

AMENDING AGREEMENT

AMENDING AGREEMENT dated as of March 17, 2015 among **CHESWOOD GROUP LIMITED**, as Borrower, the financial institutions and other lenders set forth on the signature pages, as Lenders, and **ROYAL BANK OF CANADA**, as Administrative Agent and Collateral Agent.

RECITALS:

- (a) Royal Bank of Canada, as administrative agent (in such capacity, together with its successors and permitted assigns in such capacity, the "**Administrative Agent**") and as collateral agent (in such capacity, together with its successors and permitted assigns in such capacity, the "**Collateral Agent**") and the financial institutions and other lenders party thereto from time to time (collectively, the "**Lenders**") have agreed to make certain credit facilities available to Chesswood Group Limited (the "**Borrower**") upon the terms and conditions contained in a credit agreement among the Borrower, the Administrative Agent, the Collateral Agent and the Lenders dated as of December 8, 2014 (the "**Credit Agreement**");
- (b) The Borrower intends on acquiring all of the issued and outstanding shares in the capital of Blue Chip Leasing Corporation and EcoHome Financial Inc. (the "**Acquisition**"); and
- (c) In connection with the Acquisition, the Borrower has requested certain amendments to the Credit Agreement, and the Administrative Agent and the Lenders have agreed to such amendments on the terms and conditions set forth in this Amending Agreement.

In consideration of the foregoing and the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), the parties agree as follows:

Section 1 Defined Terms.

Capitalized terms used in this Amending Agreement and not otherwise defined have the meanings specified in the Credit Agreement.

Section 2 Headings.

Section headings in this Amending Agreement are included for convenience of reference only and shall not constitute a part of this Amending Agreement for any other purpose.

Section 3 Consent to Acquisition; Waiver.

Pursuant to Section 12.1(1) of the Credit Agreement, the Lenders hereby waive compliance with Section 8.2(i) and Section 8.2(l) of the Credit Agreement and any other applicable provision of the Credit Agreement, insofar as they would prohibit the Acquisition. The parties hereto acknowledge and agree that the Borrower shall have 30 days from the date of this Amending Agreement to comply with its obligations under Section 8.1(o) of the Credit Agreement in regards to its acquisition of the Target. Until such time as Section 8.1(o) has been complied with and notwithstanding Section 4(b) of this Amending Agreement, the parties hereto further acknowledge and agree that the Borrowing Base will not include any Financing Instrument Receivables of the Target until such time as such Financing Instrument Receivables constitute Eligible Financing Instrument Receivables under the Credit Agreement.

Section 4 Amendments to Article 1 of the Credit Agreement.

Section 1.1 of the Credit Agreement is hereby amended as follows:

- (a) The following definitions are added in the proper alphabetical order:

“Acquisition” means the acquisition by the Borrower of all of the issued and outstanding shares in the capital of Blue Chip and EcoHome on March 17, 2015.

“BC Loan Agreement” means an agreement related to a BC Loan, and includes an agreement (or the relevant portion thereof) related to a BC Loan maintained, in whole or in part, in electronic format (whether from the outset or converted from a non-electronic format).

“BC Loans” means financing loans between Blue Chip, as lender and/or secured party, and a Person other than Blue Chip, as borrower and/or debtor, entered into in the normal course of Blue Chip’s business, pursuant to which (a) an advance or loan is made by Blue Chip to such Person, and (b) such Person grants to Blue Chip a lien or security interest in its property and assets to secure such Person’s obligations to Blue Chip.

“Blue Chip” means Blue Chip Leasing Corporation and its successors and assigns.

“EcoHome” means EcoHome Financial Inc. and its successors and assigns.

“Eco Loan Agreement” means an agreement related to an Eco Loan, and includes an agreement (or the relevant portion thereof) related to an Eco Loan maintained, in whole or in part, in electronic format (whether from the outset or converted from a non-electronic format).

