Collateral Agent; the Borrower; and the Guarantors (as such terms are defined in the Term Sheet defined below)

From: [*the Existing Lender*] (the **Existing Lender**) and [*the New Lender*] (the **New Lender**)

Dated:

RE: **The Cash Store Financial Services Inc. DIP Term Sheet dated April [ ], 2014 (the Term Sheet**)

1 We refer to the Term Sheet. This assignment and assumption agreement (the **Agreement**) shall take effect as an Assignment and Assumption Agreement for the purpose of the Term Sheet. Capitalised terms contained herein and not otherwise defined shall have the meaning ascribed to such terms under the Term Sheet.

2 We refer to the section entitled "Assignment by the Lenders" of the Term Sheet.

(a) The Existing Lender and the New Lender agree to the Existing Lender transferring to the New Lender all or part of the Existing Lender's Commitments, rights and obligations as specified in the Appendix hereto in accordance with the section of the Term Sheet entitled "Assignment by the Lenders".

(b) The Existing Lender is released from all the obligations of the Existing Lender under the Term Sheet, the other DIP Credit Documentation and in respect of the DIP Security which correspond to that portion of the Existing Lender's Commitment(s) under the Term Sheet specified in the Appendix hereto.

(c) The New Lender becomes a party to the Term Sheet as a DIP Lender and is bound by obligations equivalent to those from which the Existing Lender is released under paragraph (b) above.

3 The proposed date on which the assignment of rights by the Existing Lender and the assumption of obligations by the New Lender shall take effect is [*insert date*] (the **Transfer Date**).

4 On the Transfer Date, the New Lender shall become a party to the Term Sheet, the other DIP Credit Documentation and the DIP Security as a DIP Lender.

5 The address, fax number, email address and attention details for notices to be provided to the New Lender for the purposes of the section of the Term Sheet entitled "Notices" are set out in the Appendix hereto.

6 This Agreement acts as notice to the Agent (on behalf of each Finance Party) and, upon delivery in accordance with the section of the Term Sheet entitled "Assignment", to the Collateral Agent, Borrower and Guarantors of the assignment of rights and assumption of obligations referred to in this Agreement.

7 The New Lender represents and warrants that: (i) it is a sophisticated investor with expertise and experience in financial and business matters and in evaluating companies and providing financing; (ii) it has conducted and relied upon its own due diligence investigation in connection with the Borrower and the Guarantors and its own in-depth analysis of the merits and risk of provided the financing contemplated in the Term Sheet and has not relied upon any: (A) information provided by the Agent or the Agent's financial advisors, or (B) investigation of the Borrower or the Guarantors made by the Agent

or its advisors; and (iii) the New Lender agrees that neither the Agent nor the Agent's financial advisors shall have liability to the New Lender in connection with the transaction contemplated in the Term Sheet.

8 This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

9 This Agreement and any non-contractual obligations arising out of or in connection with it are governed by the laws of the Province of Ontario and the federal laws applicable therein.

10 This Agreement has been entered into on the date stated at the beginning of this Agreement.

APPENDIX

Commitment/rights and obligations to be transferred by assignment, release and accession

[*Insert relevant details*]

[*Insert address, fax number and email address and attention details for notices and account details for payments*]

[**Existing Lender**] [**New Lender**]

By: By:

This Agreement is accepted as an Assignment and Assumption Agreement for the purposes of the Term Sheet by the Agent and the Transfer Date (as defined in this Agreement) is confirmed as [*insert date*].

Signature of this Agreement by the Agent constitutes confirmation by the Agent of receipt of notice of the assignment of rights and assumption of obligations referred to in this Agreement, which notice the Agent receives on behalf of each other Finance Party.

[**Coliseum Capital Management, LLC as Agent**]

By:

SCHEDULE "G"
THIRD PARTY LENDERS

1 Omni Ventures Ltd.

2 McCann Family Holding Corporation

3 L-Gen Management Inc.

4 1396309 Alberta Ltd.

