



This is the 2nd affidavit
of Douglas Mordy in this case
and was made on January 28th, 2025

No. S-240514
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57

AND

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
FELIX PAYMENT SYSTEMS LTD.

PETITIONER

AFFIDAVIT

I, **DOUGLAS MORDY**, business person, of 650-1188 West Georgia Street Vancouver, BC V6E 4A2 SWEAR THAT:

INTRODUCTION

1. I am the Trustee of CA Mordy Legacy Trust ("**Mordy Trust**"). I am authorized to make this affidavit on behalf of the Stalking Horse Bidders and the First Lien Lenders (defined below). Where necessary, I have reviewed the books and records maintained by the Stalking Horse Bidders and the First Lien Lenders in the ordinary course of business. As such, I have personal knowledge of the matters described in this affidavit, except where I say that my knowledge is based on the information of others, in which case I believe the same to be true.
2. I swear this Affidavit further to my Affidavit sworn December 19, 2024 (the "**First Mordy Affidavit**"). Capitalized terms not otherwise defined in this Affidavit have the meaning set forth in the First Mordy Affidavit.

3. This Affidavit is sworn in support of an Application by the First Lien Lenders for:
 - (a) a declaration that the First Lien Lenders' security interest in the personal property of Felix Payment Systems Ltd. (the "**Debtor**") is:
 - (i) valid, enforceable and ranks in priority to any other security interest registered under the *Personal Property Security Act*, RSBC 1996, c 359 at the British Columbia Personal Property Registry (the "**PPR**") other than the RBC Registration (as defined below); and
 - (ii) secures repayment of the First Lien Loan Indebtedness (as defined below), inclusive of interest and costs.

BACKGROUND

4. The background to these proceedings is described in detail in the Affidavit #1 of Andrew Cole sworn November 21, 2024 (the "**First Cole Affidavit**") and the Affidavit #2 of Andrew Cole sworn December 3, 2024.
5. On November 25, 2024, the Debtor obtained an Order (the "**Initial Order**") of the British Columbia Supreme Court (the "**Court**") granting, among other things, certain protections to the Debtor from its creditors pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA Proceedings**").
6. As approved by the Initial Order, Jake Boxer ("**Boxer**"), Mordy Trust, and PEL Chartered Professional Accountants Inc. ("**PEL**") (in such capacity, collectively, the "**DIP Lender**") agreed to act as DIP Lender and provide interim financing to the Debtor during the CCAA Proceedings (the "**DIP Loan**").
7. Pursuant to the Initial Order, the DIP Lenders were granted a charge against the assets of the Debtor in the amount of the DIP Loan.

STALKING HORSE BID

8. On December 9, 2024, the Court granted an order that, among other things: (i) approved a sale and investment solicitation process (the "**SISP**"); and (ii) approved and accepted solely

for the purposes of conducting the SISP, a Stalking Horse Subscription Agreement dated December 3, 2024 (the “**Stalking Horse Bid**”) between the Debtor, as vendor, and myself, Boxer, Mordy Trust and PEL, as stalking horse bidders (collectively, the “**Stalking Horse Bidders**”).

9. The purchase price (the “**Purchase Price**”) pursuant to the Stalking Horse Bid is set out in Section 3.1 of the Stalking Horse Bid and summarized in paragraph 8 of the First Mordy Affidavit. The Purchase Price consists of, among other things, all amounts outstanding and obligations payable under or in connection with the First Lien Loan Documents and secured by the First Lien Charge (as defined in the Stalking Horse Bid).

FIRST LIEN LENDERS’ INDEBTEDNESS

10. The “**First Lien Lenders**” are: Boxer, PEL, and the Mordy Trust.
11. As set out in the First Cole Affidavit, the Debtor is indebted to the First Lien Lenders pursuant to the “**First Lien Loan Documents**” which are detailed in paragraphs 34-40 thereof and are attached thereto as Exhibits as follows:
 - (a) with respect to myself and the Mordy Trust, Exhibits “N” through “U” (the “**Mordy First Lien Documents**”) comprising:
 - (i) seven (7) promissory notes dated between August 6, 2021 and March 14, 2024; and
 - (ii) an Amended and Restated Demand Loan Agreement between Mordy Trust, as lender, and the Debtor, as Borrower, dated March 27, 2024 (the “**Mordy Loan Agreement**”);
 - (b) with respect to Boxer, Exhibits “E” through “L” (the “**Boxer First Lien Documents**”) comprising:
 - (i) seven (7) promissory notes dated between June 25, 2021 and March 14, 2024; and

- (ii) an Amended and Restated Demand Loan Agreement between Boxer, as lender, and the Debtor, as borrower, dated March 27, 2024 (the “**Boxer Loan Agreement**”);
 - (c) with respect to PEL, Exhibits “Y” through “CC” (the “**PEL First Lien Documents**”) comprising:
 - (i) four (4) promissory notes dated between October 7, 2022 and March 14, 2024; and
 - (ii) an Amended and Restated Demand Loan Agreement between PEL, as lender, and the Debtor, as borrower, dated March 27, 2024 (the “**PEL Loan Agreement**”, and, collectively with the Mordy Loan Agreement and the Boxer Loan Agreement, the “**Loan Agreements**”).
12. True copies of the Loan Agreements are attached as **Exhibit “A”** and true copies of the First Lien Loan Documents with up to date grid schedules correcting the versions exhibited to the First Cole Affidavit are attached as Exhibit “A” of the First Mordy Affidavit.
 13. Attached as **Exhibit “B”** is a true copy of a letter forbearance agreement dated February 9, 2024 between the Debtor and the First Lien Lenders.
 14. Attached as **Exhibit “C”** is a true copy of the Resolutions of the Board of Directors of the Debtor dated March 14, 2024 which, among other things, authorizes the Debtor to borrow from the First Lien Lenders under the Loan Agreements and authorizes and directs the Debtor to grant security in favour of the First Lien Lenders.
 15. A detailed breakdown of the indebtedness owing by the Debtor to the First Lien Lenders is more particularly described in paragraphs 14-16 of the First Mordy Affidavit (the “**First**

Lien Loan Indebtedness”). As of December 17, 2024 the First Lien Loan Indebtedness is summarized as follows:

First Lien Lender	Principal	Interest	Total
CA Mordy Legacy Trust	\$639,000.00	\$212,315.60	\$851,315.60
Brookridge Chartered Professional Accounts Inc. (now PEL Chartered Professional Accountants Inc.)	\$313,989.00	\$76,664.63	\$390,653.63
Jake Boxer	\$2,337,000.00	\$490,107.98	\$2,827,107.98
TOTAL	\$3,289,989.00	\$779,088.21	\$4,069,077.21

16. Interest, costs, and fees in connection with the First Lien Loan Indebtedness continue to accrue.

SECURITY

17. As security for the First Lien Loan Indebtedness the Debtor entered into general security agreements with each of the First Lien Lenders dated February 10, 2024 (the “**GSAs**”), whereby the Debtor granted a security interest in favour of the First Lien Lenders in all of the Debtor’s present and after-acquired personal property. True copies of the GSAs are attached as **Exhibit “D”**.

18. Section 3.01 of the GSAs provides:

Secured Obligations. The Collateral secures the payment and performance of all present and future obligations of the Grantor to the Secured Party from time to time, including without limitation, all present and future obligations of the Grantor, arising under the Loan Agreement, this Agreement and the other Loan Documents, whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, whether the indebtedness is reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether incurred by the Grantor alone or with another or others and whether as a principal or surety, and, without limiting the foregoing, the payment and discharge of: (i) the principal of and premium, if any, and interest on the Loan Agreement, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise; and (ii) all other present and future obligations and liabilities including fees, costs, legal fees and disbursements, reimbursement obligations, contract causes of action, expenses and indemnities (all such obligations, covenants, duties, debts, liabilities, sums, fees and expenses being herein collectively called the “Secured Obligations”).

19. On February 12, 2024 the First Lien Lenders registered and perfected the security interests granted to them with respect to the Debtor at the PPR bearing Base Registration Numbers 160139Q and 186604Q. A true copy of the PPR search (the “**PPR Search**”) for the Debtor dated January 9, 2025 is attached as **Exhibit “E”**.
20. A summary of the PPR Search is as follows:

Registration #	Registration Date	Secured Creditor(s)	Collateral
355037N	November 8, 2021	Royal Bank of Canada	Deposit Accounts
160139Q	January 29, 2024	Boxer Capital Corporation	All of the Debtor’s present and after acquired personal property
186604Q	February 12, 2024	Jake Boxer, The CA Mordy Legacy Trust and Brookridge Chartered Professional Accountants Inc. (now PEL Chartered Professional Accountants Inc.)	All of the Debtor’s present and after acquired personal property
277672Q	March 27, 2024	Douglas Alan Mordy, Candice Rose Mordy, Ralph Kurt McFee, Section 3 Ventures (VCC) Inc. and Kapril Nanalal	All of the Debtor’s present and after acquired personal property
559003Q	August 8, 2024	SR Hall Management LLC, BBSG Hall Investments, LLC, Ripcord Capital LLC, Dapit NA, LLC and Steve Hall	All of the Debtor’s present and after acquired personal property

21. I understand from paragraph 44 of the First Cole Affidavit that the security registration registered by Royal Bank of Canada (the “**RBC Registration**”) relates to a guaranteed investment certificate with Royal Bank of Canada, which has been pledged to secure the obligations of the Debtor to Royal Bank of Canada under its credit card.
22. Osler, Hoskin & Harcourt LLP, counsel to the First Lien Lenders has reviewed the First Lien Loan Documents and GSAs and confirmed that, subject to the standard qualifications and assumptions, opined that the First Lien Lenders have a valid and enforceable security interest of the Debtor’s present and after-acquired personal property.

ADVANCES

23. The First Lien Lenders have, throughout their relationships with the Debtor, made advances to the Debtor (the “**Advances**”) pursuant to the First Lien Loan Documents. The particulars of the Advances are summarized in paragraphs 14-16 of the First Mordy Affidavit and were advanced to the Debtor by cheque and/or electronic funds transfer (collectively, the “**Cheques**”). True copies of the Cheques, with account number and personally identifying information redacted, are attached as follows:
- (a) **Exhibit “F”** – Cheques for Advances made under the Mordy First Lien Documents;
 - (b) **Exhibit “G”** – Cheques for Advances made under the Boxer First Lien Documents;
and
 - (c) **Exhibit “H”** – Cheques for advances made under the PEL First Lien Documents.
24. In limited circumstances certain of the Advances were paid by third parties for and on behalf of the respective First Lien Lender pursuant to written directions to pay (the “**Directions to Pay**”). True copies of the Directions to Pay are attached as **Exhibit “I”**.

SWORN (OR AFFIRMED) BEFORE ME at)
Vancouver, British Columbia, January 28th,)
2025.)
)
)
)
)
)
A Commissioner for taking affidavits for)
British Columbia)

LUCAS HODGSON
BARRISTER & SOLICITOR
Osler, Hoskin & Harcourt LLP
Suite 3000, Bentall Four
1055 Dunsmuir Street
Vancouver, BC V7X 1K8
TELEPHONE: 236.466.2843



Douglas Mordy

This is **Exhibit "A"** referred to in the Affidavit of Doug Mordy
sworn before me this 28th day of January, 2025.

A handwritten signature in black ink, consisting of a stylized 'V' or 'N' shape followed by a horizontal line and a large 'A' shape.

A Commissioner for taking affidavits in and
for the province of British Columbia

DEMAND LOAN AGREEMENT

THIS AGREEMENT (this “**Agreement**”) dated for reference February 10, 2024,

AMONG:

FELIX PAYMENT SYSTEMS LTD., a company incorporated under the laws of British Columbia and having its registered and records office address at 250 Howe Street, 20th Floor, Vancouver (BC), V6C 3R8

(the “**Borrower**”)

AND:

JAKE BOXER, an individual having an address of 1000 - 3707 West 7th Avenue, Vancouver, British Columbia, V6R 1W7

(the “**Lender**”)

WHEREAS:

A. The Lender has agreed to lend to the Borrower the principal amount set forth below (the “**Loans**” or the “**Principal**”):

Lender	Loan Amount
Jake Boxer	\$60,000

B. As security for the Loans, the Borrower has agreed to provide the Lender with a security agreement dated as of the date hereof and attached hereto as Schedule A (the “**Security Agreement**”) whereby the Borrower grants to the Lender a security interest in all of the Borrower’s present and after acquired personal property, including without limitation, the SRED Refunds (as defined below); and

C. The parties wish to record the terms and conditions of their agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that pursuant to the premises and in consideration of the mutual covenants hereinafter contained and the agreement of the Lender to advance funds to the Borrower, the receipt and sufficiency of which are hereby acknowledged by each party, the parties hereto covenant and agree as follows:

1. LOAN

1.1 **Loan.** The Lender agrees to lend to the Borrower the Principal as set forth in Recital A.

1.2 **Advance.** Subject to the other provisions of this Agreement, the Lender or its counsel shall advance the Principal to the Borrower, on the date hereof (the “**Closing Date**”).

1.3 **Interest.** The outstanding balance of the Principal shall accrue interest from the Closing Date and up to the date of full repayment of the Principal at a simple annual rate of fifteen percent (15%), calculated monthly and payable ON DEMAND (the “**Interest**” and together with the Principal, the “**Indebtedness**”).

1.4 **Secured Promissory Note.** The Loans shall be evidenced by a secured promissory note (the “**Promissory Note**”) issued by the Borrower in favour of the Lender. Repayment under the Promissory Note shall be made in accordance with Section 1.5.

1.5 **Repayment.** Subject to other terms and conditions of this Agreement:

(a) the Indebtedness, in whole or in part, may be repaid by the Borrower without penalty or bonus at any time after delivery of a notice of repayment to the Lender at least seven (7) days prior to the date of repayment; and

(b) if the Indebtedness has not been fully repaid pursuant to Section 1.5(a), the outstanding Indebtedness shall be repaid ON DEMAND made by the Lender

Upon the repayment of the Principal and any accrued and unpaid interest up to the date of repayment, the Lender will sign and deliver to the Borrower a release and authorization, in form as prepared by or at the expense of the Borrower, to evidence such repayment and the discharge of the Security (as defined below) and to authorize the filing of any discharge in the Personal Property Registry of British Columbia (the “**PPR**”) and any other applicable registry.

1.6 **Manner of Payments.** All payments to be made by the Borrower to the Lender under this Agreement shall be made to the Lender by wire transfer, cheque, direct deposit or bank draft in immediately available funds to such accounts of the Lender as the Lender may direct from time to time.

1.7 **Criminal Code Compliance.** In this Section 1.7, the terms “interest”, “criminal rate” and “credit advanced” have the meanings ascribed to them in s. 347 of the *Criminal Code* (Canada) as amended from time to time. The Borrower and the Lender agree that, notwithstanding any agreement to the contrary, no interest on the credit advanced by the Lender under this Agreement will be payable in excess of that permitted under the laws of Canada. If the effective rate of interest, calculated in accordance with generally accepted actuarial practices and principles, would exceed the criminal rate on the credit advanced, then:

(a) the elements of return which fall within the term “interest” shall be reduced to the extent necessary to eliminate such excess;

(b) any remaining excess that has been paid will be credited towards prepayment of the Principal; and

(c) any overpayment that may remain after such crediting will be returned forthwith to the Borrower upon demand,

and, in the event of dispute, a Fellow of the Canadian Institute of Actuaries appointed by the Lender shall perform the relevant calculations and determine the reductions, modifications and credits necessary to effect the foregoing and the same will be conclusive and binding on the parties.

2. SECURITY

2.1 The Indebtedness and all other amounts payable in connection therewith shall be secured by a security interest in all of the Borrower's present and after acquired personal property, including without limitation, any federal and provincial cash refund investment tax credits received by the Borrower or its agents (the "**SRED Refunds**") arising as a result of the T661 Scientific Research and Experimental Development (SR&ED) expenditures claims claimed for the Borrower's 2023 fiscal year and all subsequent years (the "**SRED Claims**") in accordance with the terms set out in the Security Agreement (collectively, the "**Security**").

2.2 The parties hereby authorize and instruct the Lender's solicitors, Edwards, Kenny & Bray LLP, to file a financing statement on or prior to the Closing Date to register the Security in the PPR.

3. REPRESENTATIONS AND WARRANTIES

3.1 The Borrower hereby makes the following representations and warranties to the Lender as of the Closing Date:

- (a) the Borrower is duly organized and it is in good standing under the laws of British Columbia;
- (b) the place of business of the Borrower, or, if there is more than one place of business, chief executive office (for the purpose of section 7(1) of the *Personal Property Security Act* (British Columbia)) is in the Province of British Columbia;
- (c) the Borrower is a Canadian Controlled Private Corporation as defined under the *Income Tax Act* (Canada) (the "**Act**");
- (d) the Borrower has carried on its business in a manner that is consistent with the provisions under the Act and other applicable legislation and the regulations thereto, including, without limitations, such provisions that could bear upon or materially affect the eligibility of the SRED Claims;
- (e) save for any amounts due to Canada Revenue Agency ("**CRA**") which are to be paid from the proceeds of the Loan, the Borrower has deducted, paid, and/or remitted all taxes, premiums, contributions, levies, fees and other amounts which that party is required to deduct at source, pay and/or remit by or on behalf of itself or otherwise under any legislation including the Act, *Excise Tax Act* (Canada), *Canada Pension Plan*, *Employment Insurance Act* (Canada), all applicable provincial legislation or any regulations to the foregoing or under any other legislation, rule or order, to any taxing authority having jurisdiction, and there are no liens for taxes payable by the Borrower; and

(f) the borrowing and the granting of security contemplated herein, and the execution, delivery and performance by the Borrower of this Agreement, the Security Agreement and all other documents to be delivered pursuant hereto have been duly authorized by all necessary corporate proceedings of the Borrower, and will not cause a breach of or constitute a default under the constating documents of the Borrower or any agreement or instrument to which the Borrower is a party.

4. COVENANTS

4.1 The Borrower covenants and agrees with the Lender that, so long as the Indebtedness or any part thereof shall be outstanding, the Borrower will do the following:

(a) forthwith upon becoming aware of an Event of Default (as defined in Section 5.1), or becoming aware of any event which would, with notice, lapse of time or both, constitute an Event of Default, give to the Lender notice of such Event of Default or event;

(b) maintain adequate records and books of account reflecting all financial transactions in conformity with generally accepted accounting principles and, when requested, upon reasonable notice and during normal business hours, forthwith make available for inspection by duly authorized representatives of the Lender any of its books and records and furnish the Lender with any information regarding its business affairs and financial condition;

(c) maintain any and all tax obligations of the Borrower with CRA and any other applicable tax authority current and in good standing;

(d) make such filings as are required by or under, and deduct, pay, and/or remit all taxes, premiums, contributions, levies, fees and other amounts which the Borrower is required to deduct at source, pay and/or remit by or on behalf of the Borrower by or under, the legislation and regulations set out in Section 3.1(e) above or under any other legislation, regulations, rule or order, to any applicable authority having jurisdiction;

(e) respond promptly and fully to any request received from the CRA and any other applicable tax authority;

(f) immediately notify, or cause the notification of, the Lender of the receipt of the SRED Refunds described in Section 1.5 above and the amount thereof;

(g) continue to disclose to the Lender all material information or facts that could materially adversely affect the eligibility of the SRED Claims;

(h) carry on its business in a manner that is consistent with the provisions under the Act and other applicable legislation and the regulations thereto, including, without limitations, such provisions that could bear upon or materially affect the eligibility of the SRED Claims;

(i) prepare and file, or cause the preparation and filing of, the SRED Claims in a professional and diligent manner and in full compliance with the requirements and provisions of the Act and other applicable legislation and the regulations thereto; and

(j) do all acts and execute all instruments that are necessary to facilitate the filing, processing, receipt and disbursement of the SRED Refunds, including without limitation, the endorsement of any cheque or other payment instrument issued to the Borrower in respect of the SRED Refunds.

5. EVENTS OF DEFAULT

5.1 **Events of Default.** Each of the following events shall constitute an “**Event of Default**” under this Agreement unless (i) within five (5) days after notice from the Lender the default specified in such notice has been cured, or (ii) the Lender agree to waive such default:

- (a) the Borrower fails to repay the Indebtedness, or any part thereof, to the Lender when due in the manner provided herein;
- (b) any of the representations and warranties made in Section 3 above are incorrect when made, or the Borrower has failed to disclose any material information or facts that may materially adversely affect the eligibility of the SRED Claims;
- (c) the Borrower defaults in the performance of any other term, covenant, condition, agreement, undertaking or provision of this Agreement;
- (d) an order is made or a resolution is passed for the liquidation or winding-up of any of the Borrower;
- (e) the Security or the security interest created therein becomes invalid, unenforceable or unperfected; or
- (f) the Borrower admits in writing its inability to pay its debts as they become due or otherwise acknowledges its insolvency, commits an act of bankruptcy, makes an assignment or bulk sale of its assets, is adjudged or declared bankrupt or makes an assignment for the benefit of creditors or a proposal or similar action under the *Bankruptcy and Insolvency Act* (Canada), the *Companies Creditors' Arrangement Act* (Canada) or any similar legislation, or commences any other proceedings relating to it under any reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction whether now or thereafter in effect, or consents to any such proceedings.

5.2 **Remedies For Events of Default.** Upon the occurrence of an Event of Default, the Lender may do any or all of the following:

- (a) declare immediately due and payable the outstanding balance of the Indebtedness without presentment of any notes evidencing the same, and without demand, protest or other notices of any kind, all of which are hereby expressly waived; or
- (b) exercise any and all rights, powers, remedies and recourses available to the Lender under this Agreement, under the Security, at law, in equity or otherwise.

Nothing contained in this Agreement shall be interpreted to prevent or constrain the Lender from making a demand for repayment of any or all of the Indebtedness at any time in accordance with Section 1.5 hereof.

5.3 **Waiver of Default.** The Lender may by written instrument in its absolute discretion at any time and from time to time waive any Event of Default or any breach by the Borrower of any of the covenants herein, provided that any such waiver shall not be a continuing waiver and shall not constitute a waiver of any other term or provision hereof.

5.4 **No Waiver.** No failure or delay on the part of the Lender in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein expressly specified are cumulative and not exclusive of any rights or remedies which the Lender would otherwise have. The acceptance by the Lender of any payment of or on account of the Indebtedness after a default or of any payment on account of any partial default shall not be construed to be a waiver of any right in relation to any future default or any past default not completely cured thereby. The Lender may exercise any and all rights, powers, remedies and recourses available to it under this Agreement, or any other remedy available to it, concurrently or individually without the necessity of an election.

6. CONDITIONS PRECEDENT

Notwithstanding any other provisions in this Agreement, the Lender shall have no obligation to advance pursuant to Section 1.2 above unless and until the following conditions shall have been satisfied as of the Closing Date (or waived by the Lender):

- (a) no Event of Default or event that with notice, lapse of time or both would result in an Event of Default has occurred;
- (b) satisfactory completion of due diligence by the Lender, including, without limitation, review of all documentation related to the SRED Claims;
- (c) any and all tax obligations of the Borrower with CRA and any other applicable tax authority remaining current and in good standing;
- (d) execution and delivery of the Security Agreement and registration of the Security at the PPR and other applicable public registry in any applicable jurisdictions in order to perfect the Security; and
- (e) execution and delivery of this Agreement, the Security Agreement, the Promissory Note and all other documents and instruments as required by the Lender and its legal counsel.

7. GENERAL

7.1 **Expenses.** The Borrower shall reimburse the Lender for all of the Lender's costs and expenses incurred by the Lender (including any legal fees, professional fees, disbursements and out-of-pocket costs of legal counsel retained by the Lender) in connection with the negotiation, preparation and execution of this Agreement and any documents necessary to give effect to this Agreement at the Closing Date, which amounts may, at the option of the Lender, be (i) added to the Principal amount outstanding hereunder or (ii) be deducted from the proceeds of the Loans.

The Borrower shall bear its own costs and expenses incurred by it including any legal fees, professional fees, disbursements and out-of-pocket costs of legal counsel retained by the Borrower) in connection with the negotiation, preparation and execution of this Agreement and any documents necessary to give effect to this Agreement at the Closing Date

7.2 Currency. All references to dollars or currency in this Agreement are to Canadian dollars, unless otherwise specified.

7.3 Governing Law. This Agreement shall in all respects be governed by and be construed in accordance with the laws of British Columbia and the laws of Canada applicable therein, and the courts of British Columbia (and Supreme Court of Canada, if necessary) shall have exclusive jurisdiction to hear and determine all disputes arising hereunder.

7.4 Severability. If any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect in any jurisdiction, the validity, legality and enforceability of such provision or provisions shall not in any way be affected or impaired thereby in any other jurisdiction and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

7.5 Headings. The headings to the clauses of this Agreement are inserted for convenience only and shall not affect the construction hereof.

7.6 Notice. Any notice required or permitted to be given under this Agreement shall be in writing and may be given by delivering the same to the addresses of the other parties as set forth on the first page hereof. Any notice given as aforesaid shall be deemed conclusively to have been received on the date of delivery of the same. Any party may change its address for service at any time by giving written notice thereof to the other parties in accordance with the provisions of this paragraph.

7.7 Co-operation. Each of the parties shall execute all such further documents and do all such further things as may reasonably be required by another party in order to give full effect to this Agreement.

7.8 No Prejudice. Nothing contained in this Agreement shall prejudice or impair any other right or remedy which the Lender may otherwise have with respect to the Indebtedness hereunder or any rights or remedies the Lender may have with respect to other loans which may be made to the Borrower or any other claims which the Lender or any of its affiliates may have against the Borrower.

7.9 Assignment. The Borrower shall have no right to assign or transfer its rights or obligations hereunder unless with the prior written consent of the Lender. The Lender may assign or transfer any or all of its rights or obligations hereunder without the prior consent of the Borrower.

7.10 Enurement. This Agreement shall be binding upon and enure to the benefit of the Borrower and the Lender and their respective permitted assigns, successors, executors, administrators, and personal representatives, as applicable.

7.11 **Conflict.** In the event of a conflict between the provisions of this Agreement and the Security Agreement, the terms of this Agreement will prevail.

7.12 **Delivery.** This Agreement, the Promissory Note, the Security Agreement and all collateral documentation, may be executed in counterparts and delivered by docusign, adobesign, facsimile transmission or in file of Portable Document Format (PDF) attached to an email, with the same effect as if all parties had all signed and delivered an original copy of the same document and all counterparts will be construed together as one and the same agreement.

7.13 **Time.** Time shall be of the essence of this Agreement.

[The remainder of this page has been left intentionally blank.]

AS EVIDENCE OF THEIR AGREEMENT the parties hereto have caused this Agreement to be executed and delivered as of date first written above.

FELIX PAYMENT SYSTEMS LTD.

Per:



Authorized Signatory



JAKE BOXER

**SCHEDULE A
SECURITY AGREEMENT**

[attached]

GENERAL SECURITY AGREEMENT

made by

FELIX PAYMENT SYSTEMS LTD.

in favour of

Jake Boxer

dated as of

February 10, 2024

This GENERAL SECURITY AGREEMENT, dated as of February 10, 2024 (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, this "**Agreement**"), is made by FELIX PAYMENT SYSTEMS LTD., a British Columbia corporation (the "**Grantor**"), in favour of Jake Boxer (the "**Secured Party**").

RECITALS

WHEREAS, the Grantor, as borrower has entered into a Demand Loan Agreement dated as of the date of this Agreement with the Secured Party (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, the "**Loan Agreement**") pursuant to which the Lender have made and will make certain loans available to the Grantor;

WHEREAS, this Agreement is given by the Grantor in favour of the Secured Party to secure the payment and performance of all of the Secured Obligations (defined below), including, without limitation, the obligations of the Grantor under the Loan Agreement; and

WHEREAS, it is a condition to the effectiveness of the Loan Agreement that the Grantor execute and deliver this Agreement.

NOW THEREFORE, in consideration of the Secured Party entering into the Loan Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions.

- (a) Capitalized terms that are used but not defined in this Agreement shall have the respective meanings assigned to such terms in the Loan Agreement. Unless otherwise defined herein or in the Loan Agreement, terms used herein that are defined in the PPSA shall have the meanings assigned to them in the PPSA.
- (b) For purposes of this Agreement, the following terms shall have the following meanings:

"**Collateral**" is defined in Section 2.01.

"**Event of Default**" means any event of default as defined in the Loan Agreement.

"**Grantor**" is defined in the preamble of this Agreement.

"**Loan Agreement**" is defined in the recitals of this Agreement.

"**Loan Document**" and "**Loan Documents**" means the Loan Agreement, this Agreement and any other documents delivered by the Grantor to the Secured Party pursuant to or in connection with the Loan Agreement.

"**PPSA**" means the *Personal Property Security Act* as in effect from time to time in the Province of British Columbia.

"**Proceeds**" means "proceeds" as such term is defined in section 1(1) of the PPSA and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.

"**Secured Obligations**" is defined in Section 3.01.

"**Secured Party**" is defined in the preamble of this Agreement.

"**STA**" means the *Securities Transfer Act*, as in effect from time to time in the Province of British Columbia.

Section 1.02 Interpretation. Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.

ARTICLE II GRANT OF SECURITY INTEREST

Section 2.01 Grant of Security Interest. As security for the payment and performance of the Secured Obligations, the Grantor hereby grants, assigns, transfers, sets over, mortgages, charges, and pledges to the Secured Party, and hereby creates a general and continuing security interest in favour of the Secured Party in and to all of the Grantor's right, title and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the "**Collateral**"):

- (a) all present and after-acquired property, assets and undertaking of the Grantor of every kind and nature whatsoever, including all Accounts, Goods (including Inventory, Equipment and motor vehicles, but excluding Consumer Goods), Intangibles, Chattel Paper, Documents of Title, Instruments, Securities and all other Investment Property, Money, and any other contract rights or rights to the payment of money;
- (b) all Proceeds and products of each of the foregoing, including all Proceeds of any insurance, indemnity, compensation for loss or damage, warranty or guarantee payable to the Grantor from time to time with respect to any of the foregoing;
- (c) all books and records relating to the foregoing, including in any form or medium;
- (d) all supporting obligations relating to the foregoing;

- (e) all additions, accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing;
- (f) all federal and provincial cash refund tax investment tax credits received by the Grantor arising as a result of the T661 Scientific and Experimental Development (SR&ED) expenditures claimed by the Grantor for the Grantor's 2023 fiscal year and all subsequent years; and
- (g) the last day of the term of any lease, verbal or written, or any agreement to lease, now held or hereafter acquired by the Grantor is hereby excepted out of the security interests hereby created, but should the Secured Party need to enforce against the Collateral, the Grantor shall hold the last date in trust for the Secured Party and shall assign it to any person acquiring the term or that part of the term that is charged in the course of any enforcement or realization of the Collateral.

For greater certainty, the collateral does not include any Consumer Goods.

Section 2.02 Attachment of Security Interest. The Grantor acknowledges that value has been given, that the Grantor has rights in the Collateral, and that the parties have not agreed to postpone the time for attachment of any security interest in this Agreement. The Grantor acknowledges that any security interest created by this Agreement shall attach to existing Collateral upon the execution of this Agreement and to each item of after-acquired Collateral at the time that the Grantor acquires rights in such after-acquired Collateral.

ARTICLE III SECURED OBLIGATIONS

Section 3.01 Secured Obligations. The Collateral secures the payment and performance of all present and future obligations of the Grantor to the Secured Party from time to time, including without limitation, all present and future obligations of the Grantor, arising under the Loan Agreement, this Agreement and the other Loan Documents, whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, whether the indebtedness is reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether incurred by the Grantor alone or with another or others and whether as a principal or surety, and, without limiting the foregoing, the payment and discharge of: (i) the principal of and premium, if any, and interest on the Loan Agreement, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise; and (ii) all other present and future obligations and liabilities including fees, costs, legal fees and disbursements, reimbursement obligations, contract causes of action, expenses and indemnities (all such obligations, covenants, duties, debts, liabilities, sums, fees and expenses being herein collectively called the "**Secured Obligations**").

ARTICLE IV PERFECTION OF SECURITY INTEREST AND FURTHER ASSURANCES

Section 4.01 Perfection. The Grantor shall, from time to time, as may be required by the Secured Party with respect to all Collateral, take all actions as may be reasonably requested by the Secured Party to perfect the security interest of the Secured Party in the Collateral at the sole expense of the Grantor.

Section 4.02 Intellectual Property. The Grantor hereby further authorizes the Secured Party to file with the Canadian Intellectual Property Office this Agreement and other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interests in Intangibles granted by the Grantor hereunder, without the signature of the Grantor where permitted by law.

Section 4.03 Chattel Paper, Documents of Title, Instruments. If the Grantor shall at any time hold or acquire any certificated securities, promissory notes, chattel paper, negotiable documents of title or warehouse receipts relating to the Collateral, the Grantor shall immediately endorse, assign and deliver possession of the same to the Secured Party for the benefit of the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify.

Section 4.04 Control Agreement. Where Investment Property is held in an account of a securities intermediary, the Grantor shall: (i) enter into, and use commercially reasonable efforts to cause any securities intermediary for any securities accounts or entitlements forming part of the Collateral to enter into, a securities account control agreement between the Secured Party, the Grantor and said securities intermediary in a form and substance acceptable to the Secured Party; and (ii) enter into, and use commercially reasonable efforts to cause any issuer of uncertificated securities forming part of the Collateral to enter into, a securities account control agreement between the Secured Party, the Grantor and said securities intermediary, in a form and substance acceptable to the Secured Party.

Section 4.05 Copy of Verification Statement. To the extent permitted by law, the Grantor hereby waives its right to receive a copy of any financing statement, financing change statement or verification statement filed or received by or on behalf of the Secured Party in connection with the Secured Party's interest in the Collateral.

Section 4.06 Further Assurances. The Grantor agrees that, at any time and from time to time, at the expense of the Grantor, the Grantor will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Secured Party may reasonably request to create and maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby (including, without limitation, providing the secured party with a fixed and specific mortgage) or to enable the Secured Party to exercise and enforce its rights and remedies hereunder or under any other Loan Document with respect to any Collateral.

ARTICLE V REPRESENTATIONS AND WARRANTIES

Section 5.01 Representations and Warranties. The Grantor represents and warrants as follows:

- (a) **Location of Collateral and Places of Business.** The Grantor's place or places of business and the location of the Collateral, including all books and records in respect of Accounts, are set forth in Schedule "A" hereto.
- (b) **Ownership and Title.** The Grantor hereby represents and warrants to the Secured Party that it is the sole, direct, legal and beneficial owner of, and has good marketable title to all existing Collateral and shall be the sole, direct, legal and beneficial owner of, and have good marketable title to each item of after-acquired Collateral free and clear of any

mortgages, charges, hypothecs, pledges, trusts, liens, security interests and other claims except for the security interests created by this Agreement and other encumbrances permitted by the Loan Agreement or consented to by the Secured Party.