“Eco Loans” means financing loans and/or rental agreements between EcoHome, as lender and/or secured party and/or lessor, and a Person other than EcoHome, as borrower and/or debtor and/or lessee, entered into in the normal course of EcoHome’s business, pursuant to which (a) an advance or loan is made by EcoHome to such Person, or equipment is leased by EcoHome to such Person and (b) such Person grants to EcoHome a lien or security interest in its property and assets to secure such Person’s obligations to EcoHome.

“Equity Issuance” means the issuance of shares by the Borrower prior to or concurrently with, and for purposes of completing, the Acquisition.

“Target” means, collectively, Blue Chip and EcoHome.

- (b) The definition of “Borrowing Base” is amended by adding the following to the end of the first sentence: “plus (iii) 80% of the face value of Eligible Financing Instrument Receivables of the Target.”
- (c) The definition of “Business” is amended by adding the following to the end of the definition:
- (v) through its interest in Blue Chip, providing commercial equipment and improvements leasing and lending, and (vi) through its interest in EcoHome, providing consumers with lease, loan and rental financing.”
- (d) The definition of “Consolidated Adjusted EBITDA” is amended by (i) deleting the word “and” at the end of clause (a)(v) and (ii) adding the following increases to clause (a) as new clauses (a)(vii) and (a)(viii):

- (vii) the amount of contingent consideration accretion or reversal associated with the Acquisition; and
 - (viii) the amount of acquisition costs in connection with the Acquisition (including any related severance, transition costs and banking/financing fees), not to exceed \$3,000,000.
- (e) The definition of "Consolidated EBIT" is amended by (i) deleting the word "and" at the end of clause (ii) and (ii) adding the following increases to clause (a) as new clauses (a)(iv) and (a)(v):
 - (iv) goodwill impairment associated with the Acquisition; and
 - (v) the amount of acquisition costs in connection with the Acquisition (including any related severance, transition costs and banking/financing fees), not to exceed \$3,000,000.
- (f) The definition of "Consolidated Indebtedness" is amended by adding the following sentence to the end of the definition:

"Consolidated Indebtedness" shall exclude an amount equal to 50% of the amount of contingent consideration required to be recorded on the Borrower's financial statements as a payable to the sellers of the Target.
- (g) The definition of "Eligible Financing Instrument Receivables" is amended by:
 - (A) inserting the following at the end of clause (ix):

or, in the case of any Equipment Lease of Related Equipment with a prime Account Debtor of Blue Chip, an Equipment Cost of less than \$50,000, and no financing statements shall be required in the case of any Equipment Lease Receivables related to EcoHome;
 - (B) inserting the following at the end of clause (xi):

or, in the case of Financing Instrument Receivables owing by prime Account Debtors of Blue Chip, an original term in excess of 84 months, and in the case of Financing Instrument Receivables owing by prime Account Debtors of EcoHome, an original term in excess of 122 months";
 - (C) inserting the following at the end of clause (xii): "or, in the case of Financing Instrument Receivables owing by prime Account Debtors of Blue Chip, in excess of \$1,000,000 or Cdn.\$1,000,000, as applicable, over the term of such Financing Instrument (but only to the extent of such excess)"; and
 - (D) inserting the following at the end of clause (xiv):

other than Financing Instrument Receivables of EcoHome related to a Financing Instrument that is for household and/or consumer purposes of the Account Debtor thereon (in whole or in part).

- (h) The definition of "Financing Instrument" is deleted and the following inserted in substitution:

"Financing Instrument" means an EFA, an Equipment Lease, a CSA, a WC Loan Agreement, a BC Loan Agreement or an Eco Loan Agreement.

- (i) The definition of "LIBOR Rate" is amended by inserting the following immediately prior to the period at the end of the definition: "provided that, if the rate determined above shall ever be less than zero, such rate shall be deemed to be zero for purposes of this Agreement".

- (j) The definition of "Originators" is deleted and the following inserted in substitution:

"Originators" means, collectively, Northstar, Pawnee, Windset, Blue Chip and EcoHome, each of which is an "Originator".