5 Trimor Annuity Focus Limited Partnership #5

LIST OF THIRD PARTY LENDING AGREEMENTS

1 Broker Agreement between Omni Ventures Ltd. and The Cash Store Inc., dated January 31, 2012

2 Broker Agreement between McCann Family Holding Corporation and The Cash Store Inc., dated June 19, 2012

3 Broker Agreement between L-Gen Management Inc. and The Cash Store Inc., dated January 31, 2012

4 Broker Agreement between 1396309 Alberta Ltd. and The Cash Store Inc., dated January 31, 2012

5 Broker Agreement between Trimor Annuity Focus Limited Partnership #5 and The Cash Store Inc., dated June 5, 2012, as amended April 17, 2013

THIS IS EXHIBIT "JJ" TO THE AFFIDAVIT OF STEVEN CARLSTROM SWORN BEFORE ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

Court File No. _____

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

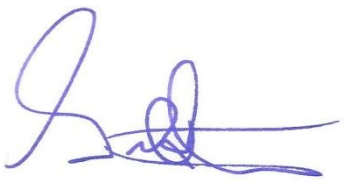
IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

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

CONSENT

We, FTI Consulting Canada Inc., hereby consent to act as Monitor in respect of The Cash Store Financial Services Inc., The Cash Store Inc., TCS Cash Store Inc., Instaloans Inc., 7252331 Canada Inc., 5515433 Manitoba Inc., 1693926 Alberta Ltd. Doing Business As "The Title Store" in its proceedings pursuant to the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended.

Dated at Toronto, Ontario, Canada this 13th day of April, 2014.



Name: Greg Watson
Title: Senior Managing Director

THIS IS EXHIBIT "KK" TO THE AFFIDAVIT

OF STEVEN CARLSTROM SWORN BEFORE

ME ON THIS 14th DAY OF APRIL, 2014.

A commissioner for taking Affidavits

The Cash Store Financial Services, Inc.
Thirteen Week Cash Forecast
(CAD 000's)

Week Ended	4/18/2014	4/25/2014	5/2/2014	5/9/2014	5/16/2014	5/23/2014	5/30/2014	6/6/2014	6/13/2014	6/20/2014	6/27/2014	7/4/2014	7/11/2014	Total
Cash Receipts	$ 10,821	$ 8,153	$ 7,853	$ 7,080	$ 9,440	$ 14,160	$ 16,520	$ 6,175	$ 8,234	$ 12,350	$ 14,409	$ 6,660	$ 4,440	$ 126,294
Operating Disbursements:														
Loan Disbursements	10,726	5,363	7,569	5,222	10,444	10,444	8,703	5,045	10,089	10,089	8,408	3,474	6,949	102,526
Operating Expenses	1,385	4,117	2,475	3,372	905	3,297	2,464	2,924	702	3,040	1,626	2,535	504	29,346
Total Operating Disbursements	12,111	9,479	10,044	8,594	11,350	13,741	11,167	7,968	10,792	13,130	10,034	6,009	7,453	131,872
Operating Cash Flow	$ (1,290)	$ (1,327)	$ (2,191)	$ (1,514)	$ (1,910)	$ 419	$ 5,353	$ (1,793)	$ (2,558)	$ (779)	$ 4,375	$ 650	$ (3,013)	$ (5,578)
Non-Operating Disbursements:														
Post Petition Non Operating Expenses	1,063	253	438	301	301	241	467	239	239	191	398	191	191	4,513
Credit Facility Interest	-	-	250	-	-	-	125	-	-	-	125	-	-	500
DIP Interest and Related Fees	868	-	-	30	-	-	70	30	-	-	70	30	-	1,098
Capex	-	-	-	-	-	-	-	6	6	6	6	5	5	35
Total Non-Operating Disbursements	1,930	253	688	331	301	241	662	275	245	197	600	226	196	6,147
BoP Cash	$ 1,318	$ 3,134	$ 3,739	$ 3,139	$ 3,293	$ 3,083	$ 3,261	$ 7,952	$ 5,883	$ 3,081	$ 3,104	$ 6,879	$ 7,303	$ 1,318
Total Cash Flow	(3,220)	(1,580)	(2,880)	(1,846)	(2,211)	178	4,691	(2,068)	(2,803)	(977)	3,775	424	(3,209)	(11,724)
EoP Cash Before New Borrowing	$ (1,901)	$ 1,554	$ 859	$ 1,293	$ 1,083	$ 3,261	$ 7,952	$ 5,883	$ 3,081	$ 2,104	$ 6,879	$ 7,303	$ 4,094	$ (10,406)
BoP DIP Loan	$ -	$ 5,035	$ 7,220	$ 9,500	$ 11,500	$ 13,500	$ 13,500	$ 13,500	$ 13,500	$ 13,500	$ 14,500	$ 14,500	$ 14,500	$ -
DIP Proceeds	5,035	2,185	2,280	2,000	2,000	-	-	-	-	1,000	-	-	-	14,500
EoP DIP Loan	$ 5,035	$ 7,220	$ 9,500	$ 11,500	$ 13,500	$ 13,500	$ 13,500	$ 13,500	$ 13,500	$ 14,500	$ 14,500	$ 14,500	$ 14,500	$ 14,500
EoP Cash After New Borrowing	$ 3,134	$ 3,739	$ 3,139	$ 3,293	$ 3,083	$ 3,261	$ 7,952	$ 5,883	$ 3,081	$ 3,104	$ 6,879	$ 7,303	$ 4,094	$ 4,094