- (c) **Status.** The Grantor has full power, capacity, authority and legal right to grant a security interest in the Collateral, execute and deliver this Agreement and perform its obligations under this Agreement.
- (d) **Binding Obligation.** This Agreement has been duly authorized, executed and delivered by the Grantor and constitutes a legal, valid and binding obligation of the Grantor enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, arrangement, or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).
- (e) **No Governmental or Regulatory Approvals.** No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the Grantor to grant a security interest in the Collateral under this Agreement or for the execution and delivery of this Agreement or the performance by the Grantor of its obligations hereunder.
- (f) **No Violation of Laws, Constating Documents, Agreements.** The execution and delivery of this Agreement and the performance by the Grantor of its obligations hereunder, will not violate any provision of any applicable law or regulation or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to the Grantor or any of its property, or the constating or governing documents of the Grantor or any agreement or instrument to which the Grantor is party or by which it or its property is bound.
- (g) **Perfection by Control.** The Grantor has taken all action required on its part for control to have been obtained by the Secured Party over all Collateral with respect to which such control may be obtained pursuant to the PPSA and the STA. No person other than the Secured Party has control or possession of all or any part of the Collateral.

ARTICLE VI VOTING, DISTRIBUTIONS AND RECEIVABLES

Section 6.01 Voting. Unless an Event of Default shall have occurred and be continuing, the Grantor may, to the extent the Grantor has such right as a holder of the Collateral consisting of securities, other equity interests or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that, in the Secured Party's reasonable judgment, any such vote, consent, ratification or waiver would detract from the value thereof as Collateral or which would be inconsistent with or result in any violation of any provision of the Loan Agreement or this Agreement.

Section 6.02 Distributions. The Grantor may, unless an Event of Default shall have occurred and be continuing, receive and retain all dividends and other distributions with respect to the Collateral consisting of securities, other equity interests or indebtedness owed by any obligor.

Section 6.03 Receivables. If any Event of Default shall have occurred and be continuing, the Secured Party may, or at the request and option of the Secured Party, the Grantor shall: (i) notify account debtors of the Secured Party's security interests in any account, chattel paper, intangible, instrument or other Collateral; and (ii) direct that payment thereof is to be made directly to the Secured Party.

ARTICLE VII COVENANTS

The Grantor covenants and agrees with the Secured Party as follows:

Section 7.01 Covenants.

- (a) **Consent re: Change of Location of Collateral.** The Collateral, to the extent not delivered to the Secured Party under Section 4.03, will be kept at those locations listed in Schedule "A", and, except for Inventory sold or leased in the ordinary course of business, the Grantor will not remove the Collateral from such locations without obtaining the Secured Party's prior written consent. The Grantor will, before any change described in the preceding sentence, take all actions required by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.
- (b) **Dealing with Collateral: No Sale or Encumbrances.** The Grantor will not sell, dispose of, lease, assign or otherwise transfer any of the Collateral except as expressly provided for in the Loan Agreement, in the ordinary course of business or with the prior written consent of the Secured Party. The Grantor will not grant, create, permit or suffer to exist any mortgage, hypothec, pledge, lien, security interest, option, right of first offer, right of first refusal, encumbrance, statutory lien or trust (including any conditional sale or other title retention agreement or finance lease) or other restriction or limitation of any nature whatsoever on the Collateral except as permitted in the Loan Agreement or with the prior written consent of the Secured Party.
- (c) **Maintenance and Protection of Collateral.** The Grantor will keep the Collateral in good order, condition and repair so as to protect and preserve the Collateral and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Secured Party. The Grantor will not use the Collateral in violation of this Agreement, or any other agreement relating to the Collateral or any policy of insurance thereon, or any applicable law. The Grantor will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Grantor in good standing. The Grantor shall, at its own cost and expense, defend title to the Collateral and the security interests of the Secured Party therein against the claim or demand of any person claiming against or through the Grantor and shall maintain and preserve such perfected security interests for so long as this Agreement shall remain in effect.
- (d) **Performance of Obligations.** The Grantor will pay promptly when due all rents, taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement. The Grantor shall perform all of its obligations under material agreements, leases, licenses, arrangements to obtain and preserve its rights, powers, licences,

privileges and goodwill thereunder and comply with all applicable laws, by-laws, rules and regulations so as to preserve and protect the Collateral and the Grantor's business.

- (e) **Access to Collateral, Inspection.** The Grantor will permit the Secured Party, or its representatives, to inspect the Collateral from time to time and to examine and take extracts of its books and records (electronic or hard copy), at any reasonable time and on reasonable notice, wherever located. The Grantor shall, upon request by the Secured Party, provide the Secured Party with any information concerning the Collateral, the Grantor and its business, as the Secured Party may reasonably request, including access to the Grantor's senior executives, accountants and auditors to discuss any information concerning the Collateral.
- (f) **Notification.** The Grantor shall notify the Secured Party within five business days of: (i) the details of any material acquisition of Collateral; (ii) the details of any material litigation in connection with the Grantor, the Collateral or the Grantor's business; and (iii) any material loss or damage to the Collateral or the value of the Collateral.
- (g) **Insurance.** The Grantor shall insure the Collateral against loss or damage by fire and such other risks and hazards, in such amounts and upon such other terms as set out in the Loan Agreement or as the Secured Party may from time to time require. Any insurance proceeds received by the Secured Party may, at the option of the Secured Party, be applied against the Secured Obligations or released to the Grantor without prejudice to any rights or remedies of the Secured Party.

ARTICLE VIII

SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND COVENANTS

Section 8.01 Survival of Representations and Warranties and Covenants. All representations, warranties and covenants made by the Grantor in this Agreement shall survive the execution and delivery of this Agreement and remain in full force and effect until the payment in full of the Secured Obligations.

ARTICLE IX

POWER OF ATTORNEY

Section 9.01 Power of Attorney. The Grantor hereby constitutes and appoints the Secured Party and any officer or employee of the Secured Party to be the Grantor's true and lawful attorney in accordance with applicable legislation with full power of substitution, with full authority in the place and stead of the Grantor and in the name of the Grantor or otherwise, from time to time in the Secured Party's discretion to take any action and to execute any instrument which the Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement (but the Secured Party shall not be obligated to and shall have no liability to the Grantor or any third party for failure to do so or take action). This appointment, being coupled with an interest, shall be irrevocable until the discharge of the security interests created by this Agreement. The Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof.

**ARTICLE X
SECURED PARTY MAY PERFORM**

Section 10.01 Secured Party May Perform. If the Grantor fails to perform any obligation contained in this Agreement, the Secured Party may itself perform, or cause performance of, such obligation, and the costs and expenses of the Secured Party incurred in connection therewith shall be payable by the Grantor; *provided that* the Secured Party shall not be required to perform or discharge any obligation of the Grantor and the performance by the Secured Party shall not waive the rights of the Secured Party to enforce this Agreement.

**ARTICLE XI
SET-OFF**

Section 11.01 Set-Off. Each Secured Party may, without notice to the Grantor or any other person, any notice being expressly waived, set-off and apply all amounts standing to or for the credit of the Grantor from the Secured Party or any of the Secured Party's affiliates, in any currency, against and on account of all or any part of the Secured Obligations, all as the Secured Party may see fit (in its sole discretion), whether or not the Secured Obligations are due and payable. The Secured Party's records are proof of such recording absent manifest error. When applying a deposit or other obligation in a different currency than the Secured Obligations to the Secured Obligations, the Secured Party will convert the deposit or other obligation to the currency of the Secured Obligations using the rate of exchange for the conversion of such currency as determined by the Secured Party.

**ARTICLE XII
REMEDIES UPON DEFAULT**

Section 12.01 Right to Accelerate Payment. Upon the occurrence of an Event of Default that is continuing or ON DEMAND, the Secured Party may, by notice and in accordance with the Loan Agreement, declare any or all of the Secured Obligations to be immediately due and payable, whereupon, all of the Secured Obligations shall become and be immediately due and payable without presentment, demand, protest or further notice, all of which are hereby expressly waived by the Grantor.

Section 12.02 Enforcement of Security Interest. Upon the occurrence of an Event of Default that is continuing, the Secured Party may proceed to realize upon the Collateral and immediately enforce its rights and remedies.

Section 12.03 Remedies upon Default. Upon the occurrence of an Event of Default that is continuing, the Secured Party may exercise, without any other notice to or demand upon the Grantor, and in addition to the other rights and remedies provided herein or in any other Loan Document or otherwise available to it, the following rights and remedies (which rights and remedies may be exercised independently or in combination):

- (a) the Secured Party may assert all rights and remedies of a secured party under the PPSA or other applicable law;
- (b) the Secured Party may take such steps as it considers desirable to maintain, preserve or protect the Collateral or its value;

- (c) the Secured Party may take possession of the Collateral by requiring the Grantor to assemble the Collateral or any part thereof and deliver the Collateral, or make the Collateral available, to the Secured Party at a place and time to be designated by the Secured Party;
- (d) the Secured Party may take possession of the Collateral by carrying on all or any part of the business of the Grantor; and may to the exclusion of others, including the Grantor, enter upon, occupy and use any of the premises, buildings, plant and undertaking owned, occupied or used by the Grantor and may use any of the tools, machinery, equipment and intangibles of the Grantor for such time as the Secured Party sees fit, free of charge and without liability, in order to carry on the business of the Grantor or to manufacture or complete the manufacture of Inventory and to pack and ship finished products;
- (e) the Secured Party may enter upon and occupy any land and premises owned, leased or occupied by the Grantor where the Collateral or any part thereof is assembled or located in order to effectuate its rights and remedies hereunder or under law, without obligation whatsoever to the Grantor;
- (f) the Secured Party may borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof, or to carry on the business, and may further charge the Collateral in priority to the security constituted by this Security Agreement;
- (g) the Secured Party may exercise and enforce all rights and remedies of the Grantor with respect to the Collateral including collecting or compromising all or any of the Grantor's Accounts;
- (h) the Secured Party may sell, lease, license, or otherwise dispose of all or any part of the Collateral by private sale or public sale or otherwise, and upon such other terms and conditions (including as to credit, upset or reserve bid or price) as the Secured Party may deem commercially reasonable;
- (i) the Secured Party may appoint, by instrument in writing, any person or persons (whether an officer or employee of the Secured Party or not) to be a receiver, manager, interim receiver, or receiver and manager (collectively, "**Receiver**"), of the Collateral or any part of the Collateral and remove or replace any person so appointed. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Secured Party under this ARTICLE XII;
- (j) the Secured Party may apply to a court of competent jurisdiction for the appointment of a Receiver of the Collateral or any part of the Collateral. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Secured Party under this Article XII;
- (k) all rights of the Grantor to: (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to Section 6.01; and (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain pursuant to Section 6.02, shall immediately cease, and all such rights shall thereupon become vested in the Secured Party, which shall have the sole right to exercise such

voting and other consensual rights and receive and hold such dividends and other distributions as Collateral; and

- (l) the Secured Party may retain the Collateral in satisfaction of the Secured Obligations.

Section 12.04 Receiver Agent of Grantor. In exercising any powers any such Receiver so appointed shall act as agent of the Grantor and not the Secured Party and Secured Party shall not be in any way responsible for any of the actions of the Receiver, its employees, agents and contractors. The Secured Party may from time to time remove and appoint replacements for, any Receiver, and appoint another or others in their stead from time to time.

Section 12.05 Distribution of Proceeds. Any cash held by the Secured Party as Collateral and all cash Proceeds received by the Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Secured Party to the payment of expenses incurred by the Secured Party in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Secured Party hereunder, including reasonable legal and Receivers' fees, and the balance of such proceeds shall be applied or set-off against all or any part of the Secured Obligations in such order as the Secured Party shall elect. Any surplus of such cash or cash Proceeds held by the Secured Party and remaining after payment in full of all the Secured Obligations shall be paid over to the Grantor or to whomsoever may be lawfully entitled to receive such surplus. The Grantor shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any solicitor employed by the Secured Party to collect such deficiency.

Section 12.06 Grantor Pays Expenses. The Grantor agrees to pay all reasonable expenses incurred by the Secured Party or any Receiver in the preparation, perfection and enforcement of this Agreement, whether directly incurred or for services rendered including legal and auditor's fees and expenses and remuneration of any Receiver.

ARTICLE XIII MISCELLANEOUS

Section 13.01 No Waiver and Cumulative Remedies. The Secured Party shall not by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

Section 13.02 Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Grantor therefrom shall be effective unless the same shall be in writing and signed by the Secured Party and the Grantor, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

Section 13.03 Notices. All notices, consents, claims, demands, waivers and other communications hereunder shall be in writing and addressed to the parties at the addresses set forth in the Loan Agreement and shall be given in the manner and become effective as set forth in the Loan Agreement.

Section 13.04 Continuing Security Interest; Further Actions. This Agreement shall create a general and continuing security interest in the Collateral and shall (a) subject to Section 13.06, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Grantor, its successors and permitted assigns, and (c) enure to the benefit of the Secured Party and its successors, transferees and assigns; *provided that* the Grantor may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Secured Party. Without limiting the generality of the foregoing clause (c), any assignee of a Secured Party's interest in any agreement or document which includes all or any of the Secured Obligations shall, upon assignment, become vested with all the benefits granted to the Secured Party herein with respect to such Secured Obligations.

Section 13.05 Assignment. The Secured Party may assign or transfer any of its rights under this Agreement without the consent of the Grantor. The Grantor may not assign its obligations under this Agreement without the prior written consent of the Secured Party.

Section 13.06 Termination; Release. On the date on which all Secured Obligations have been paid and performed in full (as determined by the Secured Party in its sole discretion), the Secured Party will, at the request and sole expense of the Grantor (a) duly assign, transfer and deliver to or at the direction of the Grantor (without recourse and without any representation or warranty) such of the Collateral as may then remain in the possession of the Secured Party, together with any monies at the time held by the Secured Party hereunder, and (b) execute and deliver to the Grantor a proper instrument or instruments acknowledging the satisfaction, release and termination of this Agreement and all related filings and instruments.

Section 13.07 Acknowledgement. The Grantor acknowledges receipt of a fully executed copy of this Agreement.

Section 13.08 Amalgamation. The Grantor acknowledges that, if it amalgamates with another person, the term Grantor when used in this Agreement, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interests created hereby shall extend to the Collateral in which any amalgamating corporation has any rights at the time of the amalgamation and to any collateral in which the amalgamated corporation thereafter has any rights to secure the Secured Obligations of each of the amalgamating corporations and the amalgamated corporation to the Secured Party at the time of the amalgamation and any Secured Obligations of the amalgamated corporation to the Secured Party thereafter arising.

Section 13.09 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein.

Section 13.10 Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Section 13.11 Conflict with Loan Agreement. To the extent of any conflict or inconsistency between the terms of this Agreement and the terms of the Loan Agreement, the terms of the Loan Agreement shall govern to the extent necessary to remove the conflict or inconsistency.

[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, the Grantor has executed this Agreement as of the date first written above.

FELIX PAYMENT SYSTEMS LTD., as Grantor

By: _____

Name: Warren Hogg

Title: Director

SCHEDULE A**LOCATION OF COLLATERAL**

1286 Homer Street Level 3, Vancouver BC, V6B 2Y5

DEMAND LOAN AGREEMENT

THIS AGREEMENT (this “**Agreement**”) dated for reference February 10, 2024,

AMONG:

FELIX PAYMENT SYSTEMS LTD., a company incorporated under the laws of British Columbia and having its registered and records office address at 250 Howe Street, 20th Floor, Vancouver (BC), V6C 3R8

(the “**Borrower**”)

AND:

THE CA MORDY LEGACY TRUST, a trust created under the laws of British Columbia having an address 650-1188 West Georgia Street, Vancouver B.C., V6E 4A2

(“**Lender**”)

WHEREAS:

A. The Lender has agreed to lend to the Borrower the principal amount set forth below (the “**Loans**” or the “**Principal**”):

Lender	Loan Amount
CA Mordy Legacy Trust	\$30,000

B. As security for the Loans, the Borrower has agreed to provide the Lender with a security agreement dated as of the date hereof and attached hereto as Schedule A (the “**Security Agreement**”) whereby the Borrower grants to the Lender a security interest in all of the Borrower’s present and after acquired personal property, including without limitation, the SRED Refunds (as defined below); and

C. The parties wish to record the terms and conditions of their agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that pursuant to the premises and in consideration of the mutual covenants hereinafter contained and the agreement of the Lender to advance funds to the Borrower, the receipt and sufficiency of which are hereby acknowledged by each party, the parties hereto covenant and agree as follows:

1. LOAN

1.1 **Loan.** The Lender agrees to lend to the Borrower the Principal as set forth in Recital A.

1.2 **Advance.** Subject to the other provisions of this Agreement, the Lender or its counsel shall advance the Principal to the Borrower, on the date hereof (the “**Closing Date**”).

1.3 **Interest.** The outstanding balance of the Principal shall accrue interest from the Closing Date and up to the date of full repayment of the Principal at a simple annual rate of fifteen percent (15%), calculated monthly and payable ON DEMAND (the “**Interest**” and together with the Principal, the “**Indebtedness**”).

1.4 **Secured Promissory Note.** The Loans shall be evidenced by a secured promissory note (the “**Promissory Note**”) issued by the Borrower in favour of the Lender. Repayment under the Promissory Note shall be made in accordance with Section 1.5.

1.5 **Repayment.** Subject to other terms and conditions of this Agreement:

(a) the Indebtedness, in whole or in part, may be repaid by the Borrower without penalty or bonus at any time after delivery of a notice of repayment to the Lender at least seven (7) days prior to the date of repayment; and

(b) if the Indebtedness has not been fully repaid pursuant to Section 1.5(a), the outstanding Indebtedness shall be repaid ON DEMAND made by the Lender

Upon the repayment of the Principal and any accrued and unpaid interest up to the date of repayment, the Lender will sign and deliver to the Borrower a release and authorization, in form as prepared by or at the expense of the Borrower, to evidence such repayment and the discharge of the Security (as defined below) and to authorize the filing of any discharge in the Personal Property Registry of British Columbia (the “**PPR**”) and any other applicable registry.

1.6 **Manner of Payments.** All payments to be made by the Borrower to the Lender under this Agreement shall be made to the Lender by wire transfer, cheque, direct deposit or bank draft in immediately available funds to such accounts of the Lender as the Lender may direct from time to time.

1.7 **Criminal Code Compliance.** In this Section 1.7, the terms “interest”, “criminal rate” and “credit advanced” have the meanings ascribed to them in s. 347 of the *Criminal Code* (Canada) as amended from time to time. The Borrower and the Lender agree that, notwithstanding any agreement to the contrary, no interest on the credit advanced by the Lender under this Agreement will be payable in excess of that permitted under the laws of Canada. If the effective rate of interest, calculated in accordance with generally accepted actuarial practices and principles, would exceed the criminal rate on the credit advanced, then:

(a) the elements of return which fall within the term “interest” shall be reduced to the extent necessary to eliminate such excess;

(b) any remaining excess that has been paid will be credited towards prepayment of the Principal; and

(c) any overpayment that may remain after such crediting will be returned forthwith to the Borrower upon demand,

and, in the event of dispute, a Fellow of the Canadian Institute of Actuaries appointed by the Lender shall perform the relevant calculations and determine the reductions, modifications and credits necessary to effect the foregoing and the same will be conclusive and binding on the parties.

2. SECURITY

2.1 The Indebtedness and all other amounts payable in connection therewith shall be secured by a security interest in all of the Borrower's present and after acquired personal property, including without limitation, any federal and provincial cash refund investment tax credits received by the Borrower or its agents (the "**SRED Refunds**") arising as a result of the T661 Scientific Research and Experimental Development (SR&ED) expenditures claims claimed for the Borrower's 2023 fiscal year and all subsequent years (the "**SRED Claims**") in accordance with the terms set out in the Security Agreement (collectively, the "**Security**").

2.2 The parties hereby authorize and instruct the Lender's solicitors, Edwards, Kenny & Bray LLP, to file a financing statement on or prior to the Closing Date to register the Security in the PPR.

3. REPRESENTATIONS AND WARRANTIES

3.1 The Borrower hereby makes the following representations and warranties to the Lender as of the Closing Date:

- (a) the Borrower is duly organized and it is in good standing under the laws of British Columbia;
- (b) the place of business of the Borrower, or, if there is more than one place of business, chief executive office (for the purpose of section 7(1) of the *Personal Property Security Act* (British Columbia)) is in the Province of British Columbia;
- (c) the Borrower is a Canadian Controlled Private Corporation as defined under the *Income Tax Act* (Canada) (the "**Act**");
- (d) the Borrower has carried on its business in a manner that is consistent with the provisions under the Act and other applicable legislation and the regulations thereto, including, without limitations, such provisions that could bear upon or materially affect the eligibility of the SRED Claims;
- (e) save for any amounts due to Canada Revenue Agency ("**CRA**") which are to be paid from the proceeds of the Loan, the Borrower has deducted, paid, and/or remitted all taxes, premiums, contributions, levies, fees and other amounts which that party is required to deduct at source, pay and/or remit by or on behalf of itself or otherwise under any legislation including the Act, *Excise Tax Act* (Canada), *Canada Pension Plan*, *Employment Insurance Act* (Canada), all applicable provincial legislation or any regulations to the foregoing or under any other legislation, rule or order, to any taxing authority having jurisdiction, and there are no liens for taxes payable by the Borrower; and

(f) the borrowing and the granting of security contemplated herein, and the execution, delivery and performance by the Borrower of this Agreement, the Security Agreement and all other documents to be delivered pursuant hereto have been duly authorized by all necessary corporate proceedings of the Borrower, and will not cause a breach of or constitute a default under the constating documents of the Borrower or any agreement or instrument to which the Borrower is a party.

4. COVENANTS

4.1 The Borrower covenants and agrees with the Lender that, so long as the Indebtedness or any part thereof shall be outstanding, the Borrower will do the following:

(a) forthwith upon becoming aware of an Event of Default (as defined in Section 5.1), or becoming aware of any event which would, with notice, lapse of time or both, constitute an Event of Default, give to the Lender notice of such Event of Default or event;

(b) maintain adequate records and books of account reflecting all financial transactions in conformity with generally accepted accounting principles and, when requested, upon reasonable notice and during normal business hours, forthwith make available for inspection by duly authorized representatives of the Lender any of its books and records and furnish the Lender with any information regarding its business affairs and financial condition;

(c) maintain any and all tax obligations of the Borrower with CRA and any other applicable tax authority current and in good standing;

(d) make such filings as are required by or under, and deduct, pay, and/or remit all taxes, premiums, contributions, levies, fees and other amounts which the Borrower is required to deduct at source, pay and/or remit by or on behalf of the Borrower by or under, the legislation and regulations set out in Section 3.1(e) above or under any other legislation, regulations, rule or order, to any applicable authority having jurisdiction;

(e) respond promptly and fully to any request received from the CRA and any other applicable tax authority;

(f) immediately notify, or cause the notification of, the Lender of the receipt of the SRED Refunds described in Section 1.5 above and the amount thereof;

(g) continue to disclose to the Lender all material information or facts that could materially adversely affect the eligibility of the SRED Claims;

(h) carry on its business in a manner that is consistent with the provisions under the Act and other applicable legislation and the regulations thereto, including, without limitations, such provisions that could bear upon or materially affect the eligibility of the SRED Claims;

(i) prepare and file, or cause the preparation and filing of, the SRED Claims in a professional and diligent manner and in full compliance with the requirements and provisions of the Act and other applicable legislation and the regulations thereto; and

(j) do all acts and execute all instruments that are necessary to facilitate the filing, processing, receipt and disbursement of the SRED Refunds, including without limitation, the endorsement of any cheque or other payment instrument issued to the Borrower in respect of the SRED Refunds.

5. EVENTS OF DEFAULT

5.1 **Events of Default.** Each of the following events shall constitute an “**Event of Default**” under this Agreement unless (i) within five (5) days after notice from the Lender the default specified in such notice has been cured, or (ii) the Lender agree to waive such default:

- (a) the Borrower fails to repay the Indebtedness, or any part thereof, to the Lender when due in the manner provided herein;
- (b) any of the representations and warranties made in Section 3 above are incorrect when made, or the Borrower has failed to disclose any material information or facts that may materially adversely affect the eligibility of the SRED Claims;
- (c) the Borrower defaults in the performance of any other term, covenant, condition, agreement, undertaking or provision of this Agreement;
- (d) an order is made or a resolution is passed for the liquidation or winding-up of any of the Borrower;
- (e) the Security or the security interest created therein becomes invalid, unenforceable or unperfected; or
- (f) the Borrower admits in writing its inability to pay its debts as they become due or otherwise acknowledges its insolvency, commits an act of bankruptcy, makes an assignment or bulk sale of its assets, is adjudged or declared bankrupt or makes an assignment for the benefit of creditors or a proposal or similar action under the *Bankruptcy and Insolvency Act* (Canada), the *Companies Creditors’ Arrangement Act* (Canada) or any similar legislation, or commences any other proceedings relating to it under any reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction whether now or thereafter in effect, or consents to any such proceedings.

5.2 **Remedies For Events of Default.** Upon the occurrence of an Event of Default, the Lender may do any or all of the following:

- (a) declare immediately due and payable the outstanding balance of the Indebtedness without presentment of any notes evidencing the same, and without demand, protest or other notices of any kind, all of which are hereby expressly waived; or
- (b) exercise any and all rights, powers, remedies and recourses available to the Lender under this Agreement, under the Security, at law, in equity or otherwise.

Nothing contained in this Agreement shall be interpreted to prevent or constrain the Lender from making a demand for repayment of any or all of the Indebtedness at any time in accordance with Section 1.5 hereof.

5.3 **Waiver of Default.** The Lender may by written instrument in its absolute discretion at any time and from time to time waive any Event of Default or any breach by the Borrower of any of the covenants herein, provided that any such waiver shall not be a continuing waiver and shall not constitute a waiver of any other term or provision hereof.

5.4 **No Waiver.** No failure or delay on the part of the Lender in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein expressly specified are cumulative and not exclusive of any rights or remedies which the Lender would otherwise have. The acceptance by the Lender of any payment of or on account of the Indebtedness after a default or of any payment on account of any partial default shall not be construed to be a waiver of any right in relation to any future default or any past default not completely cured thereby. The Lender may exercise any and all rights, powers, remedies and recourses available to it under this Agreement, or any other remedy available to it, concurrently or individually without the necessity of an election.

6. CONDITIONS PRECEDENT

Notwithstanding any other provisions in this Agreement, the Lender shall have no obligation to advance pursuant to Section 1.2 above unless and until the following conditions shall have been satisfied as of the Closing Date (or waived by the Lender):

- (a) no Event of Default or event that with notice, lapse of time or both would result in an Event of Default has occurred;
- (b) satisfactory completion of due diligence by the Lender, including, without limitation, review of all documentation related to the SRED Claims;
- (c) any and all tax obligations of the Borrower with CRA and any other applicable tax authority remaining current and in good standing;
- (d) execution and delivery of the Security Agreement and registration of the Security at the PPR and other applicable public registry in any applicable jurisdictions in order to perfect the Security; and
- (e) execution and delivery of this Agreement, the Security Agreement, the Promissory Note and all other documents and instruments as required by the Lender and its legal counsel.

7. GENERAL

7.1 **Expenses.** The Borrower shall reimburse the Lender for all of the Lender's costs and expenses incurred by the Lender (including any legal fees, professional fees, disbursements and out-of-pocket costs of legal counsel retained by the Lender) in connection with the negotiation, preparation and execution of this Agreement and any documents necessary to give effect to this Agreement at the Closing Date, which amounts may, at the option of the Lender, be (i) added to the Principal amount outstanding hereunder or (ii) be deducted from the proceeds of the Loans.

The Borrower shall bear its own costs and expenses incurred by it including any legal fees, professional fees, disbursements and out-of-pocket costs of legal counsel retained by the Borrower) in connection with the negotiation, preparation and execution of this Agreement and any documents necessary to give effect to this Agreement at the Closing Date

7.2 **Currency.** All references to dollars or currency in this Agreement are to Canadian dollars, unless otherwise specified.

7.3 **Governing Law.** This Agreement shall in all respects be governed by and be construed in accordance with the laws of British Columbia and the laws of Canada applicable therein, and the courts of British Columbia (and Supreme Court of Canada, if necessary) shall have exclusive jurisdiction to hear and determine all disputes arising hereunder.

7.4 **Severability.** If any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect in any jurisdiction, the validity, legality and enforceability of such provision or provisions shall not in any way be affected or impaired thereby in any other jurisdiction and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

7.5 **Headings.** The headings to the clauses of this Agreement are inserted for convenience only and shall not affect the construction hereof.

7.6 **Notice.** Any notice required or permitted to be given under this Agreement shall be in writing and may be given by delivering the same to the addresses of the other parties as set forth on the first page hereof. Any notice given as aforesaid shall be deemed conclusively to have been received on the date of delivery of the same. Any party may change its address for service at any time by giving written notice thereof to the other parties in accordance with the provisions of this paragraph.

7.7 **Co-operation.** Each of the parties shall execute all such further documents and do all such further things as may reasonably be required by another party in order to give full effect to this Agreement.

7.8 **No Prejudice.** Nothing contained in this Agreement shall prejudice or impair any other right or remedy which the Lender may otherwise have with respect to the Indebtedness hereunder or any rights or remedies the Lender may have with respect to other loans which may be made to the Borrower or any other claims which the Lender or any of its affiliates may have against the Borrower.

7.9 **Assignment.** The Borrower shall have no right to assign or transfer its rights or obligations hereunder unless with the prior written consent of the Lender. The Lender may assign or transfer any or all of its rights or obligations hereunder without the prior consent of the Borrower.

7.10 **Enurement.** This Agreement shall be binding upon and enure to the benefit of the Borrower and the Lender and their respective permitted assigns, successors, executors, administrators, and personal representatives, as applicable.

7.11 **Conflict.** In the event of a conflict between the provisions of this Agreement and the Security Agreement, the terms of this Agreement will prevail.

7.12 **Delivery.** This Agreement, the Promissory Note, the Security Agreement and all collateral documentation, may be executed in counterparts and delivered by docusign, adobesign, facsimile transmission or in file of Portable Document Format (PDF) attached to an email, with the same effect as if all parties had all signed and delivered an original copy of the same document and all counterparts will be construed together as one and the same agreement.

7.13 **Time.** Time shall be of the essence of this Agreement.

[The remainder of this page has been left intentionally blank.]

AS EVIDENCE OF THEIR AGREEMENT the parties hereto have caused this Agreement to be executed and delivered as of date first written above.

FELIX PAYMENT SYSTEMS LTD.

Per:



Authorized Signatory

CA MORDY LEGACY TRUST

Per:



DOUGLAS A. MORDY, AS A
TRUSTEE OF THE CA MORDY
LEGACY TRUST

**SCHEDULE A
SECURITY AGREEMENT**

[attached]

GENERAL SECURITY AGREEMENT

made by

FELIX PAYMENT SYSTEMS LTD.

in favour of

CA Mordy Legacy Trust

dated as of

February 10, 2024

This GENERAL SECURITY AGREEMENT, dated as of February 10, 2024 (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, this "**Agreement**"), is made by FELIX PAYMENT SYSTEMS LTD., a British Columbia corporation (the "**Grantor**"), in favour of the CA Mordy Legacy Trust (the "**Secured Party**").

RECITALS

WHEREAS, the Grantor, as borrower has entered into a Demand Loan Agreement dated as of the date of this Agreement with the Secured Party (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, the "**Loan Agreement**") pursuant to which the Lender have made and will make certain loans available to the Grantor;

WHEREAS, this Agreement is given by the Grantor in favour of the Secured Party to secure the payment and performance of all of the Secured Obligations (defined below), including, without limitation, the obligations of the Grantor under the Loan Agreement; and

WHEREAS, it is a condition to the effectiveness of the Loan Agreement that the Grantor execute and deliver this Agreement.

NOW THEREFORE, in consideration of the Secured Party entering into the Loan Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions.

- (a) Capitalized terms that are used but not defined in this Agreement shall have the respective meanings assigned to such terms in the Loan Agreement. Unless otherwise defined herein or in the Loan Agreement, terms used herein that are defined in the PPSA shall have the meanings assigned to them in the PPSA.
- (b) For purposes of this Agreement, the following terms shall have the following meanings:

"**Collateral**" is defined in Section 2.01.

"**Event of Default**" means any event of default as defined in the Loan Agreement.

"**Grantor**" is defined in the preamble of this Agreement.

"**Loan Agreement**" is defined in the recitals of this Agreement.

"**Loan Document**" and "**Loan Documents**" means the Loan Agreement, this Agreement and any other documents delivered by the Grantor to the Secured Party pursuant to or in connection with the Loan Agreement.

"**PPSA**" means the *Personal Property Security Act* as in effect from time to time in the Province of British Columbia.

"**Proceeds**" means "proceeds" as such term is defined in section 1(1) of the PPSA and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.

"**Secured Obligations**" is defined in Section 3.01.

"**Secured Party**" is defined in the preamble of this Agreement.

"**STA**" means the *Securities Transfer Act*, as in effect from time to time in the Province of British Columbia.

Section 1.02 Interpretation. Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.

ARTICLE II GRANT OF SECURITY INTEREST

Section 2.01 Grant of Security Interest. As security for the payment and performance of the Secured Obligations, the Grantor hereby grants, assigns, transfers, sets over, mortgages, charges, and pledges to the Secured Party, and hereby creates a general and continuing security interest in favour of the Secured Party in and to all of the Grantor's right, title and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the "**Collateral**");

- (a) all present and after-acquired property, assets and undertaking of the Grantor of every kind and nature whatsoever, including all Accounts, Goods (including Inventory, Equipment and motor vehicles, but excluding Consumer Goods), Intangibles, Chattel Paper, Documents of Title, Instruments, Securities and all other Investment Property, Money, and any other contract rights or rights to the payment of money;
- (b) all Proceeds and products of each of the foregoing, including all Proceeds of any insurance, indemnity, compensation for loss or damage, warranty or guarantee payable to the Grantor from time to time with respect to any of the foregoing;
- (c) all books and records relating to the foregoing, including in any form or medium;
- (d) all supporting obligations relating to the foregoing;

- (e) all additions, accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing;
- (f) all federal and provincial cash refund tax investment tax credits received by the Grantor arising as a result of the T661 Scientific and Experimental Development (SR&ED) expenditures claimed by the Grantor for the Grantor's 2023 fiscal year and all subsequent years; and
- (g) the last day of the term of any lease, verbal or written, or any agreement to lease, now held or hereafter acquired by the Grantor is hereby excepted out of the security interests hereby created, but should the Secured Party need to enforce against the Collateral, the Grantor shall hold the last date in trust for the Secured Party and shall assign it to any person acquiring the term or that part of the term that is charged in the course of any enforcement or realization of the Collateral.

For greater certainty, the collateral does not include any Consumer Goods.

Section 2.02 Attachment of Security Interest. The Grantor acknowledges that value has been given, that the Grantor has rights in the Collateral, and that the parties have not agreed to postpone the time for attachment of any security interest in this Agreement. The Grantor acknowledges that any security interest created by this Agreement shall attach to existing Collateral upon the execution of this Agreement and to each item of after-acquired Collateral at the time that the Grantor acquires rights in such after-acquired Collateral.

ARTICLE III SECURED OBLIGATIONS

Section 3.01 Secured Obligations. The Collateral secures the payment and performance of all present and future obligations of the Grantor to the Secured Party from time to time, including without limitation, all present and future obligations of the Grantor, arising under the Loan Agreement, this Agreement and the other Loan Documents, whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, whether the indebtedness is reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether incurred by the Grantor alone or with another or others and whether as a principal or surety, and, without limiting the foregoing, the payment and discharge of: (i) the principal of and premium, if any, and interest on the Loan Agreement, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise; and (ii) all other present and future obligations and liabilities including fees, costs, legal fees and disbursements, reimbursement obligations, contract causes of action, expenses and indemnities (all such obligations, covenants, duties, debts, liabilities, sums, fees and expenses being herein collectively called the "**Secured Obligations**").