- (k) The definition of "Permitted Asset Financing Transaction" is deleted and the following inserted in substitution:

"Permitted Asset Financing Transaction" means a securitization transaction, bulk lease financing transaction or a purchase and sale transaction with a financing purpose (and other similar financing transactions) pursuant to which specified Financing Instrument Receivables are assigned or pledged by a Subsidiary to a third party in exchange for fair market value consideration provided that the obligations of such Subsidiary to such third party under such transaction are limited in recourse to such specified Financing Instrument Receivables, any related security provided by the related Account Debtor and the proceeds thereof and any cash reserve accounts funded out of amounts that would otherwise have been paid or advanced to such Subsidiary on account of such Financing Instrument Receivables. For greater certainty, "Permitted Asset Financing Transaction" shall include, without limitation, the transactions contemplated by the terms of (i) a bulk lease facility agreement dated as of July 31, 2012, between Northstar, The Equitable Life Insurance Company of Canada, Stonebridge Financial Corporation and the other lenders party thereto from time to time, as amended, and recourse to the assets of Northstar described therein, (ii) an amended and restated master leasing agreement dated as of September 30, 2014 (as amended from time to time) between MOVE Trust, as lessee and Blue Chip, as lessor, and recourse to the assets of Blue Chip described therein (iii) a master purchase and servicing agreement dated as of September 30, 2011 (as amended from time to time) between Blue Chip, as seller, Pacific & Western Bank of Canada, as purchaser and Stonebridge Financial Corporation, as administrative agent, and recourse to the assets of Blue Chip described therein; (iv) a master purchase and servicing agreement dated as of August 28, 2013 (as amended from time to time) between Blue Chip, as seller, and Sun Life Assurance Company of Canada, as purchaser, and recourse to the assets of Blue Chip described therein; (v) a master purchase and servicing agreement dated as of September 21, 2011 (as amended from time to time) between EcoHome, as seller and Pacific & Western Bank of Canada, as purchaser, and recourse to the assets of EcoHome described therein; (vi) a term sheet dated as of November 10, 2014 (as amended from time to time) between Blue Chip and Sun Life

Assurance Company of Canada for originations of EcoHome, and recourse to the assets of Blue Chip and EcoHome described therein; (vii) a master purchase and servicing agreement dated as of May 11, 2012 (as amended from time to time) between Enable Capital Corporation (a predecessor to Blue Chip), as seller and Pacific & Western Bank of Canada, as purchaser; and (viii) a master concurrent lease and purchase agreement dated as of March 23, 2005 (as amended from time to time) between Enable Capital Corporation (a predecessor to Blue Chip), as lessor and seller and Securcor Trust, as lessee and purchaser.

- (l) The definition of "Subsidiaries" is amended by adding the following at the end of clause (i): "and Blue Chip and EcoHome".

Section 5 Amendments to Article 2 of the Credit Agreement.

Article 2 of the Credit Agreement is amended by:

- (a) adding the following sentence to the end of Section 2.3:

In addition, the Borrower shall be entitled to use proceeds of Accommodations under the Credit Facility in an amount not to exceed \$20,000,000 for purposes of completing the Acquisition.

- (b) adding the following sentence to the end of Section 2.5(4):

In addition, the Borrower shall not be required to prepay Accommodations Outstanding with the Net Proceeds from the Equity Issuance (or, notwithstanding Section 2.5(5), Net Proceeds from any other capital markets issuances) provided that such Net Proceeds are utilized to complete the Acquisition.

Section 6 Amendments to Article 3 of the Credit Agreement.

Article 3 of the Credit Agreement is amended by inserting the following sentence at the end of Section 3.2(2):

In addition, the Swingline Facility shall also be available to the Borrower by way of overdraft on the Borrower's Accounts. Any amounts obtained by way of overdraft shall be deemed to be a Canadian Prime Rate Advance or a U.S. Prime Rate Advance, as applicable, for purposes of this Agreement.

Section 7 Amendments to Article 5 of the Credit Agreement.

Section 5.1 of the Credit Agreement is amended by deleting the last sentence and inserting the following in substitution: "The aggregate Face Amount of Documentary Credits outstanding at any time shall not exceed \$12,000,000."

Section 8 Amendments to Article 8 of the Credit Agreement.