Notes:
[1] The purpose of this cash flow forecast is to determine the liquidity requirements of the Applicants during the forecast period.
[2] Receipts from operations are forecast based on existing Consumer Loan Receivables and Accounts Receivable, forecast lending volumes and other revenues, and customer payment terms.
[3] Forecast disbursements from operations are forecast based on existing Accounts Payable, forecast loan volumes and operating expenses, and payment terms.
[4] Post-petition non operating expenses include professional fees associated with the Applicants restructuring and payments made to Third Party Lenders.
Forecast professoinal fee disbursements are based on advisor level estimates of fees that may be incurred during the forecast period.
Third Party Lender payments include interest associated with the funds advanced by the Third Party Lenders.
[5] Credit Facility Interest includes interest associated with the $12 million in secured loans provided by the Senior Lenders.
[6] DIP Interest and Related Fees includes interest and transaction fees associated with the DIP financing.
[7] DIP Proceeds include anticipated draws from the DIP facility.

The Cash Store Financial Services, Inc.
Thirteen Week Cash Forecast
(CAD 000's)

Week Ended	4/18/2014	4/25/2014	5/2/2014	5/9/2014	5/16/2014	5/23/2014	5/30/2014	6/6/2014	6/13/2014	6/20/2014	6/27/2014	7/4/2014	7/11/2014	Total
RECEIPTS:														
Loan Repayments - Direct Portfolio	$ 8,717	$ 6,457	$ 6,134	$ 5,581	$ 7,441	$ 11,162	$ 13,023	$ 4,870	$ 6,493	$ 9,740	$ 11,363	$ 5,205	$ 3,470	$ 99,656
Loan Repayments - Broker Portfolio	1,434	1,062	1,062	970	1,294	1,941	2,264	814	1,086	1,629	1,900	944	630	17,030
Loan Fees - Broker Portfolio	401	297	253	221	295	443	517	212	283	424	495	213	142	4,196
Other Income Receipts	269	336	404	307	409	614	716	279	372	558	651	297	198	5,412
Non-Operating Receipts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL RECEIPTS	10,821	8,153	7,853	7,080	9,440	14,160	16,520	6,175	8,234	12,350	14,409	6,660	4,440	126,294
OPERATING DISBURSEMENTS:														
Loan Disbursements - Direct Portfolio	8,885	4,442	6,219	4,306	8,612	8,612	7,177	4,166	8,333	8,333	6,944	2,888	5,775	84,692
Loan Disbursements - Broker Portfolio	1,841	920	1,350	916	1,832	1,832	1,527	878	1,757	1,757	1,464	587	1,173	17,833
Payroll and Benefits	-	3,571	-	2,105	-	2,572	-	2,105	-	2,572	-	2,031	-	14,956
Operating Expenses	585	546	429	1,268	905	724	724	819	702	468	351	504	504	8,530