ARTICLE IV PERFECTION OF SECURITY INTEREST AND FURTHER ASSURANCES

Section 4.01 Perfection. The Grantor shall, from time to time, as may be required by the Secured Party with respect to all Collateral, take all actions as may be reasonably requested by the Secured Party to perfect the security interest of the Secured Party in the Collateral at the sole expense of the Grantor.

Section 4.02 Intellectual Property. The Grantor hereby further authorizes the Secured Party to file with the Canadian Intellectual Property Office this Agreement and other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interests in Intangibles granted by the Grantor hereunder, without the signature of the Grantor where permitted by law.

Section 4.03 Chattel Paper, Documents of Title, Instruments. If the Grantor shall at any time hold or acquire any certificated securities, promissory notes, chattel paper, negotiable documents of title or warehouse receipts relating to the Collateral, the Grantor shall immediately endorse, assign and deliver possession of the same to the Secured Party for the benefit of the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify.

Section 4.04 Control Agreement. Where Investment Property is held in an account of a securities intermediary, the Grantor shall: (i) enter into, and use commercially reasonable efforts to cause any securities intermediary for any securities accounts or entitlements forming part of the Collateral to enter into, a securities account control agreement between the Secured Party, the Grantor and said securities intermediary in a form and substance acceptable to the Secured Party; and (ii) enter into, and use commercially reasonable efforts to cause any issuer of uncertificated securities forming part of the Collateral to enter into, a securities account control agreement between the Secured Party, the Grantor and said securities intermediary, in a form and substance acceptable to the Secured Party.

Section 4.05 Copy of Verification Statement. To the extent permitted by law, the Grantor hereby waives its right to receive a copy of any financing statement, financing change statement or verification statement filed or received by or on behalf of the Secured Party in connection with the Secured Party's interest in the Collateral.

Section 4.06 Further Assurances. The Grantor agrees that, at any time and from time to time, at the expense of the Grantor, the Grantor will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Secured Party may reasonably request to create and maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby (including, without limitation, providing the secured party with a fixed and specific mortgage) or to enable the Secured Party to exercise and enforce its rights and remedies hereunder or under any other Loan Document with respect to any Collateral.

ARTICLE V REPRESENTATIONS AND WARRANTIES

Section 5.01 Representations and Warranties. The Grantor represents and warrants as follows:

- (a) **Location of Collateral and Places of Business.** The Grantor's place or places of business and the location of the Collateral, including all books and records in respect of Accounts, are set forth in Schedule "A" hereto.
- (b) **Ownership and Title.** The Grantor hereby represents and warrants to the Secured Party that it is the sole, direct, legal and beneficial owner of, and has good marketable title to all existing Collateral and shall be the sole, direct, legal and beneficial owner of, and have good marketable title to each item of after-acquired Collateral free and clear of any

mortgages, charges, hypothecs, pledges, trusts, liens, security interests and other claims except for the security interests created by this Agreement and other encumbrances permitted by the Loan Agreement or consented to by the Secured Party.

- (c) **Status.** The Grantor has full power, capacity, authority and legal right to grant a security interest in the Collateral, execute and deliver this Agreement and perform its obligations under this Agreement.
- (d) **Binding Obligation.** This Agreement has been duly authorized, executed and delivered by the Grantor and constitutes a legal, valid and binding obligation of the Grantor enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, arrangement, or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).
- (e) **No Governmental or Regulatory Approvals.** No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the Grantor to grant a security interest in the Collateral under this Agreement or for the execution and delivery of this Agreement or the performance by the Grantor of its obligations hereunder.
- (f) **No Violation of Laws, Constatng Documents, Agreements.** The execution and delivery of this Agreement and the performance by the Grantor of its obligations hereunder, will not violate any provision of any applicable law or regulation or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to the Grantor or any of its property, or the constating or governing documents of the Grantor or any agreement or instrument to which the Grantor is party or by which it or its property is bound.
- (g) **Perfection by Control.** The Grantor has taken all action required on its part for control to have been obtained by the Secured Party over all Collateral with respect to which such control may be obtained pursuant to the PPSA and the STA. No person other than the Secured Party has control or possession of all or any part of the Collateral.

ARTICLE VI

VOTING, DISTRIBUTIONS AND RECEIVABLES

Section 6.01 Voting. Unless an Event of Default shall have occurred and be continuing, the Grantor may, to the extent the Grantor has such right as a holder of the Collateral consisting of securities, other equity interests or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that, in the Secured Party's reasonable judgment, any such vote, consent, ratification or waiver would detract from the value thereof as Collateral or which would be inconsistent with or result in any violation of any provision of the Loan Agreement or this Agreement.

Section 6.02 Distributions. The Grantor may, unless an Event of Default shall have occurred and be continuing, receive and retain all dividends and other distributions with respect to the Collateral consisting of securities, other equity interests or indebtedness owed by any obligor.

Section 6.03 Receivables. If any Event of Default shall have occurred and be continuing, the Secured Party may, or at the request and option of the Secured Party, the Grantor shall: (i) notify account debtors of the Secured Party's security interests in any account, chattel paper, intangible, instrument or other Collateral; and (ii) direct that payment thereof is to be made directly to the Secured Party.

ARTICLE VII COVENANTS

The Grantor covenants and agrees with the Secured Party as follows:

Section 7.01 Covenants.

- (a) **Consent re: Change of Location of Collateral.** The Collateral, to the extent not delivered to the Secured Party under Section 4.03, will be kept at those locations listed in Schedule "A", and, except for Inventory sold or leased in the ordinary course of business, the Grantor will not remove the Collateral from such locations without obtaining the Secured Party's prior written consent. The Grantor will, before any change described in the preceding sentence, take all actions required by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.
- (b) **Dealing with Collateral: No Sale or Encumbrances.** The Grantor will not sell, dispose of, lease, assign or otherwise transfer any of the Collateral except as expressly provided for in the Loan Agreement, in the ordinary course of business or with the prior written consent of the Secured Party. The Grantor will not grant, create, permit or suffer to exist any mortgage, hypothec, pledge, lien, security interest, option, right of first offer, right of first refusal, encumbrance, statutory lien or trust (including any conditional sale or other title retention agreement or finance lease) or other restriction or limitation of any nature whatsoever on the Collateral except as permitted in the Loan Agreement or with the prior written consent of the Secured Party.
- (c) **Maintenance and Protection of Collateral.** The Grantor will keep the Collateral in good order, condition and repair so as to protect and preserve the Collateral and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Secured Party. The Grantor will not use the Collateral in violation of this Agreement, or any other agreement relating to the Collateral or any policy of insurance thereon, or any applicable law. The Grantor will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Grantor in good standing. The Grantor shall, at its own cost and expense, defend title to the Collateral and the security interests of the Secured Party therein against the claim or demand of any person claiming against or through the Grantor and shall maintain and preserve such perfected security interests for so long as this Agreement shall remain in effect.
- (d) **Performance of Obligations.** The Grantor will pay promptly when due all rents, taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement. The Grantor shall perform all of its obligations under material agreements, leases, licenses, arrangements to obtain and preserve its rights, powers, licences,

privileges and goodwill thereunder and comply with all applicable laws, by-laws, rules and regulations so as to preserve and protect the Collateral and the Grantor's business.

- (e) **Access to Collateral, Inspection.** The Grantor will permit the Secured Party, or its representatives, to inspect the Collateral from time to time and to examine and take extracts of its books and records (electronic or hard copy), at any reasonable time and on reasonable notice, wherever located. The Grantor shall, upon request by the Secured Party, provide the Secured Party with any information concerning the Collateral, the Grantor and its business, as the Secured Party may reasonably request, including access to the Grantor's senior executives, accountants and auditors to discuss any information concerning the Collateral.
- (f) **Notification.** The Grantor shall notify the Secured Party within five business days of: (i) the details of any material acquisition of Collateral; (ii) the details of any material litigation in connection with the Grantor, the Collateral or the Grantor's business; and (iii) any material loss or damage to the Collateral or the value of the Collateral.
- (g) **Insurance.** The Grantor shall insure the Collateral against loss or damage by fire and such other risks and hazards, in such amounts and upon such other terms as set out in the Loan Agreement or as the Secured Party may from time to time require. Any insurance proceeds received by the Secured Party may, at the option of the Secured Party, be applied against the Secured Obligations or released to the Grantor without prejudice to any rights or remedies of the Secured Party.

ARTICLE VIII

SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND COVENANTS

Section 8.01 Survival of Representations and Warranties and Covenants. All representations, warranties and covenants made by the Grantor in this Agreement shall survive the execution and delivery of this Agreement and remain in full force and effect until the payment in full of the Secured Obligations.

ARTICLE IX

POWER OF ATTORNEY

Section 9.01 Power of Attorney. The Grantor hereby constitutes and appoints the Secured Party and any officer or employee of the Secured Party to be the Grantor's true and lawful attorney in accordance with applicable legislation with full power of substitution, with full authority in the place and stead of the Grantor and in the name of the Grantor or otherwise, from time to time in the Secured Party's discretion to take any action and to execute any instrument which the Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement (but the Secured Party shall not be obligated to and shall have no liability to the Grantor or any third party for failure to do so or take action). This appointment, being coupled with an interest, shall be irrevocable until the discharge of the security interests created by this Agreement. The Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof.

**ARTICLE X
SECURED PARTY MAY PERFORM**

Section 10.01 Secured Party May Perform. If the Grantor fails to perform any obligation contained in this Agreement, the Secured Party may itself perform, or cause performance of, such obligation, and the costs and expenses of the Secured Party incurred in connection therewith shall be payable by the Grantor; *provided that* the Secured Party shall not be required to perform or discharge any obligation of the Grantor and the performance by the Secured Party shall not waive the rights of the Secured Party to enforce this Agreement.

**ARTICLE XI
SET-OFF**

Section 11.01 Set-Off. Each Secured Party may, without notice to the Grantor or any other person, any notice being expressly waived, set-off and apply all amounts standing to or for the credit of the Grantor from the Secured Party or any of the Secured Party's affiliates, in any currency, against and on account of all or any part of the Secured Obligations, all as the Secured Party may see fit (in its sole discretion), whether or not the Secured Obligations are due and payable. The Secured Party's records are proof of such recording absent manifest error. When applying a deposit or other obligation in a different currency than the Secured Obligations to the Secured Obligations, the Secured Party will convert the deposit or other obligation to the currency of the Secured Obligations using the rate of exchange for the conversion of such currency as determined by the Secured Party.

**ARTICLE XII
REMEDIES UPON DEFAULT**

Section 12.01 Right to Accelerate Payment. Upon the occurrence of an Event of Default that is continuing or ON DEMAND, the Secured Party may, by notice and in accordance with the Loan Agreement, declare any or all of the Secured Obligations to be immediately due and payable, whereupon, all of the Secured Obligations shall become and be immediately due and payable without presentment, demand, protest or further notice, all of which are hereby expressly waived by the Grantor.

Section 12.02 Enforcement of Security Interest. Upon the occurrence of an Event of Default that is continuing, the Secured Party may proceed to realize upon the Collateral and immediately enforce its rights and remedies.

Section 12.03 Remedies upon Default. Upon the occurrence of an Event of Default that is continuing, the Secured Party may exercise, without any other notice to or demand upon the Grantor, and in addition to the other rights and remedies provided herein or in any other Loan Document or otherwise available to it, the following rights and remedies (which rights and remedies may be exercised independently or in combination):

- (a) the Secured Party may assert all rights and remedies of a secured party under the PPSA or other applicable law;
- (b) the Secured Party may take such steps as it considers desirable to maintain, preserve or protect the Collateral or its value;

- (c) the Secured Party may take possession of the Collateral by requiring the Grantor to assemble the Collateral or any part thereof and deliver the Collateral, or make the Collateral available, to the Secured Party at a place and time to be designated by the Secured Party;
- (d) the Secured Party may take possession of the Collateral by carrying on all or any part of the business of the Grantor; and may to the exclusion of others, including the Grantor, enter upon, occupy and use any of the premises, buildings, plant and undertaking owned, occupied or used by the Grantor and may use any of the tools, machinery, equipment and intangibles of the Grantor for such time as the Secured Party sees fit, free of charge and without liability, in order to carry on the business of the Grantor or to manufacture or complete the manufacture of Inventory and to pack and ship finished products;
- (e) the Secured Party may enter upon and occupy any land and premises owned, leased or occupied by the Grantor where the Collateral or any part thereof is assembled or located in order to effectuate its rights and remedies hereunder or under law, without obligation whatsoever to the Grantor;
- (f) the Secured Party may borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof, or to carry on the business, and may further charge the Collateral in priority to the security constituted by this Security Agreement;
- (g) the Secured Party may exercise and enforce all rights and remedies of the Grantor with respect to the Collateral including collecting or compromising all or any of the Grantor's Accounts;
- (h) the Secured Party may sell, lease, license, or otherwise dispose of all or any part of the Collateral by private sale or public sale or otherwise, and upon such other terms and conditions (including as to credit, upset or reserve bid or price) as the Secured Party may deem commercially reasonable;
- (i) the Secured Party may appoint, by instrument in writing, any person or persons (whether an officer or employee of the Secured Party or not) to be a receiver, manager, interim receiver, or receiver and manager (collectively, "**Receiver**"), of the Collateral or any part of the Collateral and remove or replace any person so appointed. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Secured Party under this ARTICLE XII;
- (j) the Secured Party may apply to a court of competent jurisdiction for the appointment of a Receiver of the Collateral or any part of the Collateral. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Secured Party under this Article XII;
- (k) all rights of the Grantor to: (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to Section 6.01; and (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain pursuant to Section 6.02, shall immediately cease, and all such rights shall thereupon become vested in the Secured Party, which shall have the sole right to exercise such

voting and other consensual rights and receive and hold such dividends and other distributions as Collateral; and

- (I) the Secured Party may retain the Collateral in satisfaction of the Secured Obligations.

Section 12.04 Receiver Agent of Grantor. In exercising any powers any such Receiver so appointed shall act as agent of the Grantor and not the Secured Party and Secured Party shall not be in any way responsible for any of the actions of the Receiver, its employees, agents and contractors. The Secured Party may from time to time remove and appoint replacements for, any Receiver, and appoint another or others in their stead from time to time.

Section 12.05 Distribution of Proceeds. Any cash held by the Secured Party as Collateral and all cash Proceeds received by the Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Secured Party to the payment of expenses incurred by the Secured Party in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Secured Party hereunder, including reasonable legal and Receivers' fees, and the balance of such proceeds shall be applied or set-off against all or any part of the Secured Obligations in such order as the Secured Party shall elect. Any surplus of such cash or cash Proceeds held by the Secured Party and remaining after payment in full of all the Secured Obligations shall be paid over to the Grantor or to whomsoever may be lawfully entitled to receive such surplus. The Grantor shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any solicitor employed by the Secured Party to collect such deficiency.

Section 12.06 Grantor Pays Expenses. The Grantor agrees to pay all reasonable expenses incurred by the Secured Party or any Receiver in the preparation, perfection and enforcement of this Agreement, whether directly incurred or for services rendered including legal and auditor's fees and expenses and remuneration of any Receiver.

ARTICLE XIII MISCELLANEOUS

Section 13.01 No Waiver and Cumulative Remedies. The Secured Party shall not by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

Section 13.02 Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Grantor therefrom shall be effective unless the same shall be in writing and signed by the Secured Party and the Grantor, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

Section 13.03 Notices. All notices, consents, claims, demands, waivers and other communications hereunder shall be in writing and addressed to the parties at the addresses set forth in the Loan Agreement and shall be given in the manner and become effective as set forth in the Loan Agreement.

Section 13.04 Continuing Security Interest; Further Actions. This Agreement shall create a general and continuing security interest in the Collateral and shall (a) subject to Section 13.06, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Grantor, its successors and permitted assigns, and (c) enure to the benefit of the Secured Party and its successors, transferees and assigns; *provided that* the Grantor may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Secured Party. Without limiting the generality of the foregoing clause (c), any assignee of a Secured Party's interest in any agreement or document which includes all or any of the Secured Obligations shall, upon assignment, become vested with all the benefits granted to the Secured Party herein with respect to such Secured Obligations.

Section 13.05 Assignment. The Secured Party may assign or transfer any of its rights under this Agreement without the consent of the Grantor. The Grantor may not assign its obligations under this Agreement without the prior written consent of the Secured Party.

Section 13.06 Termination; Release. On the date on which all Secured Obligations have been paid and performed in full (as determined by the Secured Party in its sole discretion), the Secured Party will, at the request and sole expense of the Grantor (a) duly assign, transfer and deliver to or at the direction of the Grantor (without recourse and without any representation or warranty) such of the Collateral as may then remain in the possession of the Secured Party, together with any monies at the time held by the Secured Party hereunder, and (b) execute and deliver to the Grantor a proper instrument or instruments acknowledging the satisfaction, release and termination of this Agreement and all related filings and instruments.

Section 13.07 Acknowledgement. The Grantor acknowledges receipt of a fully executed copy of this Agreement.

Section 13.08 Amalgamation. The Grantor acknowledges that, if it amalgamates with another person, the term Grantor when used in this Agreement, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interests created hereby shall extend to the Collateral in which any amalgamating corporation has any rights at the time of the amalgamation and to any collateral in which the amalgamated corporation thereafter has any rights to secure the Secured Obligations of each of the amalgamating corporations and the amalgamated corporation to the Secured Party at the time of the amalgamation and any Secured Obligations of the amalgamated corporation to the Secured Party thereafter arising.

Section 13.09 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein.

Section 13.10 Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Section 13.11 Conflict with Loan Agreement. To the extent of any conflict or inconsistency between the terms of this Agreement and the terms of the Loan Agreement, the terms of the Loan Agreement shall govern to the extent necessary to remove the conflict or inconsistency.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Grantor has executed this Agreement as of the date first written above.

FELIX PAYMENT SYSTEMS LTD., as Grantor

By: _____

Name: Warren Hogg

Title: Director

SCHEDULE A**LOCATION OF COLLATERAL**

1286 Homer Street Level 3, Vancouver BC, V6B 2Y5

DEMAND LOAN AGREEMENT

THIS AGREEMENT (this “**Agreement**”) dated for reference February 10, 2024,

AMONG:

FELIX PAYMENT SYSTEMS LTD., a company incorporated under the laws of British Columbia and having its registered and records office address at 250 Howe Street, 20th Floor, Vancouver (BC), V6C 3R8

(the “**Borrower**”)

AND:

BROOKRIDGE CHARTERED PROFESSIONAL ACCOUNTANTS INC., a company incorporated under the laws of British Columbia and having its registered and records office address at 650-1188 West Georgia Street, Vancouver B.C., V6E 4A2

(“**Lender**”)

WHEREAS:

A. The Lender has agreed to lend to the Borrower the principal amount set forth below (the “**Loans**” or the “**Principal**”):

Lender	Loan Amount
Brookridge CPA Inc.	\$10,000

B. As security for the Loans, the Borrower has agreed to provide the Lender with a security agreement dated as of the date hereof and attached hereto as Schedule A (the “**Security Agreement**”) whereby the Borrower grants to the Lender a security interest in all of the Borrower’s present and after acquired personal property, including without limitation, the SRED Refunds (as defined below); and

C. The parties wish to record the terms and conditions of their agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that pursuant to the premises and in consideration of the mutual covenants hereinafter contained and the agreement of the Lender to advance funds to the Borrower, the receipt and sufficiency of which are hereby acknowledged by each party, the parties hereto covenant and agree as follows:

1. LOAN

1.1 **Loan.** The Lender agrees to lend to the Borrower the Principal as set forth in Recital A.

1.2 **Advance.** Subject to the other provisions of this Agreement, the Lender or its counsel shall advance the Principal to the Borrower, on the date hereof (the “**Closing Date**”).

1.3 **Interest.** The outstanding balance of the Principal shall accrue interest from the Closing Date and up to the date of full repayment of the Principal at a simple annual rate of fifteen percent (15%), calculated monthly and payable ON DEMAND (the “**Interest**” and together with the Principal, the “**Indebtedness**”).

1.4 **Secured Promissory Note.** The Loans shall be evidenced by a secured promissory note (the “**Promissory Note**”) issued by the Borrower in favour of the Lender. Repayment under the Promissory Note shall be made in accordance with Section 1.5.

1.5 **Repayment.** Subject to other terms and conditions of this Agreement:

(a) the Indebtedness, in whole or in part, may be repaid by the Borrower without penalty or bonus at any time after delivery of a notice of repayment to the Lender at least seven (7) days prior to the date of repayment; and

(b) if the Indebtedness has not been fully repaid pursuant to Section 1.5(a), the outstanding Indebtedness shall be repaid ON DEMAND made by the Lender

Upon the repayment of the Principal and any accrued and unpaid interest up to the date of repayment, the Lender will sign and deliver to the Borrower a release and authorization, in form as prepared by or at the expense of the Borrower, to evidence such repayment and the discharge of the Security (as defined below) and to authorize the filing of any discharge in the Personal Property Registry of British Columbia (the “**PPR**”) and any other applicable registry.

1.6 **Manner of Payments.** All payments to be made by the Borrower to the Lender under this Agreement shall be made to the Lender by wire transfer, cheque, direct deposit or bank draft in immediately available funds to such accounts of the Lender as the Lender may direct from time to time.

1.7 **Criminal Code Compliance.** In this Section 1.7, the terms “interest”, “criminal rate” and “credit advanced” have the meanings ascribed to them in s. 347 of the *Criminal Code* (Canada) as amended from time to time. The Borrower and the Lender agree that, notwithstanding any agreement to the contrary, no interest on the credit advanced by the Lender under this Agreement will be payable in excess of that permitted under the laws of Canada. If the effective rate of interest, calculated in accordance with generally accepted actuarial practices and principles, would exceed the criminal rate on the credit advanced, then:

(a) the elements of return which fall within the term “interest” shall be reduced to the extent necessary to eliminate such excess;

(b) any remaining excess that has been paid will be credited towards prepayment of the Principal; and

(c) any overpayment that may remain after such crediting will be returned forthwith to the Borrower upon demand,

and, in the event of dispute, a Fellow of the Canadian Institute of Actuaries appointed by the Lender shall perform the relevant calculations and determine the reductions, modifications and credits necessary to effect the foregoing and the same will be conclusive and binding on the parties.

2. SECURITY

2.1 The Indebtedness and all other amounts payable in connection therewith shall be secured by a security interest in all of the Borrower's present and after acquired personal property, including without limitation, any federal and provincial cash refund investment tax credits received by the Borrower or its agents (the "**SRED Refunds**") arising as a result of the T661 Scientific Research and Experimental Development (SR&ED) expenditures claims claimed for the Borrower's 2023 fiscal year and all subsequent years (the "**SRED Claims**") in accordance with the terms set out in the Security Agreement (collectively, the "**Security**").

2.2 The parties hereby authorize and instruct the Lender's solicitors, Edwards, Kenny & Bray LLP, to file a financing statement on or prior to the Closing Date to register the Security in the PPR.

3. REPRESENTATIONS AND WARRANTIES

3.1 The Borrower hereby makes the following representations and warranties to the Lender as of the Closing Date:

(a) the Borrower is duly organized and it is in good standing under the laws of British Columbia;

(b) the place of business of the Borrower, or, if there is more than one place of business, chief executive office (for the purpose of section 7(1) of the *Personal Property Security Act* (British Columbia)) is in the Province of British Columbia;

(c) the Borrower is a Canadian Controlled Private Corporation as defined under the *Income Tax Act* (Canada) (the "**Act**");

(d) the Borrower has carried on its business in a manner that is consistent with the provisions under the Act and other applicable legislation and the regulations thereto, including, without limitations, such provisions that could bear upon or materially affect the eligibility of the SRED Claims;

(e) save for any amounts due to Canada Revenue Agency ("**CRA**") which are to be paid from the proceeds of the Loan, the Borrower has deducted, paid, and/or remitted all taxes, premiums, contributions, levies, fees and other amounts which that party is required to deduct at source, pay and/or remit by or on behalf of itself or otherwise under any legislation including the Act, *Excise Tax Act* (Canada), *Canada Pension Plan*, *Employment Insurance Act* (Canada), all applicable provincial legislation or any regulations to the foregoing or under any other legislation, rule or order, to any taxing authority having jurisdiction, and there are no liens for taxes payable by the Borrower; and

(f) the borrowing and the granting of security contemplated herein, and the execution, delivery and performance by the Borrower of this Agreement, the Security Agreement and all other documents to be delivered pursuant hereto have been duly authorized by all necessary corporate proceedings of the Borrower, and will not cause a breach of or constitute a default under the constating documents of the Borrower or any agreement or instrument to which the Borrower is a party.

4. COVENANTS

4.1 The Borrower covenants and agrees with the Lender that, so long as the Indebtedness or any part thereof shall be outstanding, the Borrower will do the following:

(a) forthwith upon becoming aware of an Event of Default (as defined in Section 5.1), or becoming aware of any event which would, with notice, lapse of time or both, constitute an Event of Default, give to the Lender notice of such Event of Default or event;

(b) maintain adequate records and books of account reflecting all financial transactions in conformity with generally accepted accounting principles and, when requested, upon reasonable notice and during normal business hours, forthwith make available for inspection by duly authorized representatives of the Lender any of its books and records and furnish the Lender with any information regarding its business affairs and financial condition;

(c) maintain any and all tax obligations of the Borrower with CRA and any other applicable tax authority current and in good standing;

(d) make such filings as are required by or under, and deduct, pay, and/or remit all taxes, premiums, contributions, levies, fees and other amounts which the Borrower is required to deduct at source, pay and/or remit by or on behalf of the Borrower by or under, the legislation and regulations set out in Section 3.1(e) above or under any other legislation, regulations, rule or order, to any applicable authority having jurisdiction;

(e) respond promptly and fully to any request received from the CRA and any other applicable tax authority;

(f) immediately notify, or cause the notification of, the Lender of the receipt of the SRED Refunds described in Section 1.5 above and the amount thereof;

(g) continue to disclose to the Lender all material information or facts that could materially adversely affect the eligibility of the SRED Claims;

(h) carry on its business in a manner that is consistent with the provisions under the Act and other applicable legislation and the regulations thereto, including, without limitations, such provisions that could bear upon or materially affect the eligibility of the SRED Claims;

(i) prepare and file, or cause the preparation and filing of, the SRED Claims in a professional and diligent manner and in full compliance with the requirements and provisions of the Act and other applicable legislation and the regulations thereto; and

- (j) do all acts and execute all instruments that are necessary to facilitate the filing, processing, receipt and disbursement of the SRED Refunds, including without limitation, the endorsement of any cheque or other payment instrument issued to the Borrower in respect of the SRED Refunds.

5. EVENTS OF DEFAULT

5.1 **Events of Default.** Each of the following events shall constitute an “**Event of Default**” under this Agreement unless (i) within five (5) days after notice from the Lender the default specified in such notice has been cured, or (ii) the Lender agree to waive such default:

- (a) the Borrower fails to repay the Indebtedness, or any part thereof, to the Lender when due in the manner provided herein;
- (b) any of the representations and warranties made in Section 3 above are incorrect when made, or the Borrower has failed to disclose any material information or facts that may materially adversely affect the eligibility of the SRED Claims;
- (c) the Borrower defaults in the performance of any other term, covenant, condition, agreement, undertaking or provision of this Agreement;
- (d) an order is made or a resolution is passed for the liquidation or winding-up of any of the Borrower;
- (e) the Security or the security interest created therein becomes invalid, unenforceable or unperfected; or
- (f) the Borrower admits in writing its inability to pay its debts as they become due or otherwise acknowledges its insolvency, commits an act of bankruptcy, makes an assignment or bulk sale of its assets, is adjudged or declared bankrupt or makes an assignment for the benefit of creditors or a proposal or similar action under the *Bankruptcy and Insolvency Act* (Canada), the *Companies Creditors' Arrangement Act* (Canada) or any similar legislation, or commences any other proceedings relating to it under any reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction whether now or thereafter in effect, or consents to any such proceedings.

5.2 **Remedies For Events of Default.** Upon the occurrence of an Event of Default, the Lender may do any or all of the following:

- (a) declare immediately due and payable the outstanding balance of the Indebtedness without presentment of any notes evidencing the same, and without demand, protest or other notices of any kind, all of which are hereby expressly waived; or
- (b) exercise any and all rights, powers, remedies and recourses available to the Lender under this Agreement, under the Security, at law, in equity or otherwise.

Nothing contained in this Agreement shall be interpreted to prevent or constrain the Lender from making a demand for repayment of any or all of the Indebtedness at any time in accordance with Section 1.5 hereof.

5.3 **Waiver of Default.** The Lender may by written instrument in its absolute discretion at any time and from time to time waive any Event of Default or any breach by the Borrower of any of the covenants herein, provided that any such waiver shall not be a continuing waiver and shall not constitute a waiver of any other term or provision hereof.

5.4 **No Waiver.** No failure or delay on the part of the Lender in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein expressly specified are cumulative and not exclusive of any rights or remedies which the Lender would otherwise have. The acceptance by the Lender of any payment of or on account of the Indebtedness after a default or of any payment on account of any partial default shall not be construed to be a waiver of any right in relation to any future default or any past default not completely cured thereby. The Lender may exercise any and all rights, powers, remedies and recourses available to it under this Agreement, or any other remedy available to it, concurrently or individually without the necessity of an election.

6. CONDITIONS PRECEDENT

Notwithstanding any other provisions in this Agreement, the Lender shall have no obligation to advance pursuant to Section 1.2 above unless and until the following conditions shall have been satisfied as of the Closing Date (or waived by the Lender):

- (a) no Event of Default or event that with notice, lapse of time or both would result in an Event of Default has occurred;
- (b) satisfactory completion of due diligence by the Lender, including, without limitation, review of all documentation related to the SRED Claims;
- (c) any and all tax obligations of the Borrower with CRA and any other applicable tax authority remaining current and in good standing;
- (d) execution and delivery of the Security Agreement and registration of the Security at the PPR and other applicable public registry in any applicable jurisdictions in order to perfect the Security; and
- (e) execution and delivery of this Agreement, the Security Agreement, the Promissory Note and all other documents and instruments as required by the Lender and its legal counsel.

7. GENERAL

7.1 **Expenses.** The Borrower shall reimburse the Lender for all of the Lender's costs and expenses incurred by the Lender (including any legal fees, professional fees, disbursements and out-of-pocket costs of legal counsel retained by the Lender) in connection with the negotiation, preparation and execution of this Agreement and any documents necessary to give effect to this Agreement at the Closing Date, which amounts may, at the option of the Lender, be (i) added to the Principal amount outstanding hereunder or (ii) be deducted from the proceeds of the Loans.

The Borrower shall bear its own costs and expenses incurred by it including any legal fees, professional fees, disbursements and out-of-pocket costs of legal counsel retained by the Borrower) in connection with the negotiation, preparation and execution of this Agreement and any documents necessary to give effect to this Agreement at the Closing Date

7.2 Currency. All references to dollars or currency in this Agreement are to Canadian dollars, unless otherwise specified.

7.3 Governing Law. This Agreement shall in all respects be governed by and be construed in accordance with the laws of British Columbia and the laws of Canada applicable therein, and the courts of British Columbia (and Supreme Court of Canada, if necessary) shall have exclusive jurisdiction to hear and determine all disputes arising hereunder.

7.4 Severability. If any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect in any jurisdiction, the validity, legality and enforceability of such provision or provisions shall not in any way be affected or impaired thereby in any other jurisdiction and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

7.5 Headings. The headings to the clauses of this Agreement are inserted for convenience only and shall not affect the construction hereof.

7.6 Notice. Any notice required or permitted to be given under this Agreement shall be in writing and may be given by delivering the same to the addresses of the other parties as set forth on the first page hereof. Any notice given as aforesaid shall be deemed conclusively to have been received on the date of delivery of the same. Any party may change its address for service at any time by giving written notice thereof to the other parties in accordance with the provisions of this paragraph.

7.7 Co-operation. Each of the parties shall execute all such further documents and do all such further things as may reasonably be required by another party in order to give full effect to this Agreement.

7.8 No Prejudice. Nothing contained in this Agreement shall prejudice or impair any other right or remedy which the Lender may otherwise have with respect to the Indebtedness hereunder or any rights or remedies the Lender may have with respect to other loans which may be made to the Borrower or any other claims which the Lender or any of its affiliates may have against the Borrower.

7.9 Assignment. The Borrower shall have no right to assign or transfer its rights or obligations hereunder unless with the prior written consent of the Lender. The Lender may assign or transfer any or all of its rights or obligations hereunder without the prior consent of the Borrower.

7.10 Enurement. This Agreement shall be binding upon and enure to the benefit of the Borrower and the Lender and their respective permitted assigns, successors, executors, administrators, and personal representatives, as applicable.

7.11 **Conflict.** In the event of a conflict between the provisions of this Agreement and the Security Agreement, the terms of this Agreement will prevail.

7.12 **Delivery.** This Agreement, the Promissory Note, the Security Agreement and all collateral documentation, may be executed in counterparts and delivered by docusign, adobesign, facsimile transmission or in file of Portable Document Format (PDF) attached to an email, with the same effect as if all parties had all signed and delivered an original copy of the same document and all counterparts will be construed together as one and the same agreement.

7.13 **Time.** Time shall be of the essence of this Agreement.

[The remainder of this page has been left intentionally blank.]

AS EVIDENCE OF THEIR AGREEMENT the parties hereto have caused this Agreement to be executed and delivered as of date first written above.

FELIX PAYMENT SYSTEMS LTD.

Per:



WARREN HOGG

**BROOKRIDGE CHARTERED
PROFESSIONAL ACCOUNTANTS INC.**

Per:



DOUGLAS A. MORDY

**SCHEDULE A
SECURITY AGREEMENT**

[attached]

GENERAL SECURITY AGREEMENT

made by

FELIX PAYMENT SYSTEMS LTD.

in favour of

Brookridge Chartered Professional Accountants Inc.

dated as of

February 10, 2024

This GENERAL SECURITY AGREEMENT, dated as of February 10, 2024 (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, this "**Agreement**"), is made by FELIX PAYMENT SYSTEMS LTD., a British Columbia corporation (the "**Grantor**"), in favour of Brookridge Chartered Professional Accountants Inc. (the "**Secured Party**").

RECITALS

WHEREAS, the Grantor, as borrower has entered into a Demand Loan Agreement dated as of the date of this Agreement with the Secured Party (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, the "**Loan Agreement**") pursuant to which the Lender have made and will make certain loans available to the Grantor;

WHEREAS, this Agreement is given by the Grantor in favour of the Secured Party to secure the payment and performance of all of the Secured Obligations (defined below), including, without limitation, the obligations of the Grantor under the Loan Agreement; and

WHEREAS, it is a condition to the effectiveness of the Loan Agreement that the Grantor execute and deliver this Agreement.

NOW THEREFORE, in consideration of the Secured Party entering into the Loan Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions.

- (a) Capitalized terms that are used but not defined in this Agreement shall have the respective meanings assigned to such terms in the Loan Agreement. Unless otherwise defined herein or in the Loan Agreement, terms used herein that are defined in the PPSA shall have the meanings assigned to them in the PPSA.
- (b) For purposes of this Agreement, the following terms shall have the following meanings:

"**Collateral**" is defined in Section 2.01.