Article 8 of the Credit Agreement is amended as follows:

- (a) Section 8.2(h) is amended by adding the following to the end of Section 8.2(h)(iv):

For purposes of calculating Free Cash Flow, where such calculation would include any Financial Quarters completed during the twelve month period prior to the Acquisition, the historical *pro forma* net income of the Target

(being the net income of the Target (including Enable Financial Inc., which amalgamated with Blue Chip as at October 1, 2014)) for the twelve month period prior to the Acquisition) shall be included in such calculation.

- (b) Section 8.3 is amended by adding the following to the end of Section 8.3(a):

Notwithstanding the foregoing, at any time during the two Financial Quarters immediately following the completion of the Acquisition, the Borrower shall be required to maintain, at all times, a Leverage Ratio of not more than 6.0:1.

Section 9 Amendments to Article 11 of the Credit Agreement.

Article 11 of the Credit Agreement is amended as follows:

- (a) Section 11.14(3) is deleted and the following inserted in substitution:

The Secured Creditors hereby irrevocably authorize the Administrative Agent and/or the Collateral Agent to enter into (i) the Inter-Lender Agreement on behalf of the Secured Creditors and (ii) any other inter-lender agreement substantially similar to the Inter-Lender Agreement in connection with a Permitted Asset Financing Transaction.

- (b) The following is added immediately following Section 11.14(3):

(4) Concurrently with the assignment or pledge of any Financing Instrument Receivables pursuant to a Permitted Asset Financing Transaction, the Security on such Financing Instrument Receivables (and any related security provided by the related Account Debtor and the proceeds thereof and any related cash reserve accounts) shall be automatically released and the Secured Creditors hereby consent to such release and to any steps the Collateral Agent may take or request to give effect to any such release. The Collateral Agent will, at the request and expense of the Borrower, execute and deliver to the relevant Credit Party such financing change statements, releases, discharges, documents or other instruments as the Credit Party may reasonably require to effect the release and discharge of the Security over such Collateral, provided that the proceeds of any such Permitted Asset Financing Transaction shall continue to constitute part of the Collateral.

Section 10 Representations, Warranties and Covenants.

To induce the Administrative Agent, the Collateral Agent and the Lenders to enter into this Amending Agreement, the Borrower represents, warrants and covenants to the Administrative Agent, the Collateral Agent and the Lenders as follows, which representations, warranties and covenants shall survive the execution and delivery hereof:

- (a) All necessary action has been taken to authorize the execution, delivery and performance of this Amending Agreement. This Amending Agreement has been duly executed and delivered by the Borrower and constitutes legal, valid and binding obligations of the Borrower enforceable against it in accordance with its terms;

- (b) The execution and delivery by the Borrower and the performance by it of its obligations under this Amending Agreement will not conflict with or result in a breach of any of the terms or conditions of its constating documents or by-laws, any Applicable Law binding on or applicable to it, or any contractual restriction binding on or affecting it or its Assets;
- (c) Each of the representations and warranties contained in Article 7 of the Credit Agreement and in any other Credit Document are true and correct in all material respects on the date hereof as if they were made on such date except for any representation and warranty which is stated to be made only as of a certain date (and then as of such date);
- (d) No Default or Event of Default exists under the Credit Agreement; and
- (e) The Credit Agreement, as amended pursuant hereto, and each of the other Credit Documents to which the Borrower is a party remains in full force and effect, unamended, and is enforceable against the Borrower in accordance with its terms, and the security interests, assignments, mortgages, charges, hypothecations and pledges granted by the Borrower in favour of the Collateral Agent continue to secure all debts, liabilities and obligations at any time or from time to time due or accruing due and owing by the Borrower to the Administrative Agent, the Collateral Agent and the Lenders, pursuant to the Credit Agreement, as amended by this Amending Agreement.

Section 11 Reference to and Effect on the Credit Agreement.