Rent	-	-	1,525	-	-	-	1,275	-	-	-	1,275	-	-	4,076
Transfer to UK	-	-	520	-	-	-	464	-	-	-	-	-	-	984
Utility Deposits	700	-	-	-	-	-	-	-	-	-	-	-	-	700
Critical Vendors	100	-	-	-	-	-	-	-	-	-	-	-	-	100
TOTAL OPERATING DISBURSEMENTS	12,111	9,479	10,044	8,594	11,350	13,741	11,167	7,968	10,792	13,130	10,034	6,009	7,453	131,872
OPERATING CASH FLOW	$ (1,290)	$ (1,327)	$ (2,191)	$ (1,514)	$ (1,910)	$ 419	$ 5,353	$ (1,793)	$ (2,558)	$ (779)	$ 4,375	$ 650	$ (3,013)	$ (5,578)
NON-OPERATING DISBURSEMENTS:														
Professional Fees - Restructuring	1,063	253	329	301	301	241	362	239	239	191	287	191	191	4,187
Branch Closure Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee Related Restructuring Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit Facility Interest	-	-	250	-	-	-	125	-	-	-	125	-	-	500
DIP Interest and Related Fees	868	-	-	30	-	-	70	30	-	-	70	30	-	1,098
Third Party Lender Payment	-	-	110	-	-	-	106	-	-	-	112	-	-	327
Capex	-	-	-	-	-	-	-	6	6	6	6	5	5	35
TOTAL NON-OPERATING DISBURSEMENTS	1,930	253	688	331	301	241	662	275	245	197	600	226	196	6,147
BoP Cash	$ 1,318	$ 3,134	$ 3,739	$ 3,139	$ 3,293	$ 3,083	$ 3,261	$ 7,952	$ 5,883	$ 3,081	$ 3,104	$ 6,879	$ 7,303	$ 1,318
Total Cash Flow	(3,220)	(1,580)	(2,880)	(1,846)	(2,211)	178	4,691	(2,068)	(2,803)	(977)	3,775	424	(3,209)	(11,724)
EoP Cash Before New Borrowing	$ (1,901)	$ 1,554	$ 859	$ 1,293	$ 1,083	$ 3,261	$ 7,952	$ 5,883	$ 3,081	$ 2,104	$ 6,879	$ 7,303	$ 4,094	$ (10,406)
BoP DIP Loan	$ -	$ 5,035	$ 7,220	$ 9,500	$ 11,500	$ 13,500	$ 13,500	$ 13,500	$ 13,500	$ 13,500	$ 14,500	$ 14,500	$ 14,500	$ -
DIP Proceeds	5,035	2,185	2,280	2,000	2,000	-	-	-	-	1,000	-	-	-	14,500
EoP DIP Loan	$ 5,035	$ 7,220	$ 9,500	$ 11,500	$ 13,500	$ 13,500	$ 13,500	$ 13,500	$ 13,500	$ 14,500	$ 14,500	$ 14,500	$ 14,500	$ 14,500
EoP Cash After New Borrowing	$ 3,134	$ 3,739	$ 3,139	$ 3,293	$ 3,083	$ 3,261	$ 7,952	$ 5,883	$ 3,081	$ 3,104	$ 6,879	$ 7,303	$ 4,094	$ 4,094

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

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

Court File No:

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

APPLICATION RECORD

OSLER, HOSKIN & HARCOURT LLP
P.O. Box 50, 1 First Canadian Place
Toronto, ON M5X 1B8

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

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

Counsel to the Special Committee of the Board of Directors of The Cash Store Financial Services Inc.