"**Event of Default**" means any event of default as defined in the Loan Agreement.

"**Grantor**" is defined in the preamble of this Agreement.

"**Loan Agreement**" is defined in the recitals of this Agreement.

"**Loan Document**" and "**Loan Documents**" means the Loan Agreement, this Agreement and any other documents delivered by the Grantor to the Secured Party pursuant to or in connection with the Loan Agreement.

"**PPSA**" means the *Personal Property Security Act* as in effect from time to time in the Province of British Columbia.

"**Proceeds**" means "proceeds" as such term is defined in section 1(1) of the PPSA and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.

"**Secured Obligations**" is defined in Section 3.01.

"**Secured Party**" is defined in the preamble of this Agreement.

"**STA**" means the *Securities Transfer Act*, as in effect from time to time in the Province of British Columbia.

Section 1.02 Interpretation. Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.

ARTICLE II GRANT OF SECURITY INTEREST

Section 2.01 Grant of Security Interest. As security for the payment and performance of the Secured Obligations, the Grantor hereby grants, assigns, transfers, sets over, mortgages, charges, and pledges to the Secured Party, and hereby creates a general and continuing security interest in favour of the Secured Party in and to all of the Grantor's right, title and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the "**Collateral**"):

- (a) all present and after-acquired property, assets and undertaking of the Grantor of every kind and nature whatsoever, including all Accounts, Goods (including Inventory, Equipment and motor vehicles, but excluding Consumer Goods), Intangibles, Chattel Paper, Documents of Title, Instruments, Securities and all other Investment Property, Money, and any other contract rights or rights to the payment of money;
- (b) all Proceeds and products of each of the foregoing, including all Proceeds of any insurance, indemnity, compensation for loss or damage, warranty or guarantee payable to the Grantor from time to time with respect to any of the foregoing;
- (c) all books and records relating to the foregoing, including in any form or medium;
- (d) all supporting obligations relating to the foregoing;

- (e) all additions, accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing;
- (f) all federal and provincial cash refund tax investment tax credits received by the Grantor arising as a result of the T661 Scientific and Experimental Development (SR&ED) expenditures claimed by the Grantor for the Grantor's 2023 fiscal year and all subsequent years; and
- (g) the last day of the term of any lease, verbal or written, or any agreement to lease, now held or hereafter acquired by the Grantor is hereby excepted out of the security interests hereby created, but should the Secured Party need to enforce against the Collateral, the Grantor shall hold the last date in trust for the Secured Party and shall assign it to any person acquiring the term or that part of the term that is charged in the course of any enforcement or realization of the Collateral.

For greater certainty, the collateral does not include any Consumer Goods.

Section 2.02 Attachment of Security Interest. The Grantor acknowledges that value has been given, that the Grantor has rights in the Collateral, and that the parties have not agreed to postpone the time for attachment of any security interest in this Agreement. The Grantor acknowledges that any security interest created by this Agreement shall attach to existing Collateral upon the execution of this Agreement and to each item of after-acquired Collateral at the time that the Grantor acquires rights in such after-acquired Collateral.

ARTICLE III SECURED OBLIGATIONS

Section 3.01 Secured Obligations. The Collateral secures the payment and performance of all present and future obligations of the Grantor to the Secured Party from time to time, including without limitation, all present and future obligations of the Grantor, arising under the Loan Agreement, this Agreement and the other Loan Documents, whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, whether the indebtedness is reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether incurred by the Grantor alone or with another or others and whether as a principal or surety, and, without limiting the foregoing, the payment and discharge of: (i) the principal of and premium, if any, and interest on the Loan Agreement, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise; and (ii) all other present and future obligations and liabilities including fees, costs, legal fees and disbursements, reimbursement obligations, contract causes of action, expenses and indemnities (all such obligations, covenants, duties, debts, liabilities, sums, fees and expenses being herein collectively called the "**Secured Obligations**").

ARTICLE IV PERFECTION OF SECURITY INTEREST AND FURTHER ASSURANCES

Section 4.01 Perfection. The Grantor shall, from time to time, as may be required by the Secured Party with respect to all Collateral, take all actions as may be reasonably requested by the Secured Party to perfect the security interest of the Secured Party in the Collateral at the sole expense of the Grantor.

Section 4.02 Intellectual Property. The Grantor hereby further authorizes the Secured Party to file with the Canadian Intellectual Property Office this Agreement and other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interests in Intangibles granted by the Grantor hereunder, without the signature of the Grantor where permitted by law.

Section 4.03 Chattel Paper, Documents of Title, Instruments. If the Grantor shall at any time hold or acquire any certificated securities, promissory notes, chattel paper, negotiable documents of title or warehouse receipts relating to the Collateral, the Grantor shall immediately endorse, assign and deliver possession of the same to the Secured Party for the benefit of the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify.

Section 4.04 Control Agreement. Where Investment Property is held in an account of a securities intermediary, the Grantor shall: (i) enter into, and use commercially reasonable efforts to cause any securities intermediary for any securities accounts or entitlements forming part of the Collateral to enter into, a securities account control agreement between the Secured Party, the Grantor and said securities intermediary in a form and substance acceptable to the Secured Party; and (ii) enter into, and use commercially reasonable efforts to cause any issuer of uncertificated securities forming part of the Collateral to enter into, a securities account control agreement between the Secured Party, the Grantor and said securities intermediary, in a form and substance acceptable to the Secured Party.

Section 4.05 Copy of Verification Statement. To the extent permitted by law, the Grantor hereby waives its right to receive a copy of any financing statement, financing change statement or verification statement filed or received by or on behalf of the Secured Party in connection with the Secured Party's interest in the Collateral.

Section 4.06 Further Assurances. The Grantor agrees that, at any time and from time to time, at the expense of the Grantor, the Grantor will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Secured Party may reasonably request to create and maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby (including, without limitation, providing the secured party with a fixed and specific mortgage) or to enable the Secured Party to exercise and enforce its rights and remedies hereunder or under any other Loan Document with respect to any Collateral.

ARTICLE V REPRESENTATIONS AND WARRANTIES

Section 5.01 Representations and Warranties. The Grantor represents and warrants as follows:

- (a) **Location of Collateral and Places of Business.** The Grantor's place or places of business and the location of the Collateral, including all books and records in respect of Accounts, are set forth in Schedule "A" hereto.
- (b) **Ownership and Title.** The Grantor hereby represents and warrants to the Secured Party that it is the sole, direct, legal and beneficial owner of, and has good marketable title to all existing Collateral and shall be the sole, direct, legal and beneficial owner of, and have good marketable title to each item of after-acquired Collateral free and clear of any

mortgages, charges, hypothecs, pledges, trusts, liens, security interests and other claims except for the security interests created by this Agreement and other encumbrances permitted by the Loan Agreement or consented to by the Secured Party.

- (c) **Status.** The Grantor has full power, capacity, authority and legal right to grant a security interest in the Collateral, execute and deliver this Agreement and perform its obligations under this Agreement.
- (d) **Binding Obligation.** This Agreement has been duly authorized, executed and delivered by the Grantor and constitutes a legal, valid and binding obligation of the Grantor enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, arrangement, or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).
- (e) **No Governmental or Regulatory Approvals.** No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the Grantor to grant a security interest in the Collateral under this Agreement or for the execution and delivery of this Agreement or the performance by the Grantor of its obligations hereunder.
- (f) **No Violation of Laws, Constatng Documents, Agreements.** The execution and delivery of this Agreement and the performance by the Grantor of its obligations hereunder, will not violate any provision of any applicable law or regulation or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to the Grantor or any of its property, or the constating or governing documents of the Grantor or any agreement or instrument to which the Grantor is party or by which it or its property is bound.
- (g) **Perfection by Control.** The Grantor has taken all action required on its part for control to have been obtained by the Secured Party over all Collateral with respect to which such control may be obtained pursuant to the PPSA and the STA. No person other than the Secured Party has control or possession of all or any part of the Collateral.

ARTICLE VI

VOTING, DISTRIBUTIONS AND RECEIVABLES

Section 6.01 Voting. Unless an Event of Default shall have occurred and be continuing, the Grantor may, to the extent the Grantor has such right as a holder of the Collateral consisting of securities, other equity interests or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that, in the Secured Party's reasonable judgment, any such vote, consent, ratification or waiver would detract from the value thereof as Collateral or which would be inconsistent with or result in any violation of any provision of the Loan Agreement or this Agreement.

Section 6.02 Distributions. The Grantor may, unless an Event of Default shall have occurred and be continuing, receive and retain all dividends and other distributions with respect to the Collateral consisting of securities, other equity interests or indebtedness owed by any obligor.

Section 6.03 Receivables. If any Event of Default shall have occurred and be continuing, the Secured Party may, or at the request and option of the Secured Party, the Grantor shall: (i) notify account debtors of the Secured Party's security interests in any account, chattel paper, intangible, instrument or other Collateral; and (ii) direct that payment thereof is to be made directly to the Secured Party.

ARTICLE VII COVENANTS

The Grantor covenants and agrees with the Secured Party as follows:

Section 7.01 Covenants.

- (a) **Consent re: Change of Location of Collateral.** The Collateral, to the extent not delivered to the Secured Party under Section 4.03, will be kept at those locations listed in Schedule "A", and, except for Inventory sold or leased in the ordinary course of business, the Grantor will not remove the Collateral from such locations without obtaining the Secured Party's prior written consent. The Grantor will, before any change described in the preceding sentence, take all actions required by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.
- (b) **Dealing with Collateral: No Sale or Encumbrances.** The Grantor will not sell, dispose of, lease, assign or otherwise transfer any of the Collateral except as expressly provided for in the Loan Agreement, in the ordinary course of business or with the prior written consent of the Secured Party. The Grantor will not grant, create, permit or suffer to exist any mortgage, hypothec, pledge, lien, security interest, option, right of first offer, right of first refusal, encumbrance, statutory lien or trust (including any conditional sale or other title retention agreement or finance lease) or other restriction or limitation of any nature whatsoever on the Collateral except as permitted in the Loan Agreement or with the prior written consent of the Secured Party.
- (c) **Maintenance and Protection of Collateral.** The Grantor will keep the Collateral in good order, condition and repair so as to protect and preserve the Collateral and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Secured Party. The Grantor will not use the Collateral in violation of this Agreement, or any other agreement relating to the Collateral or any policy of insurance thereon, or any applicable law. The Grantor will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Grantor in good standing. The Grantor shall, at its own cost and expense, defend title to the Collateral and the security interests of the Secured Party therein against the claim or demand of any person claiming against or through the Grantor and shall maintain and preserve such perfected security interests for so long as this Agreement shall remain in effect.
- (d) **Performance of Obligations.** The Grantor will pay promptly when due all rents, taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement. The Grantor shall perform all of its obligations under material agreements, leases, licenses, arrangements to obtain and preserve its rights, powers, licences,

privileges and goodwill thereunder and comply with all applicable laws, by-laws, rules and regulations so as to preserve and protect the Collateral and the Grantor's business.

- (e) **Access to Collateral, Inspection.** The Grantor will permit the Secured Party, or its representatives, to inspect the Collateral from time to time and to examine and take extracts of its books and records (electronic or hard copy), at any reasonable time and on reasonable notice, wherever located. The Grantor shall, upon request by the Secured Party, provide the Secured Party with any information concerning the Collateral, the Grantor and its business, as the Secured Party may reasonably request, including access to the Grantor's senior executives, accountants and auditors to discuss any information concerning the Collateral.
- (f) **Notification.** The Grantor shall notify the Secured Party within five business days of: (i) the details of any material acquisition of Collateral; (ii) the details of any material litigation in connection with the Grantor, the Collateral or the Grantor's business; and (iii) any material loss or damage to the Collateral or the value of the Collateral.
- (g) **Insurance.** The Grantor shall insure the Collateral against loss or damage by fire and such other risks and hazards, in such amounts and upon such other terms as set out in the Loan Agreement or as the Secured Party may from time to time require. Any insurance proceeds received by the Secured Party may, at the option of the Secured Party, be applied against the Secured Obligations or released to the Grantor without prejudice to any rights or remedies of the Secured Party.

ARTICLE VIII

SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND COVENANTS

Section 8.01 Survival of Representations and Warranties and Covenants. All representations, warranties and covenants made by the Grantor in this Agreement shall survive the execution and delivery of this Agreement and remain in full force and effect until the payment in full of the Secured Obligations.

ARTICLE IX

POWER OF ATTORNEY

Section 9.01 Power of Attorney. The Grantor hereby constitutes and appoints the Secured Party and any officer or employee of the Secured Party to be the Grantor's true and lawful attorney in accordance with applicable legislation with full power of substitution, with full authority in the place and stead of the Grantor and in the name of the Grantor or otherwise, from time to time in the Secured Party's discretion to take any action and to execute any instrument which the Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement (but the Secured Party shall not be obligated to and shall have no liability to the Grantor or any third party for failure to do so or take action). This appointment, being coupled with an interest, shall be irrevocable until the discharge of the security interests created by this Agreement. The Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof.

**ARTICLE X
SECURED PARTY MAY PERFORM**

Section 10.01 Secured Party May Perform. If the Grantor fails to perform any obligation contained in this Agreement, the Secured Party may itself perform, or cause performance of, such obligation, and the costs and expenses of the Secured Party incurred in connection therewith shall be payable by the Grantor; *provided that* the Secured Party shall not be required to perform or discharge any obligation of the Grantor and the performance by the Secured Party shall not waive the rights of the Secured Party to enforce this Agreement.

**ARTICLE XI
SET-OFF**

Section 11.01 Set-Off. Each Secured Party may, without notice to the Grantor or any other person, any notice being expressly waived, set-off and apply all amounts standing to or for the credit of the Grantor from the Secured Party or any of the Secured Party's affiliates, in any currency, against and on account of all or any part of the Secured Obligations, all as the Secured Party may see fit (in its sole discretion), whether or not the Secured Obligations are due and payable. The Secured Party's records are proof of such recording absent manifest error. When applying a deposit or other obligation in a different currency than the Secured Obligations to the Secured Obligations, the Secured Party will convert the deposit or other obligation to the currency of the Secured Obligations using the rate of exchange for the conversion of such currency as determined by the Secured Party.

**ARTICLE XII
REMEDIES UPON DEFAULT**

Section 12.01 Right to Accelerate Payment. Upon the occurrence of an Event of Default that is continuing or ON DEMAND, the Secured Party may, by notice and in accordance with the Loan Agreement, declare any or all of the Secured Obligations to be immediately due and payable, whereupon, all of the Secured Obligations shall become and be immediately due and payable without presentment, demand, protest or further notice, all of which are hereby expressly waived by the Grantor.

Section 12.02 Enforcement of Security Interest. Upon the occurrence of an Event of Default that is continuing, the Secured Party may proceed to realize upon the Collateral and immediately enforce its rights and remedies.

Section 12.03 Remedies upon Default. Upon the occurrence of an Event of Default that is continuing, the Secured Party may exercise, without any other notice to or demand upon the Grantor, and in addition to the other rights and remedies provided herein or in any other Loan Document or otherwise available to it, the following rights and remedies (which rights and remedies may be exercised independently or in combination):

- (a) the Secured Party may assert all rights and remedies of a secured party under the PPSA or other applicable law;
- (b) the Secured Party may take such steps as it considers desirable to maintain, preserve or protect the Collateral or its value;

- (c) the Secured Party may take possession of the Collateral by requiring the Grantor to assemble the Collateral or any part thereof and deliver the Collateral, or make the Collateral available, to the Secured Party at a place and time to be designated by the Secured Party;
- (d) the Secured Party may take possession of the Collateral by carrying on all or any part of the business of the Grantor; and may to the exclusion of others, including the Grantor, enter upon, occupy and use any of the premises, buildings, plant and undertaking owned, occupied or used by the Grantor and may use any of the tools, machinery, equipment and intangibles of the Grantor for such time as the Secured Party sees fit, free of charge and without liability, in order to carry on the business of the Grantor or to manufacture or complete the manufacture of Inventory and to pack and ship finished products;
- (e) the Secured Party may enter upon and occupy any land and premises owned, leased or occupied by the Grantor where the Collateral or any part thereof is assembled or located in order to effectuate its rights and remedies hereunder or under law, without obligation whatsoever to the Grantor;
- (f) the Secured Party may borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof, or to carry on the business, and may further charge the Collateral in priority to the security constituted by this Security Agreement;
- (g) the Secured Party may exercise and enforce all rights and remedies of the Grantor with respect to the Collateral including collecting or compromising all or any of the Grantor's Accounts;
- (h) the Secured Party may sell, lease, license, or otherwise dispose of all or any part of the Collateral by private sale or public sale or otherwise, and upon such other terms and conditions (including as to credit, upset or reserve bid or price) as the Secured Party may deem commercially reasonable;
- (i) the Secured Party may appoint, by instrument in writing, any person or persons (whether an officer or employee of the Secured Party or not) to be a receiver, manager, interim receiver, or receiver and manager (collectively, "**Receiver**"), of the Collateral or any part of the Collateral and remove or replace any person so appointed. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Secured Party under this ARTICLE XII;
- (j) the Secured Party may apply to a court of competent jurisdiction for the appointment of a Receiver of the Collateral or any part of the Collateral. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Secured Party under this Article XII;
- (k) all rights of the Grantor to: (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to Section 6.01; and (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain pursuant to Section 6.02, shall immediately cease, and all such rights shall thereupon become vested in the Secured Party, which shall have the sole right to exercise such

voting and other consensual rights and receive and hold such dividends and other distributions as Collateral; and

- (l) the Secured Party may retain the Collateral in satisfaction of the Secured Obligations.

Section 12.04 Receiver Agent of Grantor. In exercising any powers any such Receiver so appointed shall act as agent of the Grantor and not the Secured Party and Secured Party shall not be in any way responsible for any of the actions of the Receiver, its employees, agents and contractors. The Secured Party may from time to time remove and appoint replacements for, any Receiver, and appoint another or others in their stead from time to time.

Section 12.05 Distribution of Proceeds. Any cash held by the Secured Party as Collateral and all cash Proceeds received by the Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Secured Party to the payment of expenses incurred by the Secured Party in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Secured Party hereunder, including reasonable legal and Receivers' fees, and the balance of such proceeds shall be applied or set-off against all or any part of the Secured Obligations in such order as the Secured Party shall elect. Any surplus of such cash or cash Proceeds held by the Secured Party and remaining after payment in full of all the Secured Obligations shall be paid over to the Grantor or to whomsoever may be lawfully entitled to receive such surplus. The Grantor shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any solicitor employed by the Secured Party to collect such deficiency.

Section 12.06 Grantor Pays Expenses. The Grantor agrees to pay all reasonable expenses incurred by the Secured Party or any Receiver in the preparation, perfection and enforcement of this Agreement, whether directly incurred or for services rendered including legal and auditor's fees and expenses and remuneration of any Receiver.

ARTICLE XIII MISCELLANEOUS

Section 13.01 No Waiver and Cumulative Remedies. The Secured Party shall not by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

Section 13.02 Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Grantor therefrom shall be effective unless the same shall be in writing and signed by the Secured Party and the Grantor, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

Section 13.03 Notices. All notices, consents, claims, demands, waivers and other communications hereunder shall be in writing and addressed to the parties at the addresses set forth in the Loan Agreement and shall be given in the manner and become effective as set forth in the Loan Agreement.

Section 13.04 Continuing Security Interest; Further Actions. This Agreement shall create a general and continuing security interest in the Collateral and shall (a) subject to Section 13.06, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Grantor, its successors and permitted assigns, and (c) enure to the benefit of the Secured Party and its successors, transferees and assigns; *provided that* the Grantor may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Secured Party. Without limiting the generality of the foregoing clause (c), any assignee of a Secured Party's interest in any agreement or document which includes all or any of the Secured Obligations shall, upon assignment, become vested with all the benefits granted to the Secured Party herein with respect to such Secured Obligations.

Section 13.05 Assignment. The Secured Party may assign or transfer any of its rights under this Agreement without the consent of the Grantor. The Grantor may not assign its obligations under this Agreement without the prior written consent of the Secured Party.

Section 13.06 Termination; Release. On the date on which all Secured Obligations have been paid and performed in full (as determined by the Secured Party in its sole discretion), the Secured Party will, at the request and sole expense of the Grantor (a) duly assign, transfer and deliver to or at the direction of the Grantor (without recourse and without any representation or warranty) such of the Collateral as may then remain in the possession of the Secured Party, together with any monies at the time held by the Secured Party hereunder, and (b) execute and deliver to the Grantor a proper instrument or instruments acknowledging the satisfaction, release and termination of this Agreement and all related filings and instruments.

Section 13.07 Acknowledgement. The Grantor acknowledges receipt of a fully executed copy of this Agreement.

Section 13.08 Amalgamation. The Grantor acknowledges that, if it amalgamates with another person, the term Grantor when used in this Agreement, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interests created hereby shall extend to the Collateral in which any amalgamating corporation has any rights at the time of the amalgamation and to any collateral in which the amalgamated corporation thereafter has any rights to secure the Secured Obligations of each of the amalgamating corporations and the amalgamated corporation to the Secured Party at the time of the amalgamation and any Secured Obligations of the amalgamated corporation to the Secured Party thereafter arising.

Section 13.09 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein.

Section 13.10 Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Section 13.11 Conflict with Loan Agreement. To the extent of any conflict or inconsistency between the terms of this Agreement and the terms of the Loan Agreement, the terms of the Loan Agreement shall govern to the extent necessary to remove the conflict or inconsistency.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Grantor has executed this Agreement as of the date first written above.

FELIX PAYMENT SYSTEMS LTD., as Grantor

By: _____

Name: Warren Hogg

Title: Director

SCHEDULE A

LOCATION OF COLLATERAL

1286 Homer Street Level 3, Vancouver BC, V6B 2Y5

This is **Exhibit "B"** referred to in the Affidavit of Doug Mordy
sworn before me this 28th day of January, 2025.

A handwritten signature in black ink, consisting of a large 'L' shape followed by a horizontal line and a small 'w' or similar mark.

A Commissioner for taking affidavits in and
for the province of British Columbia

February 9, 2024

BY HAND

Felix Payment Systems Ltd.
1286 Homer St Level 3
Vancouver, BC V6B 2Y5

Attn: Warren Hogg, Director

Dear Sir:

Re: Outstanding Debts from Brookridge Chartered Professional Accountants Inc., Jake Boxer, and the CA Mordy Legacy Trust

As we have previously discussed, Felix Payment Systems Ltd. ("Felix") has debts owing to Brookridge Chartered Professional Accountants Inc., Jake Boxer, and the CA Mordy Legacy Trust (the "Creditors") totalling \$1,975,000 that are due on a demand basis (the "Debts").

We are willing to agree to a forbearance of the Debts as outlined below and to lend to the company up to \$300,000 in additional funds, subject to your agreement that the outstanding portion of the Debts, along with any additional loans advanced by the Creditors, will be immediately registered as secured debt and form part of the general security agreement we register against all present and after acquired property of Felix. Our agreement to advance additional funds is contingent on the following conditions being satisfied on each proposed funding date (i) no Insolvency Event occurring with respect to Felix, and (ii) our security continuing to be in full force and effect.

In addition to further loans, we will agree not to demand repayment of any amounts outstanding to any of us for a period ending on the earlier of (i) 90 days from the date hereof and (b) the occurrence of an Insolvency Event with respect to Felix.

The term "Insolvency Event" is defined as the occurrence of any of the following events:

1. The admission in writing by Felix of its inability to pay its debts generally or the making by Felix of an assignment for the benefit of its creditors;
2. The filing by Felix of a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) or other similar legislation in the applicable jurisdiction, to some or all of its creditors;
3. The commencement or filing of a petition, notice or application by or against Felix of any proceedings to adjudicate it a bankrupt or insolvent or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law of any jurisdiction, relating to the dissolution, liquidation or winding up, bankruptcy, insolvency, reorganization of insolvent debtors, arrangement of insolvent debtors, readjustment of debt or moratorium of debts, or to obtain an order for relief by the appointment of a receiver, receiver manager, administrator, inspector, liquidator or trustee or other similar official for it or for any substantial part of its property; or

4. Any other creditor of Felix takes or threaten to take any actions in respect of the collection of its debts against Felix or to enforce against any collateral which comprises the security granted to us.

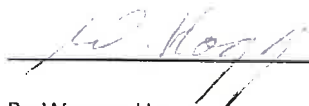
If these terms are acceptable, please acknowledge your agreement below. If these terms are not acceptable, we are unable to continue to lend to Felix and may seek immediate collection of our outstanding debts. We encourage you to seek independent counsel in respect of the arrangements referred to in this letter.

Yours truly,


Brookridge Chartered Professional Accountants, CA Mordy Legacy Trust, and Jake Boxer

Acknowledged and Agreed

Felix Payment Systems Ltd.



By:Warren Hogg

This is **Exhibit "C"** referred to in the Affidavit of Doug Mordy
sworn before me this ____ day of January, 2025.

A Commissioner for taking affidavits in and
for the province of British Columbia

FELIX PAYMENT SYSTEMS LTD.
(the "Corporation")

RESOLUTIONS OF THE BOARD OF DIRECTORS

DATED: as of March 14, 2024.

RECITALS:

- A. The director of the Corporation is authorized from time to time to borrow money on the credit of the Corporation, to guarantee the performance of an obligation and to charge, mortgage, hypothecate, pledge or otherwise create a security interest in all or any of the real or personal property of the Corporation to secure any obligations of the Corporation.
- B. The Corporation wishes to issue to each of Jake Boxer, CA Mordy Legacy Trust and Brookridge Chartered Professional Accountants Inc. (collectively, the "**Lenders**", and each, a "**Lender**") a secured demand promissory note dated as of or about the date hereof in the following principal amounts: (i) \$60,000 in respect of Jake Boxer, (ii) \$30,000 in respect of CA Mordy Legacy Trust, and (iii) \$10,000 in respect of Brookridge Chartered Professional Accountants Inc. (collectively, the "**Notes**", and each, a "**Note**").
- C. The principal amount under each Note will accrue interest at a rate of 15% per annum, be calculated monthly and payable on demand.
- D. To secure the obligations of the Corporation to each Lender under the respective Notes, the Corporation will grant a security interest in favour of each Lender in all of the present and after-acquired personal property of the Corporation, as more particularly set forth in each Note (the "**Security**").
- E. In connection with the Notes and the Security, the Corporation may be required to enter into other agreements, instruments or security as may be required by the Lenders from time to time (such documents, together with the Notes, the "**Loan Documents**").

BE IT RESOLVED THAT:

- 1. The Corporation is authorized to borrow from the Lenders under the Notes, and the entering into, execution and delivery of the Notes and the performance of the Corporation's obligations under the Notes upon the terms and conditions set forth in the Notes are hereby authorized and approved in all respects.
- 2. The Corporation is authorized and directed to grant in favour of each Lender the Security, and to enter into, execute, grant and deliver all such further and other security as may be required by the Lenders from time to time.
- 3. The Corporation is authorized and directed to enter into, deliver and perform its obligations under all other Loan Documents, in the forms required by the Lenders from time to time, all upon the terms and conditions set forth in such Loan Documents.

4. The Corporation is authorized and directed to pay all fees and/or expenses in accordance with the terms of the Notes and any other Loan Documents, as the case may be.
5. The sole director of the Corporation is authorized and directed to negotiate, finalize, execute and deliver the Notes and all such other Loan Documents as may be required by the Lenders, with or without the corporate seal affixed, which shall be in such form and contain such terms and conditions as may be required by the Lenders and with such additions, deletions or other changes to any such documents as such director or officer, in such director's or officer's sole discretion, may approve, such approval to be conclusively evidenced by such director's or officer's execution and delivery of the Notes and all such other Loan Documents as may be required, as the case may be.
6. The sole director of the Corporation is authorized and directed to negotiate, finalize, execute and deliver all such other documents and to do or cause to be done all such other acts and things as may be necessary or desirable to give effect to these resolutions, or in connection with the documents authorized hereby, or as may otherwise be required by the Lenders from time to time, such determination to be conclusively evidenced by such director's or officer's execution and delivery of any such documents or the taking of any such action, as the case may be.
7. Any agreements, instruments or other documents executed and delivered and any and all acts and things done by any officer or director of the Corporation on or before the date hereof determined to be necessary or desirable by such officer or director in order to complete the transactions contemplated by these resolutions are ratified, approved and confirmed in all respects.
8. These resolutions may be executed in counterparts and by means of facsimile signature or other electronic means including DocuSign, each of which when so executed and delivered shall be an original, and all such counterparts shall together constitute one and the same instrument.

[Remainder of this page intentionally left blank.]

The foregoing resolutions are passed as evidenced by the signatures of the directors of the Corporation pursuant to the provisions of the *Business Corporations Act* (British Columbia)

DATED as of the date first written above.

Warren Hogg

Warren Hogg

Director Resolutions – Felix Payment Systems Ltd. re: Secured Demand Promissory Notes

This is **Exhibit "D"** referred to in the Affidavit of Doug Mordy
sworn before me this ____ day of January, 2025.

A Commissioner for taking affidavits in and
for the province of British Columbia

GENERAL SECURITY AGREEMENT

made by

FELIX PAYMENT SYSTEMS LTD.

in favour of

Brookridge Chartered Professional Accountants Inc.

dated as of

February 10, 2024

This GENERAL SECURITY AGREEMENT, dated as of February 10, 2024 (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, this "**Agreement**"), is made by FELIX PAYMENT SYSTEMS LTD., a British Columbia corporation (the "**Grantor**"), in favour of Brookridge Chartered Professional Accountants Inc. (the "**Secured Party**").

RECITALS

WHEREAS, the Grantor, as borrower has entered into a Demand Loan Agreement dated as of the date of this Agreement with the Secured Party (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, the "**Loan Agreement**") pursuant to which the Lender have made and will make certain loans available to the Grantor;

WHEREAS, this Agreement is given by the Grantor in favour of the Secured Party to secure the payment and performance of all of the Secured Obligations (defined below), including, without limitation, the obligations of the Grantor under the Loan Agreement; and

WHEREAS, it is a condition to the effectiveness of the Loan Agreement that the Grantor execute and deliver this Agreement.

NOW THEREFORE, in consideration of the Secured Party entering into the Loan Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions.

- (a) Capitalized terms that are used but not defined in this Agreement shall have the respective meanings assigned to such terms in the Loan Agreement. Unless otherwise defined herein or in the Loan Agreement, terms used herein that are defined in the PPSA shall have the meanings assigned to them in the PPSA.
- (b) For purposes of this Agreement, the following terms shall have the following meanings:

"**Collateral**" is defined in Section 2.01.

"**Event of Default**" means any event of default as defined in the Loan Agreement.

"**Grantor**" is defined in the preamble of this Agreement.

"**Loan Agreement**" is defined in the recitals of this Agreement.

"**Loan Document**" and "**Loan Documents**" means the Loan Agreement, this Agreement and any other documents delivered by the Grantor to the Secured Party pursuant to or in connection with the Loan Agreement.

"**PPSA**" means the *Personal Property Security Act* as in effect from time to time in the Province of British Columbia.

"**Proceeds**" means "proceeds" as such term is defined in section 1(1) of the PPSA and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.

"**Secured Obligations**" is defined in Section 3.01.

"**Secured Party**" is defined in the preamble of this Agreement.

"**STA**" means the *Securities Transfer Act*, as in effect from time to time in the Province of British Columbia.

Section 1.02 Interpretation. Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.

ARTICLE II GRANT OF SECURITY INTEREST

Section 2.01 Grant of Security Interest. As security for the payment and performance of the Secured Obligations, the Grantor hereby grants, assigns, transfers, sets over, mortgages, charges, and pledges to the Secured Party, and hereby creates a general and continuing security interest in favour of the Secured Party in and to all of the Grantor's right, title and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the "**Collateral**");

- (a) all present and after-acquired property, assets and undertaking of the Grantor of every kind and nature whatsoever, including all Accounts, Goods (including Inventory, Equipment and motor vehicles, but excluding Consumer Goods), Intangibles, Chattel Paper, Documents of Title, Instruments, Securities and all other Investment Property, Money, and any other contract rights or rights to the payment of money;
- (b) all Proceeds and products of each of the foregoing, including all Proceeds of any insurance, indemnity, compensation for loss or damage, warranty or guarantee payable to the Grantor from time to time with respect to any of the foregoing;
- (c) all books and records relating to the foregoing, including in any form or medium;
- (d) all supporting obligations relating to the foregoing;

- (e) all additions, accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing;
- (f) all federal and provincial cash refund tax investment tax credits received by the Grantor arising as a result of the T661 Scientific and Experimental Development (SR&ED) expenditures claimed by the Grantor for the Grantor's 2023 fiscal year and all subsequent years; and
- (g) the last day of the term of any lease, verbal or written, or any agreement to lease, now held or hereafter acquired by the Grantor is hereby excepted out of the security interests hereby created, but should the Secured Party need to enforce against the Collateral, the Grantor shall hold the last date in trust for the Secured Party and shall assign it to any person acquiring the term or that part of the term that is charged in the course of any enforcement or realization of the Collateral.

For greater certainty, the collateral does not include any Consumer Goods.

Section 2.02 Attachment of Security Interest. The Grantor acknowledges that value has been given, that the Grantor has rights in the Collateral, and that the parties have not agreed to postpone the time for attachment of any security interest in this Agreement. The Grantor acknowledges that any security interest created by this Agreement shall attach to existing Collateral upon the execution of this Agreement and to each item of after-acquired Collateral at the time that the Grantor acquires rights in such after-acquired Collateral.

ARTICLE III SECURED OBLIGATIONS

Section 3.01 Secured Obligations. The Collateral secures the payment and performance of all present and future obligations of the Grantor to the Secured Party from time to time, including without limitation, all present and future obligations of the Grantor, arising under the Loan Agreement, this Agreement and the other Loan Documents, whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, whether the indebtedness is reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether incurred by the Grantor alone or with another or others and whether as a principal or surety, and, without limiting the foregoing, the payment and discharge of: (i) the principal of and premium, if any, and interest on the Loan Agreement, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise; and (ii) all other present and future obligations and liabilities including fees, costs, legal fees and disbursements, reimbursement obligations, contract causes of action, expenses and indemnities (all such obligations, covenants, duties, debts, liabilities, sums, fees and expenses being herein collectively called the "Secured Obligations").

ARTICLE IV PERFECTION OF SECURITY INTEREST AND FURTHER ASSURANCES

Section 4.01 Perfection. The Grantor shall, from time to time, as may be required by the Secured Party with respect to all Collateral, take all actions as may be reasonably requested by the Secured Party to perfect the security interest of the Secured Party in the Collateral at the sole expense of the Grantor.

Section 4.02 Intellectual Property. The Grantor hereby further authorizes the Secured Party to file with the Canadian Intellectual Property Office this Agreement and other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interests in Intangibles granted by the Grantor hereunder, without the signature of the Grantor where permitted by law.

Section 4.03 Chattel Paper, Documents of Title, Instruments. If the Grantor shall at any time hold or acquire any certificated securities, promissory notes, chattel paper, negotiable documents of title or warehouse receipts relating to the Collateral, the Grantor shall immediately endorse, assign and deliver possession of the same to the Secured Party for the benefit of the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify.