- (1) Upon this Amending Agreement becoming effective, each reference in the Credit Agreement to “this Agreement” and each reference to the Credit Agreement in the other Credit Documents and any and all other agreements, documents and instruments delivered by any of the Lenders, the Administrative Agent, the other Secured Creditors, the Borrower or any other Person shall mean and be a reference to the Credit Agreement as amended by this Amending Agreement. Except as specifically amended by this Amending Agreement, the Credit Agreement shall remain in full force and effect.
- (2) Except to the extent expressly set forth herein, (a) the execution, delivery and effectiveness of this Amending Agreement and any consents and waivers set forth herein shall not directly or indirectly (i) constitute a consent or waiver of any past, present or future violations of any provisions of the Credit Agreement or any other Credit Document; (ii) amend, modify or operate as a waiver of any provision of the Credit Agreement or any other Credit Document or any right, power or remedy of the Administrative Agent or any Lender or other Secured Creditor thereunder; or (iii) constitute a course of dealing or other basis for altering any obligations or any other contract or instrument; and (b) the Administrative Agent, the Collateral Agent, the Lenders and the other Secured Creditors reserve all of their respective rights, powers and remedies under the Credit Agreement, the other Credit Documents and Applicable Law.

Section 12 Costs and Expenses.

The Borrower agrees to reimburse the Administrative Agent and the Lenders for all reasonable fees, costs and expenses, including the reasonable fees, costs and expenses of counsel, in connection with this Amending Agreement and the other agreements and documents executed in connection herewith.

Section 13 Effectiveness.

This Amending Agreement shall become effective upon the following conditions precedent being satisfied:

- (a) duly executed signature pages for this Amending Agreement signed by the Borrower, the Administrative Agent and the Lenders shall have been delivered to the Administrative Agent;
- (b) the Collateral Agent shall have received fully executed copies of guarantor acknowledgments acknowledging the amendments made pursuant to this Amending Agreement signed by each of the Credit Parties;
- (c) the representations and warranties contained herein shall be true and correct;
- (d) the Administrative Agent shall have received (i) an officer's certificate and certified copies of resolutions duly authorizing this Amending Agreement, and (ii) an opinion from counsel to the Borrower in form and substance satisfactory to the Administrative Agent;
- (e) the Borrower shall have paid to the Administrative Agent in full all fees and expenses then due and payable to the Administrative Agent and/or the Secured Creditors under the Credit Documents or relating thereto; and
- (f) the Acquisition shall be completed in accordance with the terms of the share purchase agreement made February 25, 2015 among the Borrower, CB Leaseco Holdings Inc., Daniel Wittlin and Edmund Dias and any material amendments or waivers to the terms thereof shall have been consented to by the Lenders.

Section 14 Governing Law.

This Amending Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

Section 15 Time is of the Essence.

Time is of the essence in this Amending Agreement.

Section 16 Counterparts.

This Amending Agreement may be executed in any number of counterparts, each of which is deemed to be an original, and such counterparts together constitute one and the same instrument. Transmission of an executed signature page by facsimile, e-mail or other electronic means is as effective as a manually executed counterpart of this Agreement.

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IN WITNESS WHEREOF the parties have executed this Amending Agreement.

CHESSWOOD GROUP LIMITED, as
Borrower

By: “Barry Shafran”
Authorized Signing Officer

ROYAL BANK OF CANADA, as Lender

By: "Nicole Fang"
Authorized Signing Officer

By: _____
Authorized Signing Officer

ROYAL BANK OF CANADA, as
Administrative Agent

By: "Yvonne Brazier"
Authorized Signing Officer

By: _____
Authorized Signing Officer

ROYAL BANK OF CANADA, as Collateral
Agent

By: "Yvonne Brazier"
Authorized Signing Officer

By: _____
Authorized Signing Officer

BANK OF MONTREAL, as Lender

By: “Robert Bomben”
Authorized Signing Officer

By: _____
Authorized Signing Officer

NATIONAL BANK OF CANADA, as Lender

By: “David Sellitto”
Authorized Signing Officer

By: “David Torrey”
Authorized Signing Officer

**THE TORONTO-DOMINION BANK, as
Lender**

By: “Victoria Roberts”
Authorized Signing Officer

By: “Ryan Davis”
Authorized Signing Officer

**LAURENTIAN BANK OF CANADA, as
Lender**

By: "Guylaine Couture"
Authorized Signing Officer

By: "Sophie Boucher"
Authorized Signing Officer