Section 4.04 Control Agreement. Where Investment Property is held in an account of a securities intermediary, the Grantor shall: (i) enter into, and use commercially reasonable efforts to cause any securities intermediary for any securities accounts or entitlements forming part of the Collateral to enter into, a securities account control agreement between the Secured Party, the Grantor and said securities intermediary in a form and substance acceptable to the Secured Party; and (ii) enter into, and use commercially reasonable efforts to cause any issuer of uncertificated securities forming part of the Collateral to enter into, a securities account control agreement between the Secured Party, the Grantor and said securities intermediary, in a form and substance acceptable to the Secured Party.

Section 4.05 Copy of Verification Statement. To the extent permitted by law, the Grantor hereby waives its right to receive a copy of any financing statement, financing change statement or verification statement filed or received by or on behalf of the Secured Party in connection with the Secured Party's interest in the Collateral.

Section 4.06 Further Assurances. The Grantor agrees that, at any time and from time to time, at the expense of the Grantor, the Grantor will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Secured Party may reasonably request to create and maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby (including, without limitation, providing the secured party with a fixed and specific mortgage) or to enable the Secured Party to exercise and enforce its rights and remedies hereunder or under any other Loan Document with respect to any Collateral.

ARTICLE V REPRESENTATIONS AND WARRANTIES

Section 5.01 Representations and Warranties. The Grantor represents and warrants as follows:

- (a) **Location of Collateral and Places of Business.** The Grantor's place or places of business and the location of the Collateral, including all books and records in respect of Accounts, are set forth in Schedule "A" hereto.
- (b) **Ownership and Title.** The Grantor hereby represents and warrants to the Secured Party that it is the sole, direct, legal and beneficial owner of, and has good marketable title to all existing Collateral and shall be the sole, direct, legal and beneficial owner of, and have good marketable title to each item of after-acquired Collateral free and clear of any

mortgages, charges, hypothecs, pledges, trusts, liens, security interests and other claims except for the security interests created by this Agreement and other encumbrances permitted by the Loan Agreement or consented to by the Secured Party.

- (c) **Status.** The Grantor has full power, capacity, authority and legal right to grant a security interest in the Collateral, execute and deliver this Agreement and perform its obligations under this Agreement.
- (d) **Binding Obligation.** This Agreement has been duly authorized, executed and delivered by the Grantor and constitutes a legal, valid and binding obligation of the Grantor enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, arrangement, or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).
- (e) **No Governmental or Regulatory Approvals.** No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the Grantor to grant a security interest in the Collateral under this Agreement or for the execution and delivery of this Agreement or the performance by the Grantor of its obligations hereunder.
- (f) **No Violation of Laws, Constating Documents, Agreements.** The execution and delivery of this Agreement and the performance by the Grantor of its obligations hereunder, will not violate any provision of any applicable law or regulation or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to the Grantor or any of its property, or the constating or governing documents of the Grantor or any agreement or instrument to which the Grantor is party or by which it or its property is bound.
- (g) **Perfection by Control.** The Grantor has taken all action required on its part for control to have been obtained by the Secured Party over all Collateral with respect to which such control may be obtained pursuant to the PPSA and the STA. No person other than the Secured Party has control or possession of all or any part of the Collateral.

ARTICLE VI

VOTING, DISTRIBUTIONS AND RECEIVABLES

Section 6.01 Voting. Unless an Event of Default shall have occurred and be continuing, the Grantor may, to the extent the Grantor has such right as a holder of the Collateral consisting of securities, other equity interests or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that, in the Secured Party's reasonable judgment, any such vote, consent, ratification or waiver would detract from the value thereof as Collateral or which would be inconsistent with or result in any violation of any provision of the Loan Agreement or this Agreement.

Section 6.02 Distributions. The Grantor may, unless an Event of Default shall have occurred and be continuing, receive and retain all dividends and other distributions with respect to the Collateral consisting of securities, other equity interests or indebtedness owed by any obligor.

Section 6.03 Receivables. If any Event of Default shall have occurred and be continuing, the Secured Party may, or at the request and option of the Secured Party, the Grantor shall: (i) notify account debtors of the Secured Party's security interests in any account, chattel paper, intangible, instrument or other Collateral; and (ii) direct that payment thereof is to be made directly to the Secured Party.

ARTICLE VII COVENANTS

The Grantor covenants and agrees with the Secured Party as follows:

Section 7.01 Covenants.

- (a) **Consent re: Change of Location of Collateral.** The Collateral, to the extent not delivered to the Secured Party under Section 4.03, will be kept at those locations listed in Schedule "A", and, except for Inventory sold or leased in the ordinary course of business, the Grantor will not remove the Collateral from such locations without obtaining the Secured Party's prior written consent. The Grantor will, before any change described in the preceding sentence, take all actions required by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.
- (b) **Dealing with Collateral: No Sale or Encumbrances.** The Grantor will not sell, dispose of, lease, assign or otherwise transfer any of the Collateral except as expressly provided for in the Loan Agreement, in the ordinary course of business or with the prior written consent of the Secured Party. The Grantor will not grant, create, permit or suffer to exist any mortgage, hypothec, pledge, lien, security interest, option, right of first offer, right of first refusal, encumbrance, statutory lien or trust (including any conditional sale or other title retention agreement or finance lease) or other restriction or limitation of any nature whatsoever on the Collateral except as permitted in the Loan Agreement or with the prior written consent of the Secured Party.
- (c) **Maintenance and Protection of Collateral.** The Grantor will keep the Collateral in good order, condition and repair so as to protect and preserve the Collateral and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Secured Party. The Grantor will not use the Collateral in violation of this Agreement, or any other agreement relating to the Collateral or any policy of insurance thereon, or any applicable law. The Grantor will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Grantor in good standing. The Grantor shall, at its own cost and expense, defend title to the Collateral and the security interests of the Secured Party therein against the claim or demand of any person claiming against or through the Grantor and shall maintain and preserve such perfected security interests for so long as this Agreement shall remain in effect.
- (d) **Performance of Obligations.** The Grantor will pay promptly when due all rents, taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement. The Grantor shall perform all of its obligations under material agreements, leases, licenses, arrangements to obtain and preserve its rights, powers, licences,

privileges and goodwill thereunder and comply with all applicable laws, by-laws, rules and regulations so as to preserve and protect the Collateral and the Grantor's business.

- (e) **Access to Collateral, Inspection.** The Grantor will permit the Secured Party, or its representatives, to inspect the Collateral from time to time and to examine and take extracts of its books and records (electronic or hard copy), at any reasonable time and on reasonable notice, wherever located. The Grantor shall, upon request by the Secured Party, provide the Secured Party with any information concerning the Collateral, the Grantor and its business, as the Secured Party may reasonably request, including access to the Grantor's senior executives, accountants and auditors to discuss any information concerning the Collateral.
- (f) **Notification.** The Grantor shall notify the Secured Party within five business days of: (i) the details of any material acquisition of Collateral; (ii) the details of any material litigation in connection with the Grantor, the Collateral or the Grantor's business; and (iii) any material loss or damage to the Collateral or the value of the Collateral.
- (g) **Insurance.** The Grantor shall insure the Collateral against loss or damage by fire and such other risks and hazards, in such amounts and upon such other terms as set out in the Loan Agreement or as the Secured Party may from time to time require. Any insurance proceeds received by the Secured Party may, at the option of the Secured Party, be applied against the Secured Obligations or released to the Grantor without prejudice to any rights or remedies of the Secured Party.

ARTICLE VIII

SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND COVENANTS

Section 8.01 Survival of Representations and Warranties and Covenants. All representations, warranties and covenants made by the Grantor in this Agreement shall survive the execution and delivery of this Agreement and remain in full force and effect until the payment in full of the Secured Obligations.

ARTICLE IX

POWER OF ATTORNEY

Section 9.01 Power of Attorney. The Grantor hereby constitutes and appoints the Secured Party and any officer or employee of the Secured Party to be the Grantor's true and lawful attorney in accordance with applicable legislation with full power of substitution, with full authority in the place and stead of the Grantor and in the name of the Grantor or otherwise, from time to time in the Secured Party's discretion to take any action and to execute any instrument which the Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement (but the Secured Party shall not be obligated to and shall have no liability to the Grantor or any third party for failure to do so or take action). This appointment, being coupled with an interest, shall be irrevocable until the discharge of the security interests created by this Agreement. The Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof.

**ARTICLE X
SECURED PARTY MAY PERFORM**

Section 10.01 Secured Party May Perform. If the Grantor fails to perform any obligation contained in this Agreement, the Secured Party may itself perform, or cause performance of, such obligation, and the costs and expenses of the Secured Party incurred in connection therewith shall be payable by the Grantor; *provided that* the Secured Party shall not be required to perform or discharge any obligation of the Grantor and the performance by the Secured Party shall not waive the rights of the Secured Party to enforce this Agreement.

**ARTICLE XI
SET-OFF**

Section 11.01 Set-Off. Each Secured Party may, without notice to the Grantor or any other person, any notice being expressly waived, set-off and apply all amounts standing to or for the credit of the Grantor from the Secured Party or any of the Secured Party's affiliates, in any currency, against and on account of all or any part of the Secured Obligations, all as the Secured Party may see fit (in its sole discretion), whether or not the Secured Obligations are due and payable. The Secured Party's records are proof of such recording absent manifest error. When applying a deposit or other obligation in a different currency than the Secured Obligations to the Secured Obligations, the Secured Party will convert the deposit or other obligation to the currency of the Secured Obligations using the rate of exchange for the conversion of such currency as determined by the Secured Party.

**ARTICLE XII
REMEDIES UPON DEFAULT**

Section 12.01 Right to Accelerate Payment. Upon the occurrence of an Event of Default that is continuing or ON DEMAND, the Secured Party may, by notice and in accordance with the Loan Agreement, declare any or all of the Secured Obligations to be immediately due and payable, whereupon, all of the Secured Obligations shall become and be immediately due and payable without presentment, demand, protest or further notice, all of which are hereby expressly waived by the Grantor.

Section 12.02 Enforcement of Security Interest. Upon the occurrence of an Event of Default that is continuing, the Secured Party may proceed to realize upon the Collateral and immediately enforce its rights and remedies.

Section 12.03 Remedies upon Default. Upon the occurrence of an Event of Default that is continuing, the Secured Party may exercise, without any other notice to or demand upon the Grantor, and in addition to the other rights and remedies provided herein or in any other Loan Document or otherwise available to it, the following rights and remedies (which rights and remedies may be exercised independently or in combination):

- (a) the Secured Party may assert all rights and remedies of a secured party under the PPSA or other applicable law;
- (b) the Secured Party may take such steps as it considers desirable to maintain, preserve or protect the Collateral or its value;

- (c) the Secured Party may take possession of the Collateral by requiring the Grantor to assemble the Collateral or any part thereof and deliver the Collateral, or make the Collateral available, to the Secured Party at a place and time to be designated by the Secured Party;
- (d) the Secured Party may take possession of the Collateral by carrying on all or any part of the business of the Grantor; and may to the exclusion of others, including the Grantor, enter upon, occupy and use any of the premises, buildings, plant and undertaking owned, occupied or used by the Grantor and may use any of the tools, machinery, equipment and intangibles of the Grantor for such time as the Secured Party sees fit, free of charge and without liability, in order to carry on the business of the Grantor or to manufacture or complete the manufacture of Inventory and to pack and ship finished products;
- (e) the Secured Party may enter upon and occupy any land and premises owned, leased or occupied by the Grantor ~~where the~~ Collateral or any part thereof is assembled or located in order to effectuate its ~~rights and~~ remedies hereunder or under law, without obligation whatsoever to the Grantor;
- (f) the Secured Party may borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof, or to carry on the business, and may further charge the Collateral in priority to the security constituted by this Security Agreement;
- (g) the Secured Party may exercise and enforce all rights and remedies of the Grantor with respect to the Collateral including collecting or compromising all or any of the Grantor's Accounts;
- (h) the Secured Party may sell, lease, license, or otherwise dispose of all or any part of the Collateral by private sale or public sale or otherwise, and upon such other terms and conditions (including as to credit, upset or reserve bid or price) as the Secured Party may deem commercially reasonable;
- (i) the Secured Party may appoint, by instrument in writing, any person or persons (whether an officer or employee of the Secured Party or not) to be a receiver, manager, interim receiver, or receiver and manager (collectively, "**Receiver**"), of the Collateral or any part of the Collateral and remove or replace any person so appointed. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Secured Party under this ARTICLE XII;
- (j) the Secured Party may apply to a court of competent jurisdiction for the appointment of a Receiver of the Collateral or any part of the Collateral. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Secured Party under this Article XII;
- (k) all rights of the Grantor to: (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to Section 6.01; and (ii) ~~receive the~~ dividends and other distributions which it would otherwise be entitled to ~~receive~~ and retain pursuant to Section 6.02, shall immediately cease, and all such rights shall thereupon become vested in the Secured Party, which shall have the sole right to exercise such

voting and other consensual rights and receive and hold such dividends and other distributions as Collateral; and

- (l) the Secured Party may retain the Collateral in satisfaction of the Secured Obligations.

Section 12.04 Receiver Agent of Grantor. In exercising any powers any such Receiver so appointed shall act as agent of the Grantor and not the Secured Party and Secured Party shall not be in any way responsible for any of the actions of the Receiver, its employees, agents and contractors. The Secured Party may from time to time remove and appoint replacements for, any Receiver, and appoint another or others in their stead from time to time.

Section 12.05 Distribution of Proceeds. Any cash held by the Secured Party as Collateral and all cash Proceeds received by the Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Secured Party to the payment of expenses incurred by the Secured Party in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Secured Party hereunder, including reasonable legal and Receivers' fees, and the balance of such proceeds shall be applied or set-off against all or any part of the Secured Obligations in such order as the Secured Party shall elect. Any surplus of such cash or cash Proceeds held by the Secured Party and remaining after payment in full of all the Secured Obligations shall be paid over to the Grantor or to whomsoever may be lawfully entitled to receive such surplus. The Grantor shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any solicitor employed by the Secured Party to collect such deficiency.

Section 12.06 Grantor Pays Expenses. The Grantor agrees to pay all reasonable expenses incurred by the Secured Party or any Receiver in the preparation, perfection and enforcement of this Agreement, whether directly incurred or for services rendered including legal and auditor's fees and expenses and remuneration of any Receiver.

ARTICLE XIII MISCELLANEOUS

Section 13.01 No Waiver and Cumulative Remedies. The Secured Party shall not by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

Section 13.02 Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Grantor therefrom shall be effective unless the same shall be in writing and signed by the Secured Party and the Grantor, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

Section 13.03 Notices. All notices, consents, claims, demands, waivers and other communications hereunder shall be in writing and addressed to the parties at the addresses set forth in the Loan Agreement and shall be given in the manner and become effective as set forth in the Loan Agreement.

Section 13.04 Continuing Security Interest; Further Actions. This Agreement shall create a general and continuing security interest in the Collateral and shall (a) subject to Section 13.06, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Grantor, its successors and permitted assigns, and (c) enure to the benefit of the Secured Party and its successors, transferees and assigns; *provided that* the Grantor may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Secured Party. Without limiting the generality of the foregoing clause (c), any assignee of a Secured Party's interest in any agreement or document which includes all or any of the Secured Obligations shall, upon assignment, become vested with all the benefits granted to the Secured Party herein with respect to such Secured Obligations.

Section 13.05 Assignment. The Secured Party may assign or transfer any of its rights under this Agreement without the consent of the Grantor. The Grantor may not assign its obligations under this Agreement without the prior written consent of the Secured Party.

Section 13.06 Termination; Release. On the date on which all Secured Obligations have been paid and performed in full (as determined by the Secured Party in its sole discretion), the Secured Party will, at the request and sole expense of the Grantor (a) duly assign, transfer and deliver to or at the direction of the Grantor (without recourse and without any representation or warranty) such of the Collateral as may then remain in the possession of the Secured Party, together with any monies at the time held by the Secured Party hereunder, and (b) execute and deliver to the Grantor a proper instrument or instruments acknowledging the satisfaction, release and termination of this Agreement and all related filings and instruments.

Section 13.07 Acknowledgement. The Grantor acknowledges receipt of a fully executed copy of this Agreement.

Section 13.08 Amalgamation. The Grantor acknowledges that, if it amalgamates with another person, the term Grantor when used in this Agreement, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interests created hereby shall extend to the Collateral in which any amalgamating corporation has any rights at the time of the amalgamation and to any collateral in which the amalgamated corporation thereafter has any rights to secure the Secured Obligations of each of the amalgamating corporations and the amalgamated corporation to the Secured Party at the time of the amalgamation and any Secured Obligations of the amalgamated corporation to the Secured Party thereafter arising.

Section 13.09 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein.

Section 13.10 Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Section 13.11 Conflict with Loan Agreement. To the extent of any conflict or inconsistency between the terms of this Agreement and the terms of the Loan Agreement, the terms of the Loan Agreement shall govern to the extent necessary to remove the conflict or inconsistency.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Grantor has executed this Agreement as of the date first written above.

FELIX PAYMENT SYSTEMS LTD., as Grantor

By: _____

Name: Warren Hogg

Title: Director

SCHEDULE A

LOCATION OF COLLATERAL

1286 Homer Street Level 3, Vancouver BC, V6B 2Y5

GENERAL SECURITY AGREEMENT

made by

FELIX PAYMENT SYSTEMS LTD.

in favour of

CA Mordy Legacy Trust

dated as of

February 10, 2024

This GENERAL SECURITY AGREEMENT, dated as of February 10, 2024 (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, this "**Agreement**"), is made by FELIX PAYMENT SYSTEMS LTD., a British Columbia corporation (the "**Grantor**"), in favour of the CA Mordy Legacy Trust (the "**Secured Party**").

RECITALS

WHEREAS, the Grantor, as borrower has entered into a Demand Loan Agreement dated as of the date of this Agreement with the Secured Party (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, the "**Loan Agreement**") pursuant to which the Lender have made and will make certain loans available to the Grantor;

WHEREAS, this Agreement is given by the Grantor in favour of the Secured Party to secure the payment and performance of all of the Secured Obligations (defined below), including, without limitation, the obligations of the Grantor under the Loan Agreement; and

WHEREAS, it is a condition to the effectiveness of the Loan Agreement that the Grantor execute and deliver this Agreement.

NOW THEREFORE, in consideration of the Secured Party entering into the Loan Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees as follows:

**ARTICLE I
DEFINITIONS****Section 1.01 Definitions.**

(a) Capitalized terms that are used but not defined in this Agreement shall have the respective meanings assigned to such terms in the Loan Agreement. Unless otherwise defined herein or in the Loan Agreement, terms used herein that are defined in the PPSA shall have the meanings assigned to them in the PPSA.

(b) For purposes of this Agreement, the following terms shall have the following meanings:

"**Collateral**" is defined in Section 2.01.

"**Event of Default**" means any event of default as defined in the Loan Agreement.

"**Grantor**" is defined in the preamble of this Agreement.

"**Loan Agreement**" is defined in the recitals of this Agreement.

"**Loan Document**" and "**Loan Documents**" means the Loan Agreement, this Agreement and any other documents delivered by the Grantor to the Secured Party pursuant to or in connection with the Loan Agreement.

"**PPSA**" means the *Personal Property Security Act* as in effect from time to time in the Province of British Columbia.

"**Proceeds**" means "proceeds" as such term is defined in section 1(1) of the PPSA and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.

"**Secured Obligations**" is defined in Section 3.01.

"**Secured Party**" is defined in the preamble of this Agreement.

"**STA**" means the *Securities Transfer Act*, as in effect from time to time in the Province of British Columbia.

Section 1.02 Interpretation. Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.

ARTICLE II GRANT OF SECURITY INTEREST

Section 2.01 Grant of Security Interest. As security for the payment and performance of the Secured Obligations, the Grantor hereby grants, assigns, transfers, sets over, mortgages, charges, and pledges to the Secured Party, and hereby creates a general and continuing security interest in favour of the Secured Party in and to all of the Grantor's right, title and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the "**Collateral**");

- (a) all present and after-acquired property, assets and undertaking of the Grantor of every kind and nature whatsoever, including all Accounts, Goods (including Inventory, Equipment and motor vehicles, but excluding Consumer Goods), Intangibles, Chattel Paper, Documents of Title, Instruments, Securities and all other Investment Property, Money, and any other contract rights or rights to the payment of money;
- (b) all Proceeds and products of each of the foregoing, including all Proceeds of any insurance, indemnity, compensation for loss or damage, warranty or guarantee payable to the Grantor from time to time with respect to any of the foregoing;
- (c) all books and records relating to the foregoing, including in any form or medium;
- (d) all supporting obligations relating to the foregoing;

- (e) all additions, accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing;
- (f) all federal and provincial cash refund tax investment tax credits received by the Grantor arising as a result of the T661 Scientific and Experimental Development (SR&ED) expenditures claimed by the Grantor for the Grantor's 2023 fiscal year and all subsequent years; and
- (g) the last day of the term of any lease, verbal or written, or any agreement to lease, now held or hereafter acquired by the Grantor is hereby excepted out of the security interests hereby created, but should the Secured Party need to enforce against the Collateral, the Grantor shall hold the last date in trust for the Secured Party and shall assign it to any person acquiring the term or that part of the term that is charged in the course of any enforcement or realization of the Collateral.

For greater certainty, the collateral does not include any Consumer Goods.

Section 2.02 Attachment of Security Interest. The Grantor acknowledges that value has been given, that the Grantor has rights in the Collateral, and that the parties have not agreed to postpone the time for attachment of any security interest in this Agreement. The Grantor acknowledges that any security interest created by this Agreement shall attach to existing Collateral upon the execution of this Agreement and to each item of after-acquired Collateral at the time that the Grantor acquires rights in such after-acquired Collateral.

ARTICLE III SECURED OBLIGATIONS

Section 3.01 Secured Obligations. The Collateral secures the payment and performance of all present and future obligations of the Grantor to the Secured Party from time to time, including without limitation, all present and future obligations of the Grantor, arising under the Loan Agreement, this Agreement and the other Loan Documents, whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, whether the indebtedness is reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether incurred by the Grantor alone or with another or others and whether as a principal or surety, and, without limiting the foregoing, the payment and discharge of: (i) the principal of and premium, if any, and interest on the Loan Agreement, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise; and (ii) all other present and future obligations and liabilities including fees, costs, legal fees and disbursements, reimbursement obligations, contract causes of action, expenses and indemnities (all such obligations, covenants, duties, debts, liabilities, sums, fees and expenses being herein collectively called the "**Secured Obligations**").

ARTICLE IV PERFECTION OF SECURITY INTEREST AND FURTHER ASSURANCES

Section 4.01 Perfection. The Grantor shall, from time to time, as may be required by the Secured Party with respect to all Collateral, take all actions as may be reasonably requested by the Secured Party to perfect the security interest of the Secured Party in the Collateral at the sole expense of the Grantor.

Section 4.02 Intellectual Property. The Grantor hereby further authorizes the Secured Party to file with the Canadian Intellectual Property Office this Agreement and other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interests in Intangibles granted by the Grantor hereunder, without the signature of the Grantor where permitted by law.

Section 4.03 Chattel Paper, Documents of Title, Instruments. If the Grantor shall at any time hold or acquire any certificated securities, promissory notes, chattel paper, negotiable documents of title or warehouse receipts relating to the Collateral, the Grantor shall immediately endorse, assign and deliver possession of the same to the Secured Party for the benefit of the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify.

Section 4.04 Control Agreement. Where Investment Property is held in an account of a securities intermediary, the Grantor shall: (i) enter into, and use commercially reasonable efforts to cause any securities intermediary for any securities accounts or entitlements forming part of the Collateral to enter into, a securities account control agreement between the Secured Party, the Grantor and said securities intermediary in a form and substance acceptable to the Secured Party; and (ii) enter into, and use commercially reasonable efforts to cause any issuer of uncertificated securities forming part of the Collateral to enter into, a securities account control agreement between the Secured Party, the Grantor and said securities intermediary, in a form and substance acceptable to the Secured Party.

Section 4.05 Copy of Verification Statement. To the extent permitted by law, the Grantor hereby waives its right to receive a copy of any financing statement, financing change statement or verification statement filed or received by or on behalf of the Secured Party in connection with the Secured Party's interest in the Collateral.

Section 4.06 Further Assurances. The Grantor agrees that, at any time and from time to time, at the expense of the Grantor, the Grantor will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Secured Party may reasonably request to create and maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby (including, without limitation, providing the secured party with a fixed and specific mortgage) or to enable the Secured Party to exercise and enforce its rights and remedies hereunder or under any other Loan Document with respect to any Collateral.

ARTICLE V REPRESENTATIONS AND WARRANTIES

Section 5.01 Representations and Warranties. The Grantor represents and warrants as follows:

- (a) **Location of Collateral and Places of Business.** The Grantor's place or places of business and the location of the Collateral, including all books and records in respect of Accounts, are set forth in Schedule "A" hereto.
- (b) **Ownership and Title.** The Grantor hereby represents and warrants to the Secured Party that it is the sole, direct, legal and beneficial owner of, and has good marketable title to all existing Collateral and shall be the sole, direct, legal and beneficial owner of, and have good marketable title to each item of after-acquired Collateral free and clear of any

mortgages, charges, hypothecs, pledges, trusts, liens, security interests and other claims except for the security interests created by this Agreement and other encumbrances permitted by the Loan Agreement or consented to by the Secured Party.

- (c) **Status.** The Grantor has full power, capacity, authority and legal right to grant a security interest in the Collateral, execute and deliver this Agreement and perform its obligations under this Agreement.
- (d) **Binding Obligation.** This Agreement has been duly authorized, executed and delivered by the Grantor and constitutes a legal, valid and binding obligation of the Grantor enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium, arrangement, or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).
- (e) **No Governmental or Regulatory Approvals.** No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the Grantor to grant a security interest in the Collateral under this Agreement or for the execution and delivery of this Agreement or the performance by the Grantor of its obligations hereunder.
- (f) **No Violation of Laws, Constatng Documents, Agreements.** The execution and delivery of this Agreement and the performance by the Grantor of its obligations hereunder, will not violate any provision of any applicable law or regulation or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to the Grantor or any of its property, or the constating or governing documents of the Grantor or any agreement or instrument to which the Grantor is party or by which it or its property is bound.
- (g) **Perfection by Control.** The Grantor has taken all action required on its part for control to have been obtained by the Secured Party over all Collateral with respect to which such control may be obtained pursuant to the PPSA and the STA. No person other than the Secured Party has control or possession of all or any part of the Collateral.

ARTICLE VI

VOTING, DISTRIBUTIONS AND RECEIVABLES

Section 6.01 Voting. Unless an Event of Default shall have occurred and be continuing, the Grantor may, to the extent the Grantor has such right as a holder of the Collateral consisting of securities, other equity interests or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that, in the Secured Party's reasonable judgment, any such vote, consent, ratification or waiver would detract from the value thereof as Collateral or which would be inconsistent with or result in any violation of any provision of the Loan Agreement or this Agreement.

Section 6.02 Distributions. The Grantor may, unless an Event of Default shall have occurred and be continuing, receive and retain all dividends and other distributions with respect to the Collateral consisting of securities, other equity interests or indebtedness owed by any obligor.

Section 6.03 Receivables. If any Event of Default shall have occurred and be continuing, the Secured Party may, or at the request and option of the Secured Party, the Grantor shall: (i) notify account debtors of the Secured Party's security interests in any account, chattel paper, intangible, instrument or other Collateral; and (ii) direct that payment thereof is to be made directly to the Secured Party.

ARTICLE VII COVENANTS

The Grantor covenants and agrees with the Secured Party as follows:

Section 7.01 Covenants.

- (a) **Consent re: Change of Location of Collateral.** The Collateral, to the extent not delivered to the Secured Party under Section 4.03, will be kept at those locations listed in Schedule "A", and, except for Inventory sold or leased in the ordinary course of business, the Grantor will not remove the Collateral from such locations without obtaining the Secured Party's prior written consent. The Grantor will, before any change described in the preceding sentence, take all actions required by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.
- (b) **Dealing with Collateral: No Sale or Encumbrances.** The Grantor will not sell, dispose of, lease, assign or otherwise transfer any of the Collateral except as expressly provided for in the Loan Agreement, in the ordinary course of business or with the prior written consent of the Secured Party. The Grantor will not grant, create, permit or suffer to exist any mortgage, hypothec, pledge, lien, security interest, option, right of first offer, right of first refusal, encumbrance, statutory lien or trust (including any conditional sale or other title retention agreement or finance lease) or other restriction or limitation of any nature whatsoever on the Collateral except as permitted in the Loan Agreement or with the prior written consent of the Secured Party.
- (c) **Maintenance and Protection of Collateral.** The Grantor will keep the Collateral in good order, condition and repair so as to protect and preserve the Collateral and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Secured Party. The Grantor will not use the Collateral in violation of this Agreement, or any other agreement relating to the Collateral or any policy of insurance thereon, or any applicable law. The Grantor will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Grantor in good standing. The Grantor shall, at its own cost and expense, defend title to the Collateral and the security interests of the Secured Party therein against the claim or demand of any person claiming against or through the Grantor and shall maintain and preserve such perfected security interests for so long as this Agreement shall remain in effect.
- (d) **Performance of Obligations.** The Grantor will pay promptly when due all rents, taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement. The Grantor shall perform all of its obligations under material agreements, leases, licenses, arrangements to obtain and preserve its rights, powers, licences,

privileges and goodwill thereunder and comply with all applicable laws, by-laws, rules and regulations so as to preserve and protect the Collateral and the Grantor's business.

- (e) **Access to Collateral, Inspection.** The Grantor will permit the Secured Party, or its representatives, to inspect the Collateral from time to time and to examine and take extracts of its books and records (electronic or hard copy), at any reasonable time and on reasonable notice, wherever located. The Grantor shall, upon request by the Secured Party, provide the Secured Party with any information concerning the Collateral, the Grantor and its business, as the Secured Party may reasonably request, including access to the Grantor's senior executives, accountants and auditors to discuss any information concerning the Collateral.
- (f) **Notification.** The Grantor shall notify the Secured Party within five business days of: (i) the details of any material acquisition of Collateral; (ii) the details of any material litigation in connection with the Grantor, the Collateral or the Grantor's business; and (iii) any material loss or damage to the Collateral or the value of the Collateral.
- (g) **Insurance.** The Grantor shall insure the Collateral against loss or damage by fire and such other risks and hazards, in such amounts and upon such other terms as set out in the Loan Agreement or as the Secured Party may from time to time require. Any insurance proceeds received by the Secured Party may, at the option of the Secured Party, be applied against the Secured Obligations or released to the Grantor without prejudice to any rights or remedies of the Secured Party.

ARTICLE VIII

SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND COVENANTS

Section 8.01 Survival of Representations and Warranties and Covenants. All representations, warranties and covenants made by the Grantor in this Agreement shall survive the execution and delivery of this Agreement and remain in full force and effect until the payment in full of the Secured Obligations.

ARTICLE IX

POWER OF ATTORNEY

Section 9.01 Power of Attorney. The Grantor hereby constitutes and appoints the Secured Party and any officer or employee of the Secured Party to be the Grantor's true and lawful attorney in accordance with applicable legislation with full power of substitution, with full authority in the place and stead of the Grantor and in the name of the Grantor or otherwise, from time to time in the Secured Party's discretion to take any action and to execute any instrument which the Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement (but the Secured Party shall not be obligated to and shall have no liability to the Grantor or any third party for failure to do so or take action). This appointment, being coupled with an interest, shall be irrevocable until the discharge of the security interests created by this Agreement. The Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof.

**ARTICLE X
SECURED PARTY MAY PERFORM**

Section 10.01 Secured Party May Perform. If the Grantor fails to perform any obligation contained in this Agreement, the Secured Party may itself perform, or cause performance of, such obligation, and the costs and expenses of the Secured Party incurred in connection therewith shall be payable by the Grantor; *provided that* the Secured Party shall not be required to perform or discharge any obligation of the Grantor and the performance by the Secured Party shall not waive the rights of the Secured Party to enforce this Agreement.

**ARTICLE XI
SET-OFF**

Section 11.01 Set-Off. Each Secured Party may, without notice to the Grantor or any other person, any notice being expressly waived, set-off and apply all amounts standing to or for the credit of the Grantor from the Secured Party or any of the Secured Party's affiliates, in any currency, against and on account of all or any part of the Secured Obligations, all as the Secured Party may see fit (in its sole discretion), whether or not the Secured Obligations are due and payable. The Secured Party's records are proof of such recording absent manifest error. When applying a deposit or other obligation in a different currency than the Secured Obligations to the Secured Obligations, the Secured Party will convert the deposit or other obligation to the currency of the Secured Obligations using the rate of exchange for the conversion of such currency as determined by the Secured Party.

**ARTICLE XII
REMEDIES UPON DEFAULT**

Section 12.01 Right to Accelerate Payment. Upon the occurrence of an Event of Default that is continuing or ON DEMAND, the Secured Party may, by notice and in accordance with the Loan Agreement, declare any or all of the Secured Obligations to be immediately due and payable, whereupon, all of the Secured Obligations shall become and be immediately due and payable without presentment, demand, protest or further notice, all of which are hereby expressly waived by the Grantor.

Section 12.02 Enforcement of Security Interest. Upon the occurrence of an Event of Default that is continuing, the Secured Party may proceed to realize upon the Collateral and immediately enforce its rights and remedies.

Section 12.03 Remedies upon Default. Upon the occurrence of an Event of Default that is continuing, the Secured Party may exercise, without any other notice to or demand upon the Grantor, and in addition to the other rights and remedies provided herein or in any other Loan Document or otherwise available to it, the following rights and remedies (which rights and remedies may be exercised independently or in combination):

- (a) the Secured Party may assert all rights and remedies of a secured party under the PPSA or other applicable law;
- (b) the Secured Party may take such steps as it considers desirable to maintain, preserve or protect the Collateral or its value;

- (c) the Secured Party may take possession of the Collateral by requiring the Grantor to assemble the Collateral or any part thereof and deliver the Collateral, or make the Collateral available, to the Secured Party at a place and time to be designated by the Secured Party;
- (d) the Secured Party may take possession of the Collateral by carrying on all or any part of the business of the Grantor; and may to the exclusion of others, including the Grantor, enter upon, occupy and use any of the premises, buildings, plant and undertaking owned, occupied or used by the Grantor and may use any of the tools, machinery, equipment and intangibles of the Grantor for such time as the Secured Party sees fit, free of charge and without liability, in order to carry on the business of the Grantor or to manufacture or complete the manufacture of Inventory and to pack and ship finished products;
- (e) the Secured Party may enter upon and occupy any land and premises owned, leased or occupied by the Grantor where the Collateral or any part thereof is assembled or located in order to effectuate its rights and remedies hereunder or under law, without obligation whatsoever to the Grantor;
- (f) the Secured Party may borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof, or to carry on the business, and may further charge the Collateral in priority to the security constituted by this Security Agreement;
- (g) the Secured Party may exercise and enforce all rights and remedies of the Grantor with respect to the Collateral including collecting or compromising all or any of the Grantor's Accounts;
- (h) the Secured Party may sell, lease, license, or otherwise dispose of all or any part of the Collateral by private sale or public sale or otherwise, and upon such other terms and conditions (including as to credit, upset or reserve bid or price) as the Secured Party may deem commercially reasonable;
- (i) the Secured Party may appoint, by instrument in writing, any person or persons (whether an officer or employee of the Secured Party or not) to be a receiver, manager, interim receiver, or receiver and manager (collectively, "Receiver"), of the Collateral or any part of the Collateral and remove or replace any person so appointed. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Secured Party under this ARTICLE XII;
- (j) the Secured Party may apply to a court of competent jurisdiction for the appointment of a Receiver of the Collateral or any part of the Collateral. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Secured Party under this Article XII;
- (k) all rights of the Grantor to: (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to Section 6.01; and (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain pursuant to Section 6.02, shall immediately cease, and all such rights shall thereupon become vested in the Secured Party, which shall have the sole right to exercise such

voting and other consensual rights and receive and hold such dividends and other distributions as Collateral; and

- (l) the Secured Party may retain the Collateral in satisfaction of the Secured Obligations.

Section 12.04 Receiver Agent of Grantor. In exercising any powers any such Receiver so appointed shall act as agent of the Grantor and not the Secured Party and Secured Party shall not be in any way responsible for any of the actions of the Receiver, its employees, agents and contractors. The Secured Party may from time to time remove and appoint replacements for, any Receiver, and appoint another or others in their stead from time to time.

Section 12.05 Distribution of Proceeds. Any cash held by the Secured Party as Collateral and all cash Proceeds received by the Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Secured Party to the payment of expenses incurred by the Secured Party in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Secured Party hereunder, including reasonable legal and Receivers' fees, and the balance of such proceeds shall be applied or set-off against all or any part of the Secured Obligations in such order as the Secured Party shall elect. Any surplus of such cash or cash Proceeds held by the Secured Party and remaining after payment in full of all the Secured Obligations shall be paid over to the Grantor or to whomsoever may be lawfully entitled to receive such surplus. The Grantor shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any solicitor employed by the Secured Party to collect such deficiency.

Section 12.06 Grantor Pays Expenses. The Grantor agrees to pay all reasonable expenses incurred by the Secured Party or any Receiver in the preparation, perfection and enforcement of this Agreement, whether directly incurred or for services rendered including legal and auditor's fees and expenses and remuneration of any Receiver.

ARTICLE XIII MISCELLANEOUS

Section 13.01 No Waiver and Cumulative Remedies. The Secured Party shall not by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

Section 13.02 Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Grantor therefrom shall be effective unless the same shall be in writing and signed by the Secured Party and the Grantor, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

Section 13.03 Notices. All notices, consents, claims, demands, waivers and other communications hereunder shall be in writing and addressed to the parties at the addresses set forth in the Loan Agreement and shall be given in the manner and become effective as set forth in the Loan Agreement.

Section 13.04 Continuing Security Interest; Further Actions. This Agreement shall create a general and continuing security interest in the Collateral and shall (a) subject to Section 13.06, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Grantor, its successors and permitted assigns, and (c) enure to the benefit of the Secured Party and its successors, transferees and assigns; *provided that* the Grantor may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Secured Party. Without limiting the generality of the foregoing clause (c), any assignee of a Secured Party's interest in any agreement or document which includes all or any of the Secured Obligations shall, upon assignment, become vested with all the benefits granted to the Secured Party herein with respect to such Secured Obligations.

Section 13.05 Assignment. The Secured Party may assign or transfer any of its rights under this Agreement without the consent of the Grantor. The Grantor may not assign its obligations under this Agreement without the prior written consent of the Secured Party.

Section 13.06 Termination; Release. On the date on which all Secured Obligations have been paid and performed in full (as determined by the Secured Party in its sole discretion), the Secured Party will, at the request and sole expense of the Grantor (a) duly assign, transfer and deliver to or at the direction of the Grantor (without recourse and without any representation or warranty) such of the Collateral as may then remain in the possession of the Secured Party, together with any monies at the time held by the Secured Party hereunder, and (b) execute and deliver to the Grantor a proper instrument or instruments acknowledging the satisfaction, release and termination of this Agreement and all related filings and instruments.

Section 13.07 Acknowledgement. The Grantor acknowledges receipt of a fully executed copy of this Agreement.

Section 13.08 Amalgamation. The Grantor acknowledges that, if it amalgamates with another person, the term Grantor when used in this Agreement, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interests created hereby shall extend to the Collateral in which any amalgamating corporation has any rights at the time of the amalgamation and to any collateral in which the amalgamated corporation thereafter has any rights to secure the Secured Obligations of each of the amalgamating corporations and the amalgamated corporation to the Secured Party at the time of the amalgamation and any Secured Obligations of the amalgamated corporation to the Secured Party thereafter arising.

Section 13.09 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein.

Section 13.10 Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Section 13.11 Conflict with Loan Agreement. To the extent of any conflict or inconsistency between the terms of this Agreement and the terms of the Loan Agreement, the terms of the Loan Agreement shall govern to the extent necessary to remove the conflict or inconsistency.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Grantor has executed this Agreement as of the date first written above.

FELIX PAYMENT SYSTEMS LTD., as Grantor

By: 

Name: Warren Hogg

Title: Director

SCHEDULE A

LOCATION OF COLLATERAL

1286 Homer Street Level 3, Vancouver BC, V6B 2Y5

GENERAL SECURITY AGREEMENT

made by

FELIX PAYMENT SYSTEMS LTD.

in favour of

Jake Boxer

dated as of

February 10, 2024

This GENERAL SECURITY AGREEMENT, dated as of February 10, 2024 (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, this "**Agreement**"), is made by FELIX PAYMENT SYSTEMS LTD., a British Columbia corporation (the "**Grantor**"), in favour of Jake Boxer (the "**Secured Party**").

RECITALS

WHEREAS, the Grantor, as borrower has entered into a Demand Loan Agreement dated as of the date of this Agreement with the Secured Party (as amended, amended and restated, renewed, extended, supplemented, replaced or otherwise modified from time to time, the "**Loan Agreement**") pursuant to which the Lender have made and will make certain loans available to the Grantor;

WHEREAS, this Agreement is given by the Grantor in favour of the Secured Party to secure the payment and performance of all of the Secured Obligations (defined below), including, without limitation, the obligations of the Grantor under the Loan Agreement; and

WHEREAS, it is a condition to the effectiveness of the Loan Agreement that the Grantor execute and deliver this Agreement.

NOW THEREFORE, in consideration of the Secured Party entering into the Loan Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees as follows:

ARTICLE I DEFINITIONS

Section 1.01 Definitions.

- (a) Capitalized terms that are used but not defined in this Agreement shall have the respective meanings assigned to such terms in the Loan Agreement. Unless otherwise defined herein or in the Loan Agreement, terms used herein that are defined in the PPSA shall have the meanings assigned to them in the PPSA.
- (b) For purposes of this Agreement, the following terms shall have the following meanings:

"**Collateral**" is defined in Section 2.01.

"**Event of Default**" means any event of default as defined in the Loan Agreement.

"**Grantor**" is defined in the preamble of this Agreement.

"**Loan Agreement**" is defined in the recitals of this Agreement.

"**Loan Document**" and "**Loan Documents**" means the Loan Agreement, this Agreement and any other documents delivered by the Grantor to the Secured Party pursuant to or in connection with the Loan Agreement.

"**PPSA**" means the *Personal Property Security Act* as in effect from time to time in the Province of British Columbia.

"**Proceeds**" means "proceeds" as such term is defined in section 1(1) of the PPSA and, in any event, shall include, without limitation, all dividends or other income from the Collateral, collections thereon or distributions with respect thereto.

"**Secured Obligations**" is defined in Section 3.01.

"**Secured Party**" is defined in the preamble of this Agreement.

"**STA**" means the *Securities Transfer Act*, as in effect from time to time in the Province of British Columbia.

Section 1.02 Interpretation. Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.

ARTICLE II GRANT OF SECURITY INTEREST

Section 2.01 Grant of Security Interest. As security for the payment and performance of the Secured Obligations, the Grantor hereby grants, assigns, transfers, sets over, mortgages, charges, and pledges to the Secured Party, and hereby creates a general and continuing security interest in favour of the Secured Party in and to all of the Grantor's right, title and interest in and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the "**Collateral**"):

- (a) all present and after-acquired property, assets and undertaking of the Grantor of every kind and nature whatsoever, including all Accounts, Goods (including Inventory, Equipment and motor vehicles, but excluding Consumer Goods), Intangibles, Chattel Paper, Documents of Title, Instruments, Securities and all other Investment Property, Money, and any other contract rights or rights to the payment of money;
- (b) all Proceeds and products of each of the foregoing, including all Proceeds of any insurance, indemnity, compensation for loss or damage, warranty or guarantee payable to the Grantor from time to time with respect to any of the foregoing;
- (c) all books and records relating to the foregoing, including in any form or medium;
- (d) all supporting obligations relating to the foregoing;

- (e) all additions, accessions to, substitutions and replacements for, and rents, profits and products of, each of the foregoing;
- (f) all federal and provincial cash refund tax investment tax credits received by the Grantor arising as a result of the T661 Scientific and Experimental Development (SR&ED) expenditures claimed by the Grantor for the Grantor's 2023 fiscal year and all subsequent years; and
- (g) the last day of the term of any lease, verbal or written, or any agreement to lease, now held or hereafter acquired by the Grantor is hereby excepted out of the security interests hereby created, but should the Secured Party need to enforce against the Collateral, the Grantor shall hold the last date in trust for the Secured Party and shall assign it to any person acquiring the term or that part of the term that is charged in the course of any enforcement or realization of the Collateral.

For greater certainty, the collateral does not include any Consumer Goods.

Section 2.02 Attachment of Security Interest. The Grantor acknowledges that value has been given, that the Grantor has rights in the Collateral, and that the parties have not agreed to postpone the time for attachment of any security interest in this Agreement. The Grantor acknowledges that any security interest created by this Agreement shall attach to existing Collateral upon the execution of this Agreement and to each item of after-acquired Collateral at the time that the Grantor acquires rights in such after-acquired Collateral.

ARTICLE III SECURED OBLIGATIONS

Section 3.01 Secured Obligations. The Collateral secures the payment and performance of all present and future obligations of the Grantor to the Secured Party from time to time, including without limitation, all present and future obligations of the Grantor, arising under the Loan Agreement, this Agreement and the other Loan Documents, whether primary, secondary, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, whether the indebtedness is reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether incurred by the Grantor alone or with another or others and whether as a principal or surety, and, without limiting the foregoing, the payment and discharge of: (i) the principal of and premium, if any, and interest on the Loan Agreement, when and as due, whether at maturity, by acceleration, upon one or more dates set for prepayment or otherwise; and (ii) all other present and future obligations and liabilities including fees, costs, legal fees and disbursements, reimbursement obligations, contract causes of action, expenses and indemnities (all such obligations, covenants, duties, debts, liabilities, sums, fees and expenses being herein collectively called the "**Secured Obligations**").

ARTICLE IV PERFECTION OF SECURITY INTEREST AND FURTHER ASSURANCES

Section 4.01 Perfection. The Grantor shall, from time to time, as may be required by the Secured Party with respect to all Collateral, take all actions as may be reasonably requested by the Secured Party to perfect the security interest of the Secured Party in the Collateral at the sole expense of the Grantor.

Section 4.02 Intellectual Property. The Grantor hereby further authorizes the Secured Party to file with the Canadian Intellectual Property Office this Agreement and other documents for the purpose of perfecting, confirming, continuing, enforcing or protecting the security interests in Intangibles granted by the Grantor hereunder, without the signature of the Grantor where permitted by law.

Section 4.03 Chattel Paper, Documents of Title, Instruments. If the Grantor shall at any time hold or acquire any certificated securities, promissory notes, chattel paper, negotiable documents of title or warehouse receipts relating to the Collateral, the Grantor shall immediately endorse, assign and deliver possession of the same to the Secured Party for the benefit of the Secured Party, accompanied by such instruments of transfer or assignment duly executed in blank as the Secured Party may from time to time specify.

Section 4.04 Control Agreement. Where Investment Property is held in an account of a securities intermediary, the Grantor shall: (i) enter into, and use commercially reasonable efforts to cause any securities intermediary for any securities accounts or entitlements forming part of the Collateral to enter into, a securities account control agreement between the Secured Party, the Grantor and said securities intermediary in a form and substance acceptable to the Secured Party; and (ii) enter into, and use commercially reasonable efforts to cause any issuer of uncertificated securities forming part of the Collateral to enter into, a securities account control agreement between the Secured Party, the Grantor and said securities intermediary, in a form and substance acceptable to the Secured Party.

Section 4.05 Copy of Verification Statement. To the extent permitted by law, the Grantor hereby waives its right to receive a copy of any financing statement, financing change statement or verification statement filed or received by or on behalf of the Secured Party in connection with the Secured Party's interest in the Collateral.

Section 4.06 Further Assurances. The Grantor agrees that, at any time and from time to time, at the expense of the Grantor, the Grantor will promptly execute and deliver all further instruments and documents, obtain such agreements from third parties, and take all further action, that may be necessary or desirable, or that the Secured Party may reasonably request to create and maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby (including, without limitation, providing the secured party with a fixed and specific mortgage) or to enable the Secured Party to exercise and enforce its rights and remedies hereunder or under any other Loan Document with respect to any Collateral.

ARTICLE V REPRESENTATIONS AND WARRANTIES

Section 5.01 Representations and Warranties. The Grantor represents and warrants as follows:

- (a) **Location of Collateral and Places of Business.** The Grantor's place or places of business and the location of the Collateral, including all books and records in respect of Accounts, are set forth in Schedule "A" hereto.
- (b) **Ownership and Title.** The Grantor hereby represents and warrants to the Secured Party that it is the sole, direct, legal and beneficial owner of, and has good marketable title to all existing Collateral and shall be the sole, direct, legal and beneficial owner of, and have good marketable title to each item of after-acquired Collateral free and clear of any

mortgages, charges, hypothecs, pledges, trusts, liens, security interests and other claims except for the security interests created by this Agreement and other encumbrances permitted by the Loan Agreement or consented to by the Secured Party.

- (c) **Status.** The Grantor has full power, capacity, authority and legal right to grant a security interest in the Collateral, execute and deliver this Agreement and perform its obligations under this Agreement.
- (d) **Binding Obligation.** This Agreement has been duly authorized, executed and delivered by the Grantor and constitutes a legal, valid and binding obligation of the Grantor enforceable in accordance with its terms, subject to applicable laws affecting creditors' rights, reorganization, moratorium, arrangement, or other similar laws affecting creditors' rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).
- (e) **No Governmental or Regulatory Approvals.** No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the Grantor to grant a security interest in the Collateral under this Agreement or for the execution and delivery of this Agreement or the performance by the Grantor of its obligations hereunder.
- (f) **No Violation of Laws, Constating Documents, Agreements.** The execution and delivery of this Agreement and the performance by the Grantor of its obligations hereunder, will not violate any provision of any applicable law or regulation or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to the Grantor or any of its property, or the constating or governing documents of the Grantor or any agreement or instrument to which the Grantor is party or by which it or its property is bound.
- (g) **Perfection by Control.** The Grantor has taken all action required on its part for control to have been obtained by the Secured Party over all Collateral with respect to which such control may be obtained pursuant to the PPSA and the STA. No person other than the Secured Party has control or possession of all or any part of the Collateral.

ARTICLE VI VOTING, DISTRIBUTIONS AND RECEIVABLES

Section 6.01 Voting. Unless an Event of Default shall have occurred and be continuing, the Grantor may, to the extent the Grantor has such right as a holder of the Collateral consisting of securities, other equity interests or indebtedness owed by any obligor, vote and give consents, ratifications and waivers with respect thereto, except to the extent that, in the Secured Party's reasonable judgment, any such vote, consent, ratification or waiver would detract from the value thereof as Collateral or which would be inconsistent with or result in any violation of any provision of the Loan Agreement or this Agreement.

Section 6.02 Distributions. The Grantor may, unless an Event of Default shall have occurred and be continuing, receive and retain all dividends and other distributions with respect to the Collateral consisting of securities, other equity interests or indebtedness owed by any obligor.

Section 6.03 Receivables. If any Event of Default shall have occurred and be continuing, the Secured Party may, or at the request and option of the Secured Party, the Grantor shall: (i) notify account debtors of the Secured Party's security interests in any account, chattel paper, intangible, instrument or other Collateral; and (ii) direct that payment thereof is to be made directly to the Secured Party.

ARTICLE VII COVENANTS

The Grantor covenants and agrees with the Secured Party as follows:

Section 7.01 Covenants.

- (a) **Consent re: Change of Location of Collateral.** The Collateral, to the extent not delivered to the Secured Party under Section 4.03, will be kept at those locations listed in Schedule "A", and, except for Inventory sold or leased in the ordinary course of business, the Grantor will not remove the Collateral from such locations without obtaining the Secured Party's prior written consent. The Grantor will, before any change described in the preceding sentence, take all actions required by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Collateral.
- (b) **Dealing with Collateral: No Sale or Encumbrances.** The Grantor will not sell, dispose of, lease, assign or otherwise transfer any of the Collateral except as expressly provided for in the Loan Agreement, in the ordinary course of business or with the prior written consent of the Secured Party. The Grantor will not grant, create, permit or suffer to exist any mortgage, hypothec, pledge, lien, security interest, option, right of first offer, right of first refusal, encumbrance, statutory lien or trust (including any conditional sale or other title retention agreement or finance lease) or other restriction or limitation of any nature whatsoever on the Collateral except as permitted in the Loan Agreement or with the prior written consent of the Secured Party.
- (c) **Maintenance and Protection of Collateral.** The Grantor will keep the Collateral in good order, condition and repair so as to protect and preserve the Collateral and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Secured Party. The Grantor will not use the Collateral in violation of this Agreement, or any other agreement relating to the Collateral or any policy of insurance thereon, or any applicable law. The Grantor will keep all licences, permits, agreements, registrations and applications relating to intellectual property used by Grantor in good standing. The Grantor shall, at its own cost and expense, defend title to the Collateral and the security interests of the Secured Party therein against the claim or demand of any person claiming against or through the Grantor and shall maintain and preserve such perfected security interests for so long as this Agreement shall remain in effect.
- (d) **Performance of Obligations.** The Grantor will pay promptly when due all rents, taxes, assessments, governmental charges, and levies upon the Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement. The Grantor shall perform all of its obligations under material agreements, leases, licenses, arrangements to obtain and preserve its rights, powers, licences,

privileges and goodwill thereunder and comply with all applicable laws, by-laws, rules and regulations so as to preserve and protect the Collateral and the Grantor's business.

- (e) **Access to Collateral, Inspection.** The Grantor will permit the Secured Party, or its representatives, to inspect the Collateral from time to time and to examine and take extracts of its books and records (electronic or hard copy), at any reasonable time and on reasonable notice, wherever located. The Grantor shall, upon request by the Secured Party, provide the Secured Party with any information concerning the Collateral, the Grantor and its business, as the Secured Party may reasonably request, including access to the Grantor's senior executives, accountants and auditors to discuss any information concerning the Collateral.
- (f) **Notification.** The Grantor shall notify the Secured Party within five business days of: (i) the details of any material acquisition of Collateral; (ii) the details of any material litigation in connection with the Grantor, the Collateral or the Grantor's business; and (iii) any material loss or damage to the Collateral or the value of the Collateral.
- (g) **Insurance.** The Grantor shall insure the Collateral against loss or damage by fire and such other risks and hazards, in such amounts and upon such other terms as set out in the Loan Agreement or as the Secured Party may from time to time require. Any insurance proceeds received by the Secured Party may, at the option of the Secured Party, be applied against the Secured Obligations or released to the Grantor without prejudice to any rights or remedies of the Secured Party.

ARTICLE VIII

SURVIVAL OF REPRESENTATIONS AND WARRANTIES AND COVENANTS

Section 8.01 Survival of Representations and Warranties and Covenants. All representations, warranties and covenants made by the Grantor in this Agreement shall survive the execution and delivery of this Agreement and remain in full force and effect until the payment in full of the Secured Obligations.

ARTICLE IX

POWER OF ATTORNEY

Section 9.01 Power of Attorney. The Grantor hereby constitutes and appoints the Secured Party and any officer or employee of the Secured Party to be the Grantor's true and lawful attorney in accordance with applicable legislation with full power of substitution, with full authority in the place and stead of the Grantor and in the name of the Grantor or otherwise, from time to time in the Secured Party's discretion to take any action and to execute any instrument which the Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement (but the Secured Party shall not be obligated to and shall have no liability to the Grantor or any third party for failure to do so or take action). This appointment, being coupled with an interest, shall be irrevocable until the discharge of the security interests created by this Agreement. The Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof.

**ARTICLE X
SECURED PARTY MAY PERFORM**

Section 10.01 Secured Party May Perform. If the Grantor fails to perform any obligation contained in this Agreement, the Secured Party may itself perform, or cause performance of, such obligation, and the costs and expenses of the Secured Party incurred in connection therewith shall be payable by the Grantor; *provided that* the Secured Party shall not be required to perform or discharge any obligation of the Grantor and the performance by the Secured Party shall not waive the rights of the Secured Party to enforce this Agreement.

**ARTICLE XI
SET-OFF**

Section 11.01 Set-Off. Each Secured Party may, without notice to the Grantor or any other person, any notice being expressly waived, set-off and apply all amounts standing to or for the credit of the Grantor from the Secured Party or any of the Secured Party's affiliates, in any currency, against and on account of all or any part of the Secured Obligations, all as the Secured Party may see fit (in its sole discretion), whether or not the Secured Obligations are due and payable. The Secured Party's records are proof of such recording absent manifest error. When applying a deposit or other obligation in a different currency than the Secured Obligations, the Secured Party will convert the deposit or other obligation to the currency of the Secured Obligations using the rate of exchange for the conversion of such currency as determined by the Secured Party.

**ARTICLE XII
REMEDIES UPON DEFAULT**

Section 12.01 Right to Accelerate Payment. Upon the occurrence of an Event of Default that is continuing or ON DEMAND, the Secured Party may, by notice and in accordance with the Loan Agreement, declare any or all of the Secured Obligations to be immediately due and payable, whereupon, all of the Secured Obligations shall become and be immediately due and payable without presentment, demand, protest or further notice, all of which are hereby expressly waived by the Grantor.

Section 12.02 Enforcement of Security Interest. Upon the occurrence of an Event of Default that is continuing, the Secured Party may proceed to realize upon the Collateral and immediately enforce its rights and remedies.

Section 12.03 Remedies upon Default. Upon the occurrence of an Event of Default that is continuing, the Secured Party may exercise, without any other notice to or demand upon the Grantor, and in addition to the other rights and remedies provided herein or in any other Loan Document or otherwise available to it, the following rights and remedies (which rights and remedies may be exercised independently or in combination):

- (a) the Secured Party may assert all rights and remedies of a secured party under the PPSA or other applicable law;
- (b) the Secured Party may take such steps as it considers desirable to maintain, preserve or protect the Collateral or its value;

- (c) the Secured Party may take possession of the Collateral by requiring the Grantor to assemble the Collateral or any part thereof and deliver the Collateral, or make the Collateral available, to the Secured Party at a place and time to be designated by the Secured Party;
- (d) the Secured Party may take possession of the Collateral by carrying on all or any part of the business of the Grantor; and may to the exclusion of others, including the Grantor, enter upon, occupy and use any of the premises, buildings, plant and undertaking owned, occupied or used by the Grantor and may use any of the tools, machinery, equipment and intangibles of the Grantor for such time as the Secured Party sees fit, free of charge and without liability, in order to carry on the business of the Grantor or to manufacture or complete the manufacture of Inventory and to pack and ship finished products;
- (e) the Secured Party may enter upon and occupy any land and premises owned, leased or occupied by the Grantor where the Collateral or any part thereof is assembled or located in order to effectuate its rights and remedies hereunder or under law, without obligation whatsoever to the Grantor;
- (f) the Secured Party may borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof, or to carry on the business, and may further charge the Collateral in priority to the security constituted by this Security Agreement;
- (g) the Secured Party may exercise and enforce all rights and remedies of the Grantor with respect to the Collateral including collecting or compromising all or any of the Grantor's Accounts;
- (h) the Secured Party may sell, lease, license, or otherwise dispose of all or any part of the Collateral by private sale or public sale or otherwise, and upon such other terms and conditions (including as to credit, upset or reserve bid or price) as the Secured Party may deem commercially reasonable;
- (i) the Secured Party may appoint, by instrument in writing, any person or persons (whether an officer or employee of the Secured Party or not) to be a receiver, manager, interim receiver, or receiver and manager (collectively, "**Receiver**"), of the Collateral or any part of the Collateral and remove or replace any person so appointed. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Secured Party under this ARTICLE XII;
- (j) the Secured Party may apply to a court of competent jurisdiction for the appointment of a Receiver of the Collateral or any part of the Collateral. Any Receiver so appointed shall have, in addition to any other powers afforded by the law, the same powers and authorities afforded to the Secured Party under this Article XII;
- (k) all rights of the Grantor to: (i) exercise the voting and other consensual rights it would otherwise be entitled to exercise pursuant to Section 6.01; and (ii) receive the dividends and other distributions which it would otherwise be entitled to receive and retain pursuant to Section 6.02, shall immediately cease, and all such rights shall thereupon become vested in the Secured Party, which shall have the sole right to exercise such

voting and other consensual rights and receive and hold such dividends and other distributions as Collateral; and

- (l) the Secured Party may retain the Collateral in satisfaction of the Secured Obligations.

Section 12.04 Receiver Agent of Grantor. In exercising any powers any such Receiver so appointed shall act as agent of the Grantor and not the Secured Party and Secured Party shall not be in any way responsible for any of the actions of the Receiver, its employees, agents and contractors. The Secured Party may from time to time remove and appoint replacements for, any Receiver, and appoint another or others in their stead from time to time.

Section 12.05 Distribution of Proceeds. Any cash held by the Secured Party as Collateral and all cash Proceeds received by the Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Collateral shall be applied in whole or in part by the Secured Party to the payment of expenses incurred by the Secured Party in connection with the foregoing or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Secured Party hereunder, including reasonable legal and Receivers' fees, and the balance of such proceeds shall be applied or set-off against all or any part of the Secured Obligations in such order as the Secured Party shall elect. Any surplus of such cash or cash Proceeds held by the Secured Party and remaining after payment in full of all the Secured Obligations shall be paid over to the Grantor or to whomsoever may be lawfully entitled to receive such surplus. The Grantor shall remain liable for any deficiency if such cash and the cash Proceeds of any sale or other realization of the Collateral are insufficient to pay the Secured Obligations and the fees and other charges of any solicitor employed by the Secured Party to collect such deficiency.

Section 12.06 Grantor Pays Expenses. The Grantor agrees to pay all reasonable expenses incurred by the Secured Party or any Receiver in the preparation, perfection and enforcement of this Agreement, whether directly incurred or for services rendered including legal and auditor's fees and expenses and remuneration of any Receiver.

ARTICLE XIII MISCELLANEOUS

Section 13.01 No Waiver and Cumulative Remedies. The Secured Party shall not by any act, delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

Section 13.02 Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Grantor therefrom shall be effective unless the same shall be in writing and signed by the Secured Party and the Grantor, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

Section 13.03 Notices. All notices, consents, claims, demands, waivers and other communications hereunder shall be in writing and addressed to the parties at the addresses set forth in the Loan Agreement and shall be given in the manner and become effective as set forth in the Loan Agreement.

Section 13.04 Continuing Security Interest; Further Actions. This Agreement shall create a general and continuing security interest in the Collateral and shall (a) subject to Section 13.06, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Grantor, its successors and permitted assigns, and (c) enure to the benefit of the Secured Party and its successors, transferees and assigns; *provided that* the Grantor may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Secured Party. Without limiting the generality of the foregoing clause (c), any assignee of a Secured Party's interest in any agreement or document which includes all or any of the Secured Obligations shall, upon assignment, become vested with all the benefits granted to the Secured Party herein with respect to such Secured Obligations.

Section 13.05 Assignment. The Secured Party may assign or transfer any of its rights under this Agreement without the consent of the Grantor. The Grantor may not assign its obligations under this Agreement without the prior written consent of the Secured Party.

Section 13.06 Termination; Release. On the date on which all Secured Obligations have been paid and performed in full (as determined by the Secured Party in its sole discretion), the Secured Party will, at the request and sole expense of the Grantor (a) duly assign, transfer and deliver to or at the direction of the Grantor (without recourse and without any representation or warranty) such of the Collateral as may then remain in the possession of the Secured Party, together with any monies at the time held by the Secured Party hereunder, and (b) execute and deliver to the Grantor a proper instrument or instruments acknowledging the satisfaction, release and termination of this Agreement and all related filings and instruments.

Section 13.07 Acknowledgement. The Grantor acknowledges receipt of a fully executed copy of this Agreement.

Section 13.08 Amalgamation. The Grantor acknowledges that, if it amalgamates with another person, the term Grantor when used in this Agreement, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the security interests created hereby shall extend to the Collateral in which any amalgamating corporation has any rights at the time of the amalgamation and to any collateral in which the amalgamated corporation thereafter has any rights to secure the Secured Obligations of each of the amalgamating corporations and the amalgamated corporation to the Secured Party at the time of the amalgamation and any Secured Obligations of the amalgamated corporation to the Secured Party thereafter arising.

Section 13.09 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein.

Section 13.10 Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

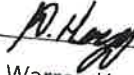
Section 13.11 Conflict with Loan Agreement. To the extent of any conflict or inconsistency between the terms of this Agreement and the terms of the Loan Agreement, the terms of the Loan Agreement shall govern to the extent necessary to remove the conflict or inconsistency.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Grantor has executed this Agreement as of the date first written above.

FELIX PAYMENT SYSTEMS LTD., as Grantor

By: _____



Name: Warren Hogg

Title: Director

SCHEDULE A

LOCATION OF COLLATERAL

1286 Homer Street Level 3, Vancouver BC, V6B 2Y5

This is **Exhibit "E"** referred to in the Affidavit of Doug Mordy
sworn before me this 28th day of January, 2025.

A handwritten signature in black ink, appearing to be 'A. W. P.', written over a horizontal line.

A Commissioner for taking affidavits in and
for the province of British Columbia



My Personal Property Registry

Calum Lote ELDOR-WAL REGISTRATIONS (1987) LTD.

Help

Search Results

for Business Debtor Name "Felix Payment Systems Ltd." as of January 9, 2025 at 2:34:51 pm Pacific time

Select the registrations you want to include in a printable PDF search report. Exact matches are automatically selected. This report will contain the full record of the registration for each selected match and will be automatically saved to your PPR Dashboard.

5 matches found 5 exact matches
5 total matches in 5 registrations added to report

Generate Search Result Report



Select All

Debtor Name

Exact Matches (5)



exact match added

FELIX PAYMENT SYSTEMS LTD.



exact match added

FELIX PAYMENT SYSTEMS LTD.



exact match added

FELIX PAYMENT SYSTEMS LTD.



exact match added

FELIX PAYMENT SYSTEMS LTD.



exact match added

FELIX PAYMENT SYSTEMS LTD.

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Business Debtor - "Felix Payment Systems Ltd."

Search Date and Time: January 9, 2025 at 2:34:51 pm Pacific time
Account Name: ELDOR-WAL REGISTRATIONS (1987) LTD.

TABLE OF CONTENTS

5 Matches in 5 Registrations in Report

Exact Matches: 5 (*)

Total Search Report Pages: 14

	Base Registration	Base Registration Date	Debtor Name	Page
1	355037N	November 8, 2021	* FELIX PAYMENT SYSTEMS LTD.	2
2	160139Q	January 29, 2024	* FELIX PAYMENT SYSTEMS LTD.	4
3	186604Q	February 12, 2024	* FELIX PAYMENT SYSTEMS LTD.	6
4	277672Q	March 27, 2024	* FELIX PAYMENT SYSTEMS LTD.	8
5	559003Q	August 8, 2024	* FELIX PAYMENT SYSTEMS LTD.	11

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 355037N

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	November 8, 2021 at 6:12:59 am Pacific time
Current Expiry Date and Time:	November 8, 2026 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of January 9, 2025 at 2:34:51 pm Pacific time)

Secured Party Information

ROYAL BANK OF CANADA

Address

36 YORK MILLS ROAD, 4TH FLOOR
TORONTO ON
M2P 0A4 Canada

Debtor Information

FELIX PAYMENT SYSTEMS LTD.

Address

300-1286 HOMER STREET
VANCOUVER BC
V6B 2Y5 Canada

Vehicle Collateral

None

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

MONEYS OR AMOUNTS THAT MAY FROM TIME TO TIME BE ON DEPOSIT IN THE NAME OF DEBTOR WITH OR OWED TO DEBTOR BY SECURED PARTY, ROYAL BANK MORTGAGE CORPORATION, THE ROYAL TRUST COMPANY OR ROYAL TRUST CORPORATION OF CANADA OR ANY TWO OR MORE OF THEM, AND IN THE DEBTOR'S RIGHTS IN THOSE MONEYS OR THOSE AMOUNTS. PROCEEDS: ALL PROCEEDS INCLUDING, WITHOUT LIMITATION, GOODS (INCLUDING INVENTORY AND EQUIPMENT (EQUIPMENT INCLUDES, WITHOUT LIMITATION, MACHINERY, TOOLS, APPARATUS, PLANT, FURNITURE, FIXTURES, AIRCRAFT AND VEHICLES OF WHATSOEVER NATURE AND KIND) BUT EXCLUDING CONSUMER GOODS), MONEY, CHATTEL PAPER, DOCUMENTS OF TITLE, INSTRUMENTS AND SECURITIES.

Original Registering Party

D + H LIMITED PARTNERSHIP

Address

2 ROBERT SPECK PARKWAY, 15TH F
MISSISSAUGA ON
L4Z 1H8 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 160139Q

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	January 29, 2024 at 2:10:44 pm Pacific time
Current Expiry Date and Time:	January 29, 2029 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of January 9, 2025 at 2:34:51 pm Pacific time)

Secured Party Information

BOXER CAPITAL CORPORATION

Address

1188 WEST GEORGIA
SUITE 650
VANCOUVER BC
V6E 4A2 Canada

Debtor Information

FELIX PAYMENT SYSTEMS LTD.

Address

1286 HOMER ST
LEVEL 3
VANCOUVER BC
V6B 2Y5 Canada

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

All of the Debtor's present and after acquired personal property.

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Original Registering Party

**YCO CORPORATE INVESTMENTS
LTD.**

Address

EDWARDS KENNY & BRAY LLP
SUITE 1900 1040 WEST GEORGIA ST
VANCOUVER BC
V6E 4H3 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 186604Q

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	February 12, 2024 at 10:41:23 am Pacific time
Current Expiry Date and Time:	February 12, 2029 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of January 9, 2025 at 2:34:51 pm Pacific time)

Secured Party Information

BOXER, JAKE

Address

1000-3707 7TH AVE W
VANCOUVER BC
V6R 1W7 Canada

THE CA MORDY LEGACY TRUST

Address

650-1188 GEORGIA ST W
VANCOUVER BC
V6E 4A2 Canada

**BROOKRIDGE CHARTERED
PROFESSIONAL ACCOUNTANTS
INC.**

Address

650-1188 GEORGIA ST W
VANCOUVER BC
V6E 4A2 Canada

Debtor Information

FELIX PAYMENT SYSTEMS LTD.

Address

250 HOWE STREET, 20TH FLOOR
VANCOUVER BC
V6C 3R8 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

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

Original Registering Party

**YCO CORPORATE INVESTMENTS
LTD.**

Address

EDWARDS KENNY & BRAY LLP
SUITE 1900 1040 WEST GEORGIA ST
VANCOUVER BC
V6E 4H3 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 277672Q

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	March 27, 2024 at 4:52:07 pm Pacific time
Current Expiry Date and Time:	March 27, 2029 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of January 9, 2025 at 2:34:51 pm Pacific time)

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Secured Party Information

MORDY, DOUGLAS ALAN

Address

2901 BROOKRIDGE DR
NORTH VANCOUVER BC
V7R 3A7 Canada

MORDY, CANDICE ROSE

Address

2901 BROOKRIDGE DR
NORTH VANCOUVER BC
V7R 3A7 Canada

MCREE, RALPH KURT

Address

5114 ROSS ST
VANCOUVER BC
V5W 3K7 Canada

SECTION 3 VENTURES (VCC) INC.

Address

650-1188 GEORGIA ST W
VANCOUVER BC
V6E 4A2 Canada

NANALAL, KAPIL

Address

7775 KENTWOOD ST
BURNABY BC
V5A 2E6 Canada

Debtor Information

FELIX PAYMENT SYSTEMS LTD.

Address

250 HOWE STREET, 20TH FLOOR
VANCOUVER BC
V6C 3R8 Canada

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

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

Original Registering Party

**YCO CORPORATE INVESTMENTS
LTD.**

Address

EDWARDS KENNY & BRAY LLP
SUITE 1900 1040 WEST GEORGIA ST
VANCOUVER BC
V6E 4H3 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 559003Q

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	August 8, 2024 at 9:19:54 am Pacific time
Current Expiry Date and Time:	August 8, 2034 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of January 9, 2025 at 2:34:51 pm Pacific time)

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Secured Party Information

SR HALL MANAGEMENT LLC**Address**

6605 ABERCORN ST STE 204
SAVANNAH GA
31405-5819 United States of America

BBSG HALL INVESTMENTS, LLC**Address**

6605 ABERCORN ST STE 204
SAVANNAH GA
31405-5819 United States of America

RIPCORD CAPITAL LLC**Address**

6605 ABERCORN ST STE 204
SAVANNAH GA
31405-5819 United States of America

DAPIT NA, LLC**Address**

6605 ABERCORN ST STE 204
SAVANNAH GA
31405-5819 United States of America

HALL, STEVE**Address**

6605 ABERCORN ST STE 204
SAVANNAH GA
31405-5819 United States of America

Debtor Information

FELIX PAYMENT SYSTEMS LTD.**Address**

355 BURNARD ST, LEVEL 14
VANCOUVER BC
V6C 2G8 Canada

Vehicle Collateral

None



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

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

Original Registering Party

GOWLING WLG (CANADA) LLP

Address

2300-550 BURRARD ST.
VANCOUVER BC
V6C 2B5 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

HISTORY

(Showing most recent first)

AMENDMENT

Registration Date and Time: August 26, 2024 at 11:15:06 am Pacific time
Registration Number: 595123Q
Description: Addition of secured parties

Secured Party Information

BBSG HALL INVESTMENTS, LLC

ADDED

Address

6605 ABERCORN ST STE 204
SAVANNAH GA
31405-5819 United States of America

RIPCORD CAPITAL LLC

ADDED

Address

6605 ABERCORN ST STE 204
SAVANNAH GA
31405-5819 United States of America

DAPIT NA, LLC

ADDED

Address

6605 ABERCORN ST STE 204
SAVANNAH GA
31405-5819 United States of America

HALL, STEVE

ADDED

Address

6605 ABERCORN ST STE 204
SAVANNAH GA
31405-5819 United States of America

Registering Party Information

**CLARK WILSON LLP ATT. PPSA
CLERK**

Address

800 - 885 WEST GEORGIA STREET
VANCOUVER BC
V6C 3H1 Canada

This is **Exhibit "F"** referred to in the Affidavit of Doug Mordy
sworn before me this 28th day of January, 2025.

A handwritten signature in black ink, appearing to be 'A. W. D.', written over a horizontal line.

A Commissioner for taking affidavits in and
for the province of British Columbia

Service Platform**Transaction Details**

Transaction Status: Posted

Transaction Type: Credit Memo

Transaction code: 330

Deposit Transit: 7360

Account: [REDACTED]

Amount: \$200,000.00

Currency: CAD

Reason Code: Client Request

Additional Details: Receive from Dan Diebolt

Disposition:

SERVICE MAJOR**Transaction Details**

Transaction Status: Posted

Transaction Type: Credit Memo

Transaction code: 330

Deposit Transit: 7360

Account: [REDACTED]

Amount: \$200,000.00

Currency: CAD

Reason Code: Client Request

Additional Details: Receive from Dan Diebolt

Disposition:

142

CANDICE MORDY

RBC Wealth Management
Private Banking

004

DATE 2023-02-06

PAY TO THE
ORDER OF

Felix Payment Systems Ltd.

\$ 100,000

one hundred thousand dollars

100 DOLLARS



ROYAL BANK OF CANADA
FRASER VALLEY PRIVATE BANKING CENTRE
101 - 8411 200TH STREET
LANGLEY, B.C. V2Y 0E7

MEMO

Candice Mordy

Proc Date: 2023/02/06 \$100,000.00 ISN#: 9638667628

Negotiating Institution: RBC ROYAL BANK

Deposit Transit Number: 07360003

Account Number: [REDACTED] Printer ID# 1021

Date (YYYYMMDD): 20230206

Item Sequence Number: 9638667628

[Signature]

Endorsement - Signature or Stamp

MDC ATMid: X734

Envelope #: 827

BACK/VERSO

Proc Date: 2023/02/06 \$100,000.00 ISN#: 9638667628



Royal Bank of Canada
Banque Royale du Canada

143
70631621 3-516

DATE 20230109
Y A M D

PAY TO THE ORDER OF
PAYER À L'ORDRE DE

FELIX PAYMENT SYSTEMS LTD.

\$200,000.00

EXACTLY \$200,000.00

CANADIAN DOLLARS CANADIENS

AUTHORIZED SIGNATURE REQUIRED FOR AMOUNTS OVER \$5,000 IN CANADIAN / SIGNATURE AUTORISÉE REQUISE POUR UN MONTANT EXCÉDANT \$5,000 C\$ CANADIEN

RE/OBJET

1069188 B.C. LTD.

PURCHASER NAME

NOM DE L'ACHETEUR

AUTHORIZED SIGNATURE / SIGNATURE AUTORISÉE

PURCHASER ADDRESS

ADRESSE DE L'ACHETEUR

COUNTER / N° DE COUNTER

Proc Date: 2023/01/11 \$200,000.00 ISN#: 9635071114

Negotiating Institution: RBC ROYAL BANK

Deposit Transit Number: 07360-003

Account Number: [REDACTED]

Date (YYYYMMDD): 20230111

Item Sequence Number: 9635071114

MDC AT MID: X734

Envelope #: 800

Endorsement - Signature or Stamp
Endossement - Signature ou timbre

BACK / VERSO

Proc Date: 2023/01/11 \$200,000.00 ISN#: 9635071114

Transaction Status: Posted
Transaction Type: Credit Memo
Transaction code: 330
Deposit Transit: 7360
Account: [REDACTED]
Amount: \$75,000.00
Currency: CAD
Reason Code: Client Request
Additional Details:

Transaction Status: Posted
Transaction Type: Debit Memo
Transaction code: 430
Deposit Transit: 4000
Account: [REDACTED]
Amount: \$75,000.00
Currency: CAD
Reason Code: Client Request
Additional Details:
Disposition: 07360 1010263

Funds are from 1069188 B.C. Ltd



Royal Bank of Canada
Banque Royale du Canada
3145 EDMONTON BLVD
NORTH VANCOUVER, BC

73374192¹⁴⁵ 0-516

DATE 20240210
YR MM DU

PAY TO THE ORDER OF
PAYEZ À L'ORDRE DE **FELIX PAYMENT SYSTEMS LTD**

\$30,000.00

EXACTLY \$30,000.00

CANADIAN DOLLARS CANADIENS

AUTHORIZED SIGNATURE REQUIRED FOR AREA YES OVER BLOCK IS CANADIAN - SIGNATURE AUTHORIZED FOR AREA YES OVER BLOCK IS CANADIAN

REOBJET **CA MORDY LEGACY TRUST LOAN**

DOUGLAS A MORDY

PURCHASER NAME

NOM DE L'ACHETEUR

PURCHASER ADDRESS

ADRESSE DE L'ACHETEUR

Yi Tan
AUTHORIZED SIGNATURE SIGNATURE AUTHORIZED
Yi Tan

Proc Date: 2024/02/12 \$30,000.00 ISN#: 9931050393

Virtual Endorsement

DSPACC: [REDACTED]
DSPTR: 07360-003
CSID: 3240415381705403840
TXNID: 1
SCANSES: 202,795,086
ITMSEQ: 2
CHANID: 003
APPCD: S900
TRANSIT: 03840
DSPCUR: CAD
TEFDT: 10/02/24
OPID: 940231848

Endorsement - Signature or Stamp
Endossement - Signature ou timbre

BACK / VERSO

Proc Date: 2024/02/12 \$30,000.00 ISN#: 9931050393

THIS DOCUMENT IS PRINTED ON WHITE PAPER WITH A COLOURED BACKGROUND. THE BORDER CONTAINS MICRO PRINTING AND THE BACK OF THE DOCUMENT CONTAINS A SECURITY WATERMARK. TURN ANGLE TO VIEW



604.982.8000 / 1.888.713.6728

Village Official Cheque

11012

DATE 02262024
MMDDYYYY

Remitter: Douglas Magoon
Memo:

PAY ***Thirty One Thousand Dollars And 00 Cents*****

31,000.00

TO THE
ORDER OF

Felix Payment Systems Ltd.

604.982.8000 / 1.888.713.6728

[Signature] 6918
[Signature] 5028

[Redacted]

[Redacted]

Proc Date: 2024/02/28 \$31,000.00 ISN#: 9932822316

Virtual Endorsement

DSPACC: [Redacted]
DSPTR: 07360-003
CSID: 0240594945318208840
TXNID: 1
SCANSES: 203,577,858
ITMSEQ: 2
CHANID: 003
APPCD: 5900
TRANSIT: 03840
DSPCUR: CAD
TEFDT: 28/02/24
OPID: 232570184

Endorsement - Signature or Stamp
Endossement - Signature ou tampe

7360-1010263

BACK/ENDOS

[Redacted]

Proc Date: 2024/02/28 \$31,000.00 ISN#: 9932822316



Royal Bank of Canada
Banque Royale du Canada
3145 EDMONTON BLVD
NORTH VANCOUVER, BC

73374366¹⁴⁷ 0-516

DATE 20240314
VIA MM DU

PAY TO THE ORDER OF
PAYEZ À L'ORDRE DE

FELIX PAYMENT SYSTEMS LTD

\$30,000.00

EXACTLY \$30,000.00

CANADIAN DOLLARS CANADIENS

AUTHORIZED SIGNATURE REQUIRED FOR AMOUNTS OVER \$2,000 CANADIAN SIGNATURE AUTORISÉE REQUISE POUR UN MONTANT EXCÉDANT \$2,000 CANADIEN

RE/OBJET CA MORDY LEGACY TRUST LOAN

DOUGLAS A MORDY

PURCHASER NAME

NOM DE L'ACHÉTEUR

AUTHORIZED SIGNATURE / SIGNATURE AUTORISÉE

PURCHASER ADDRESS

ADRESSE DE L'ACHÉTEUR

CO-SIGNATURE / CO-SIGNATURE

Virtual Endorsement

DSPACC: [REDACTED]
DSPTR: 07360-003
CSID: 7240744062144103840
TXNID: 1
SCANSES: 204,328,561
ITMSEQ: 3
CHANID: 003
APPCD: 5900
TRANSIT: 03840
DSPCUR: CAD
TEFDT: 14/03/24
OPID: 594196370

Endorsement - Signature or Stamp
Endossement - Signature ou timbre

07360 1010263

BACK / VERSO

Proc Date: 2024/03/14 \$30,000.00 ISNN: 9934586728

Proc Date: 2024/03/14 \$30,000.00 ISNN: 9934586728



DEPOSIT SLIP
CURRENT ACCOUNT

LIST OF CHEQUES

	30,000	00
	5,000	00
	15,000	00

LIST OF CHEQUES

DATE
01 04 24 21 MP

DETAILS	CASH
X 5	
X 10	
X 20	
X 50	
X 100	
CON	
CON CASH TOTAL	
CHEQUES TOTAL	
RATE	
RATE	
LETA \$	50000 00

CHEQUES	TOTAL	
US CASH	TOTAL	
US CHEQUES	TOTAL	

CREDIT ACCOUNT

Felix Payment Services
Utd

Transfer No. Insurance No. Account No.



Proc Date: 2024/04/01 \$0.00 ISN#: 9936446000

Virtual Endorsement

DSPACC: [REDACTED]
DSPTR: 07360-003
CSID: 3240925192958403840
TXNID: 1
SCANSES: 205,134,137
ITMSEQ: 1
CHANID: 003
APPCD: S900
TRANSIT: 03840
DSPCUR: CAD
TEFDT: 01/04/24
OPID: 598142255

Proc Date: 2024/04/01 \$0.00 ISN#: 9936446000

CA Mordy Legacy Trust

000001

DATE 20240327
Y Y Y Y M M D D

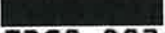
PAY to Felix Payment Systems Ltd. \$15,000.00
the order of

4
0
2
0
BlueShore 804.882.8000 / 1.888.713.6728 / BLUESHOREFINANCIAL.COM 93058848
BLUESHORE FINANCIAL CREDIT UNION
101-3083 EDGE MONT BLVD
NORTH VANCOUVER BC V7R 2N5

MEMO Loan



Proc Date: 2024/04/01 \$15,000.00 ISN#: 9936446003

Virtual Endorsement :
DSPACC: 
DSPTR: 07360-003
CSID: 3240925192958403840
TXNID: 1
SCANSES: 205,134,137
ITMSEQ: 3
CHANID: 003
APPCD: S900
TRANSIT: 03840
DSPCUR: CAD
TEFDT: 01/04/24
OPID: 598142255

Endorsement - Signature or Stamp
Endossement - Signature ou étampe

BACK/ENDOS

07360-1010263

Proc Date: 2024/04/01 \$15,000.00 ISN#: 9936446003



DEPOSIT SLIP
CURRENT ACCOUNT

DATE
03 05 24
INITIALS
TELLER'S
AC

LIST OF CHEQUES

LIST OF CHEQUES

DETAILS	CASH
X 5	
X 10	
X 20	
X 50	
X 100	
COIN	
COIN CASH TOTAL ▶	
CHEQUES TOTAL ▶	
RATE ▶	
RATE ▶	
TOTAL \$	41,00

CHEQUES	TOTAL ▶	
US CASH	TOTAL ▶	
US CHEQUES	TOTAL ▶	

Transit No. Institution No. Account No.

Proc Date: 2024/05/03 \$0.00 ISN#: 9931777566

Virtual Endorsement

DSPACC: [REDACTED]
DSPTR: 07360-003
CSID: 7241243584866500782
TXNID: 1
SCANSES: 206,983,295
ITMSEQ: 1
CHANID: 003
APPCD: S900
TRANSIT: 00782
DSPCUR: CAD
TEFDT: 03/05/24
OPID: 128018504

Proc Date: 2024/05/03 \$0.00 ISN#: 9931777566



Royal Bank of Canada
Banque Royale du Canada
996 HOMER ST
VANCOUVER, BC

73068850 3-516

DATE 20240503
YR M D

PAY TO THE ORDER OF
PAYER À L'ORDRE DE

FELIX PAYMENT SYSTEMS LTD.

\$44,000.00

EXACTLY \$44,000.00

CANADIAN DOLLARS CANADIENS

RE/OBJET

PURCHASER NAME

NOM DE L'ACHETEUR

AUTHORIZED SIGNATURE / SIGNATURE AUTORISÉE

PURCHASER ADDRESS

ADRESSE DE L'ACHETEUR

COUNTERS ONE / COMPTES ONE

Proc Date: 2024/05/03 \$44,000.00 ISN#: 9931777568

Virtual Endorsement

DSPACC: [REDACTED]
DSPTR: 07360-003
CSID: 7241243584866500782
TXNID: 1
SCANSES: 206,983,295
ITMSEQ: 2
CHANID: 003
APPCD: S900
TRANSIT: 00782
DSPCUR: CAD
TEFDT: 03/05/24
OPID: 128018504

Endorsement - Signature or Stamp
Endossement - Signature ou timbre

BACK / VERSO

Proc Date: 2024/05/03 \$44,000.00 ISN#: 9931777568

Wire Activity - Summary Report

Tamara Leight , FELIX PAYMENT SYSTEM
Report Creation Date: Jul 15, 2024 11:59:00 AM ET

Value Date Range: From To

Debit Account(s): All Status: All

Amount Range: All

Payment Currency: All

Payment Currency: CAD

Template Name:

Template Description:

Value Date: Jul 11, 2024 Payment Amount: 140,000.00 CAD

Debit Account:

Credit Information:

Beneficiary: CA Mordy Legacy Trust

Status: Completed

Approved by: A COLE

Created by: A COLE, Jul 11, 2024 at 02:43 PM ET

Last Modified by:

Released by: A COLE, Jul 11, 2024 at 02:43 PM ET

From: [CA Mordy Legacy Trust Accounting](#)
To: [Accounting](#)
Subject: INTERAC e-Transfer: A money transfer from CA Mordy Legacy Trust has been automatically deposited.
Date: Thursday, August 22, 2024 5:34:38 PM
Importance: High



Hi FELIX PAYMENT SYSTEMS LTD.,

CA Mordy Legacy Trust has sent you \$4,000.00 (CAD) and the money has been automatically deposited into your bank account at RBC Royal Bank.

Message:

Loan pursuant to Grid Promissory Note

Reference Number: CABrdsxK

Please do not reply to this email.

FAQs | This is a secure transaction



Copyright © 2024 Interac Corp.
 All rights reserved. [Privacy Policy](#)
 100 King Street West, Suite 1000
 Toronto, Ontario M5X 1C5



Email sent from [CA Mordy Legacy Trust Accounting](#) to [FELIX PAYMENT SYSTEMS LTD.](#) on Thursday, August 22, 2024. The money has been automatically transferred into your bank account at RBC Royal Bank. For the full details of this transaction, please refer to the e-transfer confirmation email.

This email was sent from [CA Mordy Legacy Trust Accounting](#) to [FELIX PAYMENT SYSTEMS LTD.](#) on Thursday, August 22, 2024. The money has been automatically transferred into your bank account at RBC Royal Bank. For the full details of this transaction, please refer to the e-transfer confirmation email.

Interac Corp.
 100 King Street West, Suite 1000
 Toronto, Ontario M5X 1C5
www.interac.ca

Hi FELIX PAYMENT SYSTEMS LTD.,

CA Mordy Legacy Trust has sent you \$10,000.00 (CAD) and the money has been automatically deposited into your bank account at RBC Royal Bank.

Reference Number: CAZm2M2X

Please do not reply to this email.

FAQs | This is a secure transaction 



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Email or text messages carry the notice while the financial institutions securely transfer the money using existing payment networks. For the answers to common questions please visit our FAQs.

This email was sent to you by Interac Corp., the owner of the *Interac* e-Transfer® service, on behalf of CA Mordy Legacy Trust at BlueShore Financial.

Interac Corp.
P.O. Box 45, Toronto, Ontario M5J 2J1
www.interac.ca

Hi FELIX PAYMENT SYSTEMS LTD.,

CA Mordy Legacy Trust has sent you \$10,000.00 (CAD) and the money has been automatically deposited into your bank account at RBC Royal Bank.

Reference Number: CADUrkXa

Please do not reply to this email.

FAQs | This is a secure transaction 



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Email or text messages carry the notice while the financial institutions securely transfer the money using existing payment networks. For the answers to common questions please visit our FAQs.

This email was sent to you by Interac Corp., the owner of the *Interac* e-Transfer® service, on behalf of CA Mordy Legacy Trust at BlueShore Financial.

Interac Corp.

P.O. Box 45, Toronto, Ontario M5J 2J1

www.interac.ca

DEPOSIT SLIP
CURRENT ACCOUNT

LIST OF CHEQUES

11381	40000.00

LIST OF CHEQUES

CHEQUES	TOTAL	
US CASH	TOTAL	
US CHEQUES	TOTAL	

Felix Payment Systems Ltd

DETAILS	CASH
X 5	
X 10	
X 20	
X 50	
X 100	
CON	
CON CASH TOTAL	
CHEQUES TOTAL	
RATE	
RATE	
TOTAL	\$ 40000.00

Transit No. Institution No.

Account No.

Proc Date: 2024/10/22 \$0.00 ISN#: 9934316250

Virtual Endorsement

DSPACC: [REDACTED]
DSPTR: 07360-003
CSID: 5242963585535703840
TXNID: 1
SCANSES: 215,908,512
ITMSEQ: 1
CHANID: 003
APPCD: S900
TRANSIT: 03840
DSPCUR: CAD
TEFDT: 22/10/24
OPID: 594196370

Proc Date: 2024/10/22 \$0.00 ISN#: 9934316250

THIS DOCUMENT IS PRINTED ON WHITE PAPER WITH A COLOURED BACKGROUND. THE FRONT CONTAINS MICRO PRINTING AND THE BACK OF THE DOCUMENT CONTAINS A SECURITY WATERMARK. HOLD AT AN ANGLE TO VIEW



604.982.8000 / 1.888.713.6728

Village Official Cheque

11381

DATE 10222024
MMDDYYYY

Remitter: Douglas Moroy
Memo

PAY ***Forty Thousand Dollars And 00 Cents*****

40,000.00

TO THE ORDER OF Felix Payment Systems Ltd.

604 982 8000 / 1 888 713 6728

Paula Elise
4963

[Redacted]

[Redacted]

Proc Date: 2024/10/22 \$40,000.00 ISN#: 9934316252

Virtual Endorsement

DSPACC: [Redacted]
DSPTR: 07360-003
CSID: 5242963585535703840
TXNID: 1
SCANSES: 215,908,512
ITMSEQ: 2
CHANID: 003
APPCD: 5900
TRANSIT: 03840
DSPCUR: CAD
TEFDT: 22/10/24
OPID: 594196370

Endorsement - Signature or Stamp
Endossement - Signature ou étampe

BACK/ENDOS

[Redacted]

Proc Date: 2024/10/22 \$40,000.00 ISN#: 9934316252

Hi FELIX PAYMENT SYSTEMS LTD., Funds Deposited!

\$6,000.00

Your funds have been automatically deposited into your account
at RBC Royal Bank.



RBC Royal Bank
Account ending in 0263

Transfer Details

Date:	Reference Number:
Oct 28, 2024	CAWZTpZR
Sent From:	Amount:
CA Mordy Legacy Trus t	\$6,000.00 (CAD)

[FAQ](#) | [This is a secure transaction](#) |

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 **INTE**
RAC e-
Transfer

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Interac Corp.
P.O. Box 45, Toronto, Ontario M5J 2J1

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This email was sent to you by Interac Corp., the owner of the Interac e-Transfer service, on behalf of **CA Mordy Legacy Trus t** at **BlueShore Financial**.



DEPOSIT SLIP
GREEN ACCOUNT

DATE
DAY MONTH YEAR INITIALS
29 10 2024 M J

LIST OF CHEQUES

133,990	05

LIST OF CHEQUES

DETAILS	CASH
X 5	
X 10	
X 20	
X 50	
X 100	
COIN	
COIN CASH TOTAL	
CHEQUES TOTAL	
RATE	
RATE	
\$	133,990 05

CHEQUES	TOTAL	133,990 05
US CASH	TOTAL	
US CHEQUES	TOTAL	

FELIX PAYMENT SYSTEMS
LTD.

Transit No. Institution No. Account No.

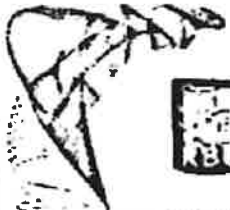


Proc Date: 2024/10/29 \$0.00 ISN#: 9935151476

Virtual Endorsement
DSPACC: [REDACTED]
DSPTR: 07360-003
CSID: 0243033667373503840
TXNID: 1
SCANSES: 216,275,363
ITMSEQ: 1
CHANID: 003
APPCD: S900
TRANSIT: 03840
DSPCUR: CAD
TEFDT: 29/10/24
OPID: 914028881



Proc Date: 2024/10/29 \$0.00 ISN#: 9935151476



Royal Bank of Canada
Banque Royale du Canada

74981499¹⁶¹ 2-516

DATE 20241029
VIA MM DJ

PAY TO THE ORDER OF
PAYEZ À L'ORDRE DE FELIX PAYMENT SYSTEMS LTD.

\$133,990.05

EXACTLY \$133,990.05

AUTHORIZED SIGNATURE REQUIRED FOR AMOUNTS OVER \$5,000 OF CANADIAN. SIGNATURE AUTHORIZED REQUIRED FOR AMOUNTS EXCEEDING \$5,000 OF CANADIAN.

CANADIAN DOLLARS CANADIENS

RE/OBJET

CA MURDY LEGACY TRUST

PURCHASER NAME

NOM DE L'ACHETEUR

AUTHORIZED SIGNATURE SIGNATURE AUTORISÉE

PURCHASER ADDRESS

ADRESSE DE L'ACHETEUR

COUNTERSIGNED / CONTRESIGNÉ

Proc Date: 2024/10/29 \$133,990.05 ISN#: 9935151478

Virtual Endorsement

DSPACC: [REDACTED]
DSPTR: 07360-003
CSID: 0243033667373503840
TXNID: 1
SCANSES: 216,275,363
ITMSEQ: 2
CHANID: 003
APPCD: S900
TRANSIT: 03840
DSPCUR: CAD
TEFDT: 29/10/24
OPID: 914028881

Endorsement - Signature or Stamp
Endossement - Signature ou timbre

BACK / VERSO

Proc Date: 2024/10/29 \$133,990.05 ISN#: 9935151478

This is **Exhibit "G"** referred to in the Affidavit of Doug Mordy
sworn before me this 28th day of January, 2025.

A handwritten signature in black ink, appearing to be 'P. W. P.', written over a horizontal line.

A Commissioner for taking affidavits in and
for the province of British Columbia

477473 BC LTD
SUITE 2000 777 HORNBY ST.
VANCOUVER, BC V6Z 1S4
Tel (604) 738-4620

THE BANK OF NOVA SCOTIA
PRIVATE BANKING UNIT-VANCOUVER
650 WEST GEORGIA STREET, 6TH FLOOR
VANCOUVER, B.C. V6B 4N7

000466

62100

DATE 27 08 2021
D D M M Y Y Y

PAY Two Hundred Fifty Thousand and 00/100

\$250,000.00

TO THE ORDER OF Felix Payment Systems Ltd.

477473 BC LTD

PER

ISSUED

Proc Date: 2021/08/24 \$250,000.00 ISN#: 9631901585

Negotiating Institution: RBC ROYAL BANK
Deposit Transit Number: 07360-003
Account Number: [REDACTED]
Date (YYYYMMDD): 20210824
Item Sequence Number: 9631901585

Printer ID# 1021
ID d'imprimeur 1021

MDC AT MID: X734
Envelope #: 989

Endorsement - Signature or Stamp / Endossement - Signature ou timbre

BACKVERSO

Proc Date: 2021/08/24 \$250,000.00 ISN#: 9631901585

Scotiabank.

PRIVATE BANKING VANCOUVER
133 WEST GEORGIA ST., SUITE 510
VANCOUVER BRITISH COLUMBIA V6B 4N7

CANADIAN DOLLAR DRAFT

552311

DATE

TO ORDER OF FELIX PAYMENT SYSTEMS

S

AMOUNT EXACTLY 300 0 DOLLARS 11111111111111111111 00/100

TO
ANY BRANCH OF
THE BANK OF NOVA SCOTIA

AUTH NO. <u>F27</u>	THE BANK OF NOVA SCOTIA <u>[Signature]</u>
AUTH NO. <u>50013</u>	AUTHORIZED OFFICER <u>[Signature]</u>

Purchaser's Name: MR JAKE BOXER



Proc Date: 2022/12/28 \$0.00 ISN#: 9632938602

Negotiating Institution: RBC ROYAL BANK

Deposit Transit Number: 07360-003

Account Number: [Redacted]

Date (YYYYMMDD): 20221228

Item Sequence Number: 9632938602

MDC AT MID: X734

Envelope #: 954

Endorsement - Signature or Stamp

BACK/VERSO



Proc Date: 2022/12/28 \$0.00 ISN#: 9632938602



Adjustment Information

Date: December 28, 2022
Reason: Item is not negotiable
Credit Account #: [REDACTED]
Credit Routing Transit: 07360-003
Additional comments:

SERIAL NUMBER
9130341

R/T NUMBER
07360-003

ACCOUNT NUMBER

AMOUNT
\$300000.00db

[REDACTED] Proc Date: 2022/12/28 \$300,000.00 ISN#: 9339130341

This item is intentionally blank

[REDACTED] Proc Date: 2022/12/28 \$300,000.00 ISN#: 9339130341

JAKE BOXER

312

DATE 2023-02-07
Y V V Y M M D D

PAY TO THE ORDER OF Felix Payment Systems Ltd. \$ 250,000.00
two hundred fifty thousand and XX 100 DOLLARS

THE BANK OF NOVA SCOTIA
www.scotiabank.com 1-800-4-SCOTIA
PRIVATE BANKING UNIT-VANCOUVER
850 WEST GEORGIA STREET, 6TH FLOOR
VANCOUVER, B.C. V6B 4N7

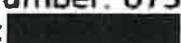
52100

Scotia Wealth Management
Private Banking, The Bank of Nova Scotia

MEMO cash call



Proc Date: 2023/02/08 \$250,000.00 ISN#: 9638807885

Negotiating Institution: RBC ROYAL BANK
Deposit Transit Number: 07360-003
Account Number:  Primary ID# 1021
Date (YYYYMMDD): 20230208
Item Sequence Number: 9638807885



Endorsement - Signature or Stamp

MDC ATMid: X734
Envelope #: 902

BACK/VERSO

Proc Date: 2023/02/08 \$250,000.00 ISN#: 9638807885

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Scotiabank.

BROADWAY & OAK
999 WEST BROADWAY SUITE 100
VANCOUVER BRITISH COLUMBIA V6Z 1K6

CANADIAN DOLLAR DRAFT

436345

DATE 2024 02 10
Y Y Y Y M M D D

PAY TO ORDER OF **FELIX PAYMENT SYSTEMS LTD.**

\$ 60,000.00

SUM OF **EXACTLY 60,000 DOLLARS ***** 00/100**

CANADIAN FUNDS

TO:
ANY BRANCH OF
THE BANK OF NOVA SCOTIA

AUTH NO.	THE BANK OF NOVA SCOTIA
AUTH NO.	AUTHORIZED OFFICER

Purchaser's Name: ***CANALAND DEVELOPMENTS LTD**



Proc Date: 2024/02/12 \$60,000.00 ISN#: 9931051538

Virtual Endorsement

DSPACC:
DSPTR: 07360-003
CSID: 4240415608685505680
TXNID: 1
SCANSES: 202,795,298
ITMSEQ: 2
CHANID: 003
APPED: S900
TRANSIT: 05000
DSPEUR: CAD
TEFD: 10/02/24
OPID: 231676453

010263

THE BANK OF NOVA SCOTIA
1000 QUEEN STREET WEST
TORONTO, ONTARIO M5G 1S1



Bank of Nova Scotia
1000 Queen Street West
Toronto, Ontario M5G 1S1

PRINTER ID # 1017

Endorsement - Signature or Stamp

BACK/VERSO



Proc Date: 2024/02/12 \$60,000.00 ISN#: 9931051538

2024/02/28

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Scotiabank.

CANADIAN DOLLAR DRAFT

737323

PRIVATE BANKING VANCOUVER
600 WEST GEORGIA ST., SUITE 810
VANCOUVER BRITISH COLUMBIA V6B 4N7

DATE 2024 02 27
Y Y Y Y M M D D

PAY TO ORDER OF FELIX PAYMENT SYSTEMS

\$ 66,000.00

SUM OF EXACTLY 66,000 DOLLARS ***** 00/100

CANADIAN FUNDS

TO:
ANY BRANCH OF
THE BANK OF NOVA SCOTIA

AUTH NO.	THE BANK OF NOVA SCOTIA
AUTH NO.	AUTHORIZED OFFICER
AUTHORIZED OFFICER	

Purchaser's Name: MR JAKE BOXER



Proc Date: 2024/02/28 \$66,000.00 ISN#: 9932817562

Virtual Endorsement

DSPACC: [REDACTED]
DSPTR: 07360-003
CSID: 1240594878847800010
TXNID: 1
SCANSES: 203,576,577
ITMSEQ: 2
CHANID: 003
APPCD: S900
TRANSIT: 00010
DSPCUR: CAD
TEFDT: 28/02/24
OPID: 231350372

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verify watermark

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BACK/VERSO



Proc Date: 2024/02/28 \$66,000.00 ISN#: 9932817562

169

JAKE BOXER

318

DATE 2024-03-27
Y Y Y Y M M D D

PAY TO THE
ORDER OF

Velix Payment Systems Ltd.

\$30,000 -

thirty thousand

X/ 100 DOLLARS

Security Features
Marked on back
Please see back

THE BANK OF NOVA SCOTIA
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PRIVATE BANKING UNIT-VANCOUVER
650 WEST GEORGIA STREET, 5TH FLOOR
VANCOUVER, B.C. V6B 4N7

62100

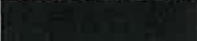
Scotia Wealth Management
Private Banking. The Bank of Nova Scotia

MEMO

[Handwritten Signature]

Proc Date: 2024/04/01 \$30,000.00 ISN#: 9936446004

Virtual Endorsement

DSPACC:  Printer ID# 1021
DSPTR: 07360-003
CSID: 3240925192958403840
TXNID: 1
SCANSES: 205,134,137
ITMSEQ: 4
CHANID: 003
APPCD: S900
TRANSIT: 03840
DSPCUR: CAD
TEFDT: 01/04/24
OPID: 598142255

Endorsement - Signature or Stamp

BACK/VERSO

Proc Date: 2024/04/01 \$30,000.00 ISN#: 9936446004

170

JAKE BOXER

318

DATE 2024-03-27
Y Y Y Y M M D D

PAY TO THE
ORDER OF

Delix Payment Systems Ltd.

\$30,000-

thirty thousand

XX

100 DOLLARS

Security Features
visit www.bankofscotiabank.com
for more information

THE BANK OF NOVA SCOTIA
www.scotiabank.com 1-800-4-SCOTIA
PRIVATE BANKING UNIT-VANCOUVER
850 WEST GEORGIA STREET, 5TH FLOOR
VANCOUVER, B.C. V6B 4N7

52100

Scotia Wealth Management
Private Banking. The Bank of Nova Scotia

[Signature]

Proc Date: 2024/04/01 \$30,000.00 ISN#: 9936446004

Virtual Endorsement

DSPACC: [REDACTED] Printer ID# 1021
DSPTR: 07360-003
CSID: 3240925192958403840
TXNID: 1
SCANSES: 205,134,137
ITMSEQ: 4
CHANID: 003
APPCD: S900
TRANSIT: 03840
DSPCUR: CAD
TEFDT: 01/04/24
OPID: 598142255

Endorsement - Signature or Stamp

BACK/VERSO

Proc Date: 2024/04/01 \$30,000.00 ISN#: 9936446004

171

Scotiabank.

CANADIAN DOLLAR DRAFT

923820

PRIVATE BANKING VANCOUVER
650 WEST GEORGIA ST., SUITE 610
VANCOUVER BRITISH COLUMBIA V6B 4N7

DATE 2024 04 24
Y Y Y Y M M D D

PAY TO ORDER OF FELIX PAYMENT SYSTEMS LTD

\$ 45,000.00

SUM OF EXACTLY 45,000 DOLLARS ***** 00/100

CANADIAN FUNDS

TO:
ANY BRANCH OF
THE BANK OF NOVA SCOTIA

AUTH NO.	THE BANK OF NOVA SCOTIA
AUTH NO.	AUTHORIZED OFFICER

Purchaser's Name: MR JAKE BOXER

Proc Date: 2024/04/24 \$45,000.00 ISN#: 9939432389

Virtual Endorsement

DSPACC: [REDACTED]
DSPTR: 07360-003
CSID: 8241154982283700010
TXNID: 1
SCANSES: 206,422,396
ITMSEQ: 2
CHANID: 003
APPCD: S900
TRANSIT: 00010
DSPCUR: CAD
TEFDT: 24/04/24
OPID: 390730919

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Endorsement - Signature or Stamp

BACK/VERSO

Proc Date: 2024/04/24 \$45,000.00 ISN#: 9939432389

Scotiabank.

CANADIAN DOLLAR DRAFT

923865

PRIVATE BANKING VANCOUVER
650 WEST GEORGIA ST., SUITE 510
VANCOUVER BRITISH COLUMBIA V6B 4N7DATE 2024 05 02
Y Y Y Y M M D DPAY TO ORDER OF **FELIX PAYMENT SYSTEMS**

\$ 75,000.00

SUM OF **EXACTLY 75,000 DOLLARS ***** 00/100**

CANADIAN FUNDS

TO:
ANY BRANCH OF
THE BANK OF NOVA SCOTIA

AUTH NO.	THE BANK OF NOVA SCOTIA
AUTH NO.	AUTHORIZED OFFICER

Purchaser's Name: MR JAKE BOXER

Proc Date: 2024/05/02 \$75,000.00 ISN#: 9931610322

Virtual Endorsement

DSPACC: [REDACTED]
 DSPTR: 07360-003
 CSID: 6241234087967900010
 TXNID: 1
 SCANSES: 206,914,822
 ITMSEQ: 2
 CHANID: 003
 APPCD: S900
 TRANSIT: 00010
 DSPCUR: CAD
 TEFDT: 02/05/24
 OPID: 597257203

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 and does not require a physical
 stamp or signature.

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 verify watermark

Endorsement - Signature or Stamp

BACK/VERSO

Proc Date: 2024/05/02 \$75,000.00 ISN#: 9931610322

Template Name:

Template Description:

Value Date: Jul 12, 2024 Payment Amount: 240,000.00 CAD

Debit Account: [REDACTED]

Credit Information: [REDACTED]

Beneficiary: Jake Boxer

Status: Completed

Approved by: A COLE

Created by: A COLE, Jul 12, 2024 at 04:42 PM ET

Last Modified by:

Released by: A COLE, Jul 12, 2024 at 04:42 PM ET

See back of document for The Bank of Nova Scotia logo

Scotiabank.

PRIVATE BANKING VANCOUVER
850 WEST GEORGIA ST., SUITE 510
VANCOUVER BRITISH COLUMBIA V6B 4N7

CANADIAN DOLLAR DRAFT

924223

DATE 2024 08 26
Y Y Y Y M M D D

PAY TO ORDER OF **FELIX PAYMENT SYSTEMS LTD**

\$ 6,000.00

SUM OF **EXACTLY 6,000 DOLLARS ***** 00/100**

CANADIAN FUNDS

TO:
ANY BRANCH OF
THE BANK OF NOVA SCOTIA

AUTH NO.	THE BANK OF NOVA SCOTIA
AUTH NO.	<i>Valentina Sordani</i>
	AUTHORIZED OFFICER

Purchaser's Name: MR JAKE BOXER



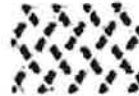
Proc Date: 2024/08/27 \$6,000.00 ISN#: 9936834124

Virtual Endorsement

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DSPTR: 07360-003
CSID: 7242404485437103215
TXNID: 1
SCANSES: 213,073,482
ITMSEQ: 2
CHANID: 003
APPCD: 5900
TRANSIT: 03215
DSPCUR: CAD
TEFDT: 27/08/24
OPID: 423895242

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Endorsement - Signature or Stamp

BACK/VERSO



Proc Date: 2024/08/27 \$6,000.00 ISN#: 9936834124

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Scotiabank.

PRIVATE BANKING VANCOUVER
650 WEST GEORGIA ST., SUITE 510
VANCOUVER BRITISH COLUMBIA V6B 4N7

CANADIAN DOLLAR DRAFT

924255

DATE 2024 08 29
Y Y Y Y M M D D

PAY TO ORDER OF **FELIX PAYMENT SYSTEMS LTD**

\$ 150,000.00

SUM OF **EXACTLY 150,000 DOLLARS ***** 00/100**

CANADIAN FUNDS

TO:
ANY BRANCH OF
THE BANK OF NOVA SCOTIA

AUTH NO.	THE BANK OF NOVA SCOTIA
AUTH NO.	AUTHORIZED OFFICER

AUTHORIZED OFFICER

Purchaser's Name: MR JAKE BOXER

[Redacted]

[Redacted]

Proc Date: 2024/08/29 \$150,000.00 ISN#: 9937137315

Virtual Endorsement

DSPACC: [Redacted]
DSPTR: 07360-003
CSID: 6242424814497803215
TXNID: 1
SCANSES: 213,208,175
ITMSEQ: 2
CHANID: 003
APPCD: S900
TRANSIT: 03215
DSPCUR: CAD
TEFDT: 29/08/24
OPID: 423895242

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verify watermark

[Redacted]

Endorsement - Signature or Stamp

BACK/VERSO

[Redacted]

Proc Date: 2024/08/29 \$150,000.00 ISN#: 9937137315

Scotiabank.

PRIVATE BANKING VANCOUVER
650 WEST GEORGIA ST., SUITE 510
VANCOUVER BRITISH COLUMBIA V6B 4N7

SOLD TO
ADDRESS

924268

DATE 2024 09 04
CANADIAN DOLLARS

PAY TO ORDER OF

FELIX PAYMENT SYSTEMS

\$ 15,000.00
COMMISSION

SUM OF

EXACTLY 15,000 DOLLARS ***** 00/100

TOTAL

TO
ANY BRANCH OF
THE BANK OF NOVA SCOTIA

AUTH NO THE BANK OF NOVA SCOTIA

AUTH NO AUTHORIZED OFFICER

AUTHORIZED OFFICER

Purchaser's Name: MR. JAMES ROY

DETACH AND RETAIN IN THE EVENT OF THE LOSS OF THE CORRESPONDING
DRAFT, REFER TO THE CONDITIONS NOTED ON THE REVERSE

CUSTOMER RECEIPT



RBC
Royal Bank

DEPOSIT SLIP CURRENT ACCOUNT

DATE 4/9/24
INITIALS

LIST OF CHEQUES

LIST OF CHEQUES

100110 18041 924268

CREDIT ACCOUNT OF

CHEQUES

TOTAL

US CASH

TOTAL

US CHEQUES

TOTAL

DETAILS

CASH

X 5	
X 10	
X 20	
X 50	
X 100	
000	
CASH TOTAL	
CHEQUES TOTAL	
TOTAL	

TOTAL \$ 15,000

COMPARED TO ORIGINAL DEPOSIT SLIP
AS TO TOTAL ONLY

FELIX PAYMENT SYSTEMS LTD.

Transfer No. Institution No.

Account No.



RBC
Royal Bank

DEPOSIT SLIP
CURRENT ACCOUNT

DATE
DAY MONTH YEAR
11 29 2024

INITIALS
DEPOSITOR'S TELLER'S

LIST OF CHEQUES

LIST OF CHEQUES

03215-003
ROYAL BANK OF CANADA
WEST GEORGIA BRANCH

SEP 11 2024

CREDIT ACCOUNT OF

CHEQUES TOTAL ▶
U.S. CASH TOTAL ▶
U.S. CHEQUES TOTAL ▶
VANCOUVER, BC
03215-003

DETAILS	CASH
X 5	
X 10	
X 20	
X 50	
X 100	
COIN	
CDN CASH TOTAL ▶	
CHEQUES TOTAL ▶	
RATE ▶	
RATE ▶	
TOTAL \$ 15,000.00	

COMPARED TO ORIGINAL DEPOSIT SLIP
AS TO TOTAL ONLY

Transit No. Institution No. Account No.



Scotiabank.PRIVATE BANKING VANCOUVER
660 WEST GEORGIA ST., SUITE 810
VANCOUVER BRITISH COLUMBIA V6B 4N7

CANADIAN DOLLAR DRAFT

924316

DATE 2024 09 11
Y Y Y Y M M D DPAY TO ORDER OF **FELIX PAYMENT SYSTEMS LTD.**

\$ 150,000.00

SUM OF **EXACTLY 150,000 DOLLARS ***** 00/100**

CANADIAN FUNDS

TO:
ANY BRANCH OF
THE BANK OF NOVA SCOTIA

AUTH NO.	THE BANK OF NOVA SCOTIA
AUTH NO.	AUTHORIZED OFFICER

AUTHORIZED OFFICER

Purchaser's Name: MR JAKE BOXER

Proc Date: 2024/09/11 \$150,000.00 ISN#: 9938668174

Virtual Endorsement

DSPACC: [REDACTED]
 DSPTR: 07360-003
 CSID: 1242555522781803215
 TXNID: 1
 SCANSES: 213,863,042
 ITMSEQ: 2
 CHANID: 003
 APPCD: S900
 TRANSIT: 03215
 DSPCUR: CAD
 TEFD: 11/09/24
 OPID: 392540068

This is a watermark and contains
 no value
 Do not accept without noting watermark



Hold to light to
 verify watermark

PRINTER ID # 1017

Endorsement - Signature or Stamp

BACK/VERSO

Proc Date: 2024/09/11 \$150,000.00 ISN#: 9938668174

1-3621 (035) RBC CCM DEPOSIT SLIP 0/5

RBC Royal Bank

**DEPOSIT SLIP
CURRENT ACCOUNT**

DATE
DAY MONTH YEAR
26 09 24

INITIALS
TELLER
K 66

LIST OF CHEQUES

LIST OF CHEQUES

03215-003
ROYAL BANK OF CANADA
WEST GEORGIA BRANCH
SEP 26 2024

CREDIT ACCOUNT OF
Felix Payments Systems Ltd.

CHEQUES
US CASH 03215-003
NO CHEQUES TO BE

DETAILS	CASH
X \$	
X 10	
X 20	
X 50	
X 100	
CON	
CON CASH TOTAL	
CHEQUES TOTAL	
RATE	
RATE	
TOTAL \$	15,000.00

COMPARED TO ORIGINAL DEPOSIT SLIP
AS TO TOTAL ONLY

Branch No. Institution No. Account No.

180

Scotiabank.

PRIVATE BANKING VANCOUVER
650 WEST GEORGIA ST., SUITE 510
VANCOUVER BRITISH COLUMBIA V6B 4N7

CANADIAN DOLLAR DRAFT

924382

DATE 2024 09 26
Y Y Y Y M M D D

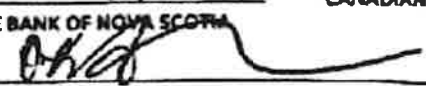
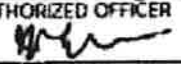
PAY TO ORDER OF FELIX PAYMENT SYSTEMS LTD.

\$ 150,000.00

SUM OF EXACTLY 150,000 DOLLARS ***** 00/100

CANADIAN FUNDS

TO:
ANY BRANCH OF
THE BANK OF NOVA SCOTIA


AUTH NO.	THE BANK OF NOVA SCOTIA 
AUTH NO.	AUTHORIZED OFFICER 

AUTHORIZED OFFICER

Purchaser's Name: MR JAKE BOXER

Proc Date: 2024/09/26 \$150,000.00 ISN#: 9931317098

Virtual Endorsement

DSPACC: 
DSPTR: 07360-003
CSID: 4242704522080403215
TXNID: 1
SCANSES: 214,606,012
ITMSEQ: 2
CHANID: 003
APPCD: S900
TRANSIT: 03215
DSPCUR: CAD
TEFDT: 26/09/24
OPID: 403609803

This is watermarked paper and contains
invisible fibres.
Do not accept without noting watermark.



Hold to light to
verify watermark

PRINTER ID # 1017

Endorsement - Signature or Stamp

BACK/VERSO

Proc Date: 2024/09/26 \$150,000.00 ISN#: 9931317098

DATE

2024/10/11

TIME

18:47:43

SENDING TRANSIT INFORMATION

NAME Private Banking Vancouver
ADDRESS 650 West Georgia Street, 5th Floor
Vancouver, British Columbia, V6B 4N7
TRANSIT 52100

SENDER'S REFERENCE NUMBER 0013645929

SENDER INFORMATION

NAME LINE1 MR JAKE BOXER
NAME LINE2
ADDRESS 3707 West 7th Avenue, Suite 1000
Vancouver, British Columbia, Canada, V6R 1W7

HOME TELEPHONE (604)831-4620

WORK TELEPHONE

TRANSACTION INFORMATION

EFFECTIVE VALUE DATE 2024/10/15

CURRENCY AND AMOUNT OF TRANSFER

AMOUNT OF TRANSFER 105,000.00 CAD

EXCHANGE RATE

CHARGES 106.00 CAD

TOTAL 105,106.00 CAD

DEBIT ACCOUNT NUMBER [REDACTED]

BENEFICIARY INFORMATION

NAME Felix Payment Systems
ADDRESS SUITE 1400 355 BURRARD ST
VANCOUVER, British Columbia, Canada, V6C 2G8

CREDIT ACCOUNT NUMBER [REDACTED]

IBAN/CLABE (IF APPLICABLE)

☒ CREDIT WITH ADVICE☐ NOTIFY AND PAY**INFORMATION TO BENEFICIARY****NOTIFY AND PAY DETAILS****BENEFICIARY BANK**

NAME Royal Bank of Canada
ADDRESS 650 West 41st Ave - Suite 611
Vancouver, British Columbia, Canada, V5Z 2M9

The Scotiabank Privacy Agreement forms part of this outgoing payment request. For a full explanation about how, when and why we may collect, use and share your information, as well as your rights relating to that information, please visit www.Scotiabank.com/privacy or any Scotiabank branch for a paper copy. We collect the information set out above to process your transaction. You understand and agree that The Bank of Nova Scotia may use third party service providers to process this transaction on our behalf. Some of our service providers are located outside of Canada and are subject to foreign legislation. The Bank will not be responsible for any delays, errors or losses for individuals and/or entities based on delivery mechanism used to process this wire payment. Additional fees may be deducted from the transfer by the correspondent(s), a portion of which may be rebated to Scotiabank. In addition, any remittance forwarded outside Canada, and expressed in a currency other than that of the country in which payment is to be made, may be converted by Scotiabank's correspondent bank into the local currency of that country at their buy rate of exchange. Additional fees including foreign exchange and currency conversion charges and other foreign bank handling charges may be deducted from the transfer by the correspondent(s) a portion of which may be rebated to Scotiabank which rebate amount will depend on the amount of the wire transfer. If the transfer is not completed for any reason whatsoever, the Bank will refund the original transfer amount, less refund expenses and losses (if any) and risks from exchange rate fluctuations, upon receipt of the returned transfer from its agent/correspondent bank. The original transfer fee is nonrefundable. Transactions conducted after Scotiabank's cutoff time will be processed the next business day. In addition, customer/sender ("you") will not: include in any payment, transfer, or similar communication, content that is: (i) harmful to Scotiabank or any individual, company, corporation or other body corporate, government, governmental body, unincorporated body of persons or association; (ii) reasonably considered to be the personal information of an individual, unless it has been provided with the appropriate consent and in accordance with applicable privacy laws; (iii) a virus or other code or mechanism that is intended or is likely to cause damage including, but not limited to, a deceptive or malicious URL; (iv) offensive or defamatory; (v) relates to, or is used to conduct, illegal activities; or (vi) otherwise in contravention of applicable laws and rules.

CUSTOMER COPY - PART 2

DATE

2024/10/11

TIME

18:31:11

SENDING TRANSIT INFORMATION

NAME Private Banking Vancouver
ADDRESS 650 West Georgia Street, 5th Floor
Vancouver, British Columbia, V6B 4N7
TRANSIT 52100

SENDER'S REFERENCE NUMBER 0013645889

SENDER INFORMATION

NAME LINE1 MR JAKE BOXER
NAME LINE2
ADDRESS 3707 West 7th Avenue, Suite 1000
Vancouver, British Columbia, Canada, V6R 1W7
HOME TELEPHONE (604)831-4620 WORK TELEPHONE

TRANSACTION INFORMATION

EFFECTIVE VALUE DATE 2024/10/15
CURRENCY AND AMOUNT OF TRANSFER
AMOUNT OF TRANSFER 135,000.00 CAD
EXCHANGE RATE
CHARGES 106.00 CAD
TOTAL 135,106.00 CAD

DEBIT ACCOUNT NUMBER [REDACTED]

BENEFICIARY INFORMATION

NAME Felix Payment Systems
ADDRESS SUITE 1400 355 BURNARD ST
Vancouver, British Columbia, Canada, V6C 2G8

CREDIT ACCOUNT NUMBER [REDACTED]

IBAN/CLABE (IF APPLICABLE)

☒ CREDIT WITH ADVICE☐ NOTIFY AND PAY**INFORMATION TO BENEFICIARY****NOTIFY AND PAY DETAILS****BENEFICIARY BANK**

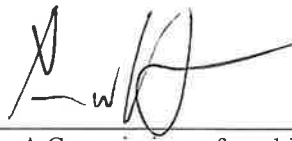
NAME Royal Bank of Canada
ADDRESS 650 West 41st Ave - Suite 611
Vancouver, British Columbia, Canada, V5Z 2M9

[REDACTED]

The Scotiabank Privacy Agreement forms part of this outgoing payment request. For a full explanation about how, when and why we may ~~collect~~¹⁸⁴ use and share your information, as well as your rights relating to that information, please visit www.Scotiabank.com/privacy or any Scotiabank branch for a paper copy. We collect the information set out above to process your transaction. You understand and agree that The Bank of Nova Scotia may use third party service providers to process this transaction on our behalf. Some of our service providers are located outside of Canada and are subject to foreign legislation. The Bank will not be responsible for any delays, errors or losses for individuals and/or entities based on delivery mechanism used to process this wire payment. Additional fees may be deducted from the transfer by the correspondent(s), a portion of which may be rebated to Scotiabank. In addition, any remittance forwarded outside Canada, and expressed in a currency other than that of the country in which payment is to be made, may be converted by Scotiabank's correspondent bank into the local currency of that country at their buy rate of exchange. Additional fees including foreign exchange and currency conversion charges and other foreign bank handling charges may be deducted from the transfer by the correspondent(s) a portion of which may be rebated to Scotiabank which rebate amount will depend on the amount of the wire transfer. If the transfer is not completed for any reason whatsoever, the Bank will refund the original transfer amount, less refund expenses and losses (if any) and risks from exchange rate fluctuations, upon receipt of the returned transfer from its agent/correspondent bank. The original transfer fee is nonrefundable. Transactions conducted after Scotiabank's cutoff time will be processed the next business day. In addition, customer/sender ("you") will not: include in any payment, transfer, or similar communication, content that is: (i) harmful to Scotiabank or any individual, company, corporation or other body corporate, government, governmental body, unincorporated body of persons or association; (ii) reasonably considered to be the personal information of an individual, unless it has been provided with the appropriate consent and in accordance with applicable privacy laws; (iii) a virus or other code or mechanism that is intended or is likely to cause damage including, but not limited to, a deceptive or malicious URL; (iv) offensive or defamatory; (v) relates to, or is used to conduct, illegal activities; or (vi) otherwise in contravention of applicable laws and rules.

CUSTOMER COPY - PART 2

This is **Exhibit "H"** referred to in the Affidavit of Doug Mordy
sworn before me this 28th day of January, 2025.

A handwritten signature in black ink, appearing to be 'A. W. H.', written over a horizontal line.


A Commissioner for taking affidavits in and
for the province of British Columbia

186

PEL CHARTERED PROFESSIONAL ACCOUNTANTS
3701 HASTINGS STREET, UNIT #306
BURNABY, BC V5C 2H6

000210

DATE 2022-10-07
Y Y Y Y M M D D

PAY to Felix Payment Systems Ltd. \$ 200,000.00
the order of two hundred thousand DOLLARS 


TD CANADA TRUST
SURREY CITY CENTRE BRANCH
10435 KING GEORGE VI BLVD. AT 104TH AVE.
SURREY, B.C. V3T 2W7

PEL CHARTERED PROFESSIONAL ACCOUNTANTS

RE SRED Loan

PER 

Proc Date: 2022/10/07 \$200,000.00 ISN#: 9631015756

Negotiating Institution: RBC ROYAL BANK
Deposit Transit Number: 07360-003
Account Number: 
Date (YYYYMMDD): 20221007
Item Sequence Number: 9631015756

Printer ID# 1021



Endorsement - Signature or Stamp

IF Endorsed
The bank's liability is limited to the
amount of the endorsement.
Do not sign or stamp
any document if the bank
does not stamp it with the
signature of the bank.
Do not
sign any document if the
bank does not stamp it with the
signature of the bank.
Do not
sign any document if the
bank does not stamp it with the
signature of the bank.

MDC AT MID: X734
Envelope #: 552

BACK/VERSO

Proc Date: 2022/10/07 \$200,000.00 ISN#: 9631015756



DEPOSIT SLIP

DATE MONTH YEAR INITIALS

10 02 24 MS

LIST OF CHEQUES

Douglas Marty	30,000.00	
Douglas Marty	10,000.00	

LIST OF CHEQUES

CHEQUES	TOTAL	
US CASH	TOTAL	
US CHEQUES	TOTAL	

DETAILS	CASH
X 5	
X 10	
X 20	
X 50	
X 100	
CDN	
CDN CASH TOTAL	
CHEQUES TOTAL	
RATE	
RATE	
	\$ 40,000.00

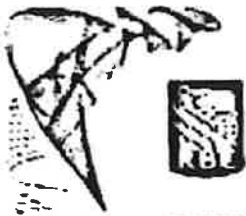
Felix Payment Systems

Transit No. Institution No. Account No.

Proc Date: 2024/02/12 \$0.00 ISN#: 9931050391

Virtual Endorsement
DSPACC:
DSPTR: 07360-003
CSID: 3240415381705403840
TXNID: 1
SCANSES: 202,795,086
ITMSEQ: 1
CHANID: 003
APPCD: S900
TRANSIT: 03840
DSPCUR: CAD
TEFDT: 10/02/24
OPID: 940231848

Proc Date: 2024/02/12 \$0.00 ISN#: 9931050391



Royal Bank of Canada
Banque Royale du Canada
3145 EDMONT BLVD
NORTH VANCOUVER, BC

73374193 8-516
DATE 20240210
VIA MM OU

PAY TO THE ORDER OF FELIX PAYMENT SYSTEMS LTD
PAYEZ A L'ORDRE DE

\$10,000.00

EXACTLY \$10,000.00

CANADIAN DOLLARS CANADIENS

REDOBET BROOKFIELD CPA LONN

DOUGLAS A MOODY

PURCHASER NAME

NOM DE L'ACHETEUR

AUTHORIZED SIGNATURE SIGNATURE AUTORISEE

PURCHASER ADDRESS

ADRESSE DE L'ACHETEUR

Signature

Yitan

18

Proc Date: 2024/02/12 \$10,000.00 ISN#: 9931050394

Virtual Endorsement

DSPACC: [REDACTED]
DSPTR: 07360-003
CSID: 3240415381705403840
TXNID: 1
SCANSES: 202,795,086
ITMSEQ: 3
CHANID: 003
APPCD: S900
TRANSIT: 03840
DSPCUR: CAD
TEFDT: 10/02/24
OPID: 940231848

Endorsement - Signature or Stamp
Endossement - Signature ou timbre

BACK / VERSO

Proc Date: 2024/02/12 \$10,000.00 ISN#: 9931050394



DEPOSIT SLIP
CURRENT ACCOUNT

DATE
28 02 24
INITIALS
AR

LIST OF CHEQUES

Daglas	13,000.00

LIST OF CHEQUES

CHEQUES	TOTAL	
US CASH	TOTAL	
US CHEQUES	TOTAL	

DETAILS	CASH
X 5	
X 10	
X 20	
X 50	
X 100	
CDN	
CDN CASH TOTAL	
CHEQUES TOTAL	
RATE	
RATE	
TOTAL	\$13,000.00

1. 001280N 41

Felix Payment Systems Ltd

Transit No Institution No Account No



Proc Date: 2024/02/28 \$0.00 ISN#: 9932824005

Virtual Endorsement
DSPACC: [REDACTED]
DSPTR: 07360-003
CSID: 3240594997339603840
TXNID: 1
SCANSES: 203,578,915
ITMSEQ: 1
CHANID: 003
APPCD: 5900
TRANSIT: 03840
DSPCUR: CAD
TEFDT: 28/02/24
OPID: 232570184



Proc Date: 2024/02/28 \$0.00 ISN#: 9932824005



Royal Bank of Canada
Banque Royale du Canada
3145 EDMONT BLVD
NORTH VANCOUVER, BC

190
73374273 8-516

DATE 20240228
VIA MM DU

PAY TO THE ORDER OF
PAYEZ À L'ORDRE DE FELIX PAYMENT SYSTEMS LTD

\$13,000.00

EXACTLY \$13,000.00

CANADIAN DOLLARS CANADIENS

REQUISIT RECEIPTED CPA LOGN

DOUGLAS A MAPUY

PURCHASER NAME NO. DE L'ACHETEUR

PURCHASER ADDRESS ADRESSE DE L'ACHETEUR

AUTHORIZED SIGNATURE - SIGNATURE AUTORISEE
Adrian R.

Proc Date: 2024/02/28 \$13,000.00 ISN#: 9932824007

Virtual Endorsement
DSPACC: [REDACTED]
DSPTR: 07360-003
CSID: 3240594997339603840
TXNID: 1
SCANSES: 203,578,915
ITMSEQ: 2
CHANID: 003
APPCD: S900
TRANSIT: 03840
DSPCUR: CAD
TEFDT: 28/02/24
OPID: 232570184

Endorsement - Signature or Stamp
Endossement - Signature ou timbre

BACK / VERSO

Proc Date: 2024/02/28 \$13,000.00 ISN#: 9932824007



DEPOSIT SLIP
CURRENT ACCOUNT

DATE
DAY MONTH YEAR
14 03 24
INITIALS
TELLER

LIST OF CHEQUES

Draft	30 000.00
Douglas	10 000.00

LIST OF CHEQUES

CHEQUES	TOTAL ▶	
US CASH	TOTAL ▶	
US CHEQUES	TOTAL ▶	

DETAILS	CASH
X 5	
X 10	
X 20	
X 50	
X 100	
COIN	
CON CASH TOTAL ▶	
CHEQUES TOTAL ▶	
RATE ▶	
RATE ▶	

\$ 40 000.00

Felix Payment Systems LTD

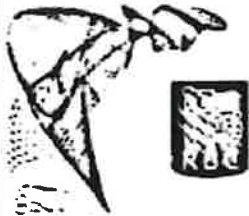
Transit No. Institution No. Account No.

Proc Date: 2024/03/14 \$0.00 ISN#: 9934586725

Virtual Endorsement

DSPACC: [REDACTED]
DSPTR: 07360-003
CSID: 7240744062144103840
TXNID: 1
SCANSES: 204,328,561
ITMSEQ: 1
CHANID: 003
APPCD: S900
TRANSIT: 03840
DSPCUR: CAD
TEFDT: 14/03/24
OPID: 594196370

Proc Date: 2024/03/14 \$0.00 ISN#: 9934586725



Royal Bank of Canada
Banque Royale du Canada
5145 EDMONT BLVD
NORTH VANCOUVER, BC

73374365¹⁹² 2-516

DATE 20240314
VIA MAIL C/D

PAY TO THE ORDER OF
PAYEZ À L'ORDRE DE **FELIX PAYMENT SYSTEMS LTD**

\$10,000.00

EXACTLY \$10,000.00

CANADIAN DOLLARS CANADIENS

AL "HORIZED BANK" RE REQUIERT FOR AMOUNTS UNP. BE DES DE CANNIENS - BONAIRE, LE AUTON DES REQUISSE POUR UN MON "UN" P. DE L'UN" S. 200 C.D. S. CANNIENS

RE/SUBJET **BROOKRIDGE CPA LOAN**

DOUGLAS A MINDY

PURCHASER NAME

NOM DE L'ACHETEUR

PURCHASER ADDRESS

ADRESSE DE L'ACHETEUR

[Signatures: J. Nemeth, Tony]
CO/JNTE RESIGNED - CONTRESIGNE

Proc Date: 2024/03/14 \$10,000.00 ISN#: 9934586727

Virtual Endorsement

DSPACC: [REDACTED]
DSPTR: 07360-003
CSID: 7240744062144103840
TXNID: 1
SCANSES: 204,328,561
ITMSEQ: 2
CHANID: 003
APPCD: S900
TRANSIT: 03840
DSPCUR: CAD
TEFDT: 14/03/24
OPID: 594196370

Endorsement - Signature or Stamp
Endossement - Signature ou timbre

BACK / VERSO

Proc Date: 2024/03/14 \$10,000.00 ISN#: 9934586727



DEPOSIT SLIP

DATE
01 04 24 21 MP

LIST OF CHEQUES

	30,000 00	
	5,000 00	
	15,000 00	

LIST OF CHEQUES

CHEQUES	TOTAL	
US CASH	TOTAL	
US CHEQUES	TOTAL	

DETAILS	CASH
X 5	
X 10	
X 20	
X 50	
X 100	
COIN	
COIN CASH TOTAL	
CHEQUES TOTAL	
RATE	
RATE	
\$	50000 00

Felix Payment Services
Ltd

Transfer No. Instruction No. Account No.

Proc Date: 2024/04/01 \$0.00 ISN#: 9936446000

Virtual Endorsement

DSPACC: [REDACTED]
 DSPTR: 07360-003
 CSID: 3240925192958403840
 TXNID: 1
 SCANSES: 205,134,137
 ITMSEQ: 1
 CHANID: 003
 APPCD: S900
 TRANSIT: 03840
 DSPCUR: CAD
 TEFDT: 01/04/24
 OPID: 598142255

Proc Date: 2024/04/01 \$0.00 ISN#: 9936446000

PEL CHARTERED PROFESSIONAL ACCOUNTANTS
3701 HASTINGS STREET, UNIT #308
BURNABY, BC V5C 2H6

000373

DATE 2024-03-27
Y Y Y Y M M D D

PAY to Felsa Payment Systems Ltd. \$ 5,000.00
the order of

Five DOLLARS 
100

TD CANADA TRUST
SURREY CITY CENTRE BRANCH
10435 KING GEORGE VI BLVD. AT 104TH AVE.
SURREY, B.C. V3T 2W7

PEL CHARTERED PROFESSIONAL ACCOUNTANTS


RE Loan

PER [Signature]

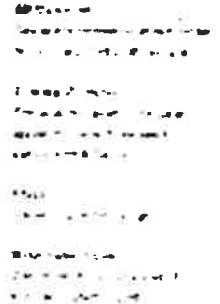


Proc Date: 2024/04/01 \$5,000.00 ISN#: 9936446002

Virtual Endorsement

DSPACC: 
DSPTR: 07360-003
CSID: 3240925192958403840
TXNID: 1
SCANSES: 205,134,137
ITMSEQ: 2
CHANID: 003
APPCD: 5900
TRANSIT: 03840
DSPCUR: CAD
TEFDT: 01/04/24
OPID: 598142255

Printer ID# 1021



Endorsement - Signature or Stamp

BACK/VERSO



Proc Date: 2024/04/01 \$5,000.00 ISN#: 9936446002

Wire Activity - Summary Report

Tamara Leight , FELIX PAYMENT SYSTEM
Report Creation Date: Jul 15, 2024 11:59:00 AM ET

Template Name:

Template Description:

Value Date: Jul 12, 2024 Payment Amount: 20,000.00 CAD

Debit Account: [REDACTED]

Credit Information: [REDACTED]

Beneficiary: Brookridge Chartered Professional A

Status: Completed

Approved by: A COLE

Created by: A COLE, Jul 12, 2024 at 04:39 PM ET

Last Modified by:

Released by: A COLE, Jul 12, 2024 at 04:39 PM ET



40

DEPOSIT SLIP
CURRENT ACCOUNT

DATE
5 9 24
INITIALS
MRL

LIST OF CHEQUES

15,989

LIST OF CHEQUES

CHEQUES TOTAL ▶ 15,989
US CASH TOTAL ▶
US CHEQUES TOTAL ▶

DETAILS	CASH
X 5	
X 10	
X 20	
X 50	
X 100	
COIN	
COIN CASH TOTAL ▶	
CHEQUES TOTAL ▶	15,989
RATE ▶	
RATE ▶	
\$ 15,989	

Felix Payment Systems Ltd.

Transit No. Institution No. Account No.

Proc Date: 2024/09/05 \$0.00 ISN#: 9938011523

Virtual Endorsement

DSPACC: [REDACTED]
DSPTR: 07360-003
CSID: 4242495198216403296
TXNID: 1
SCANSES: 213,571,173
ITMSEQ: 1
CHANID: 003
APPCD: S900
TRANSIT: 03296
DSPCUR: CAD
TEFDT: 05/09/24
OPID: 383974706

Proc Date: 2024/09/05 \$0.00 ISN#: 9938011523

10358 (0521)

THIS DOCUMENT IS PRINTED ON WATERMARKED PAPER. SEE BACK FOR INSTRUCTIONS

107

The Toronto-Dominion Bank

8793806

TD BRENTWOOD TOWN CENTRE 4501 LOUGHEED HIGHWAY, UNIT: P21-06 BURNABY, BC V5C 0K3
DOUGLAS MORDY

2024-09-05

Purchaser

DATE

YYMMDD

Transit-Serial No.

9117-08793806

Pay to the Order of FELIX PAYMENT SYSTEMS LTD.

\$ *****15,989.00

FIFTEEN THOUSAND NINE HUNDRED EIGHTY NINE**00/100

Authorized signature required for amounts over CAD \$5,000.00

Re Brookridge loan agreement Felix

The Toronto-Dominion Bank
Toronto, Ontario
Canada, M5K 1A2

Authorized Officer

Countersigned

Canadian Dollars

Leaflet
Number

OUTSIDE CANADA NEGOTIABLE BY CORRESPONDENTS AT THEIR BUYING RATE FOR DEMAND DRAFTS ON CANADA

8793806

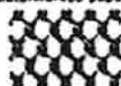
0700010

Proc Date: 2024/09/05 \$15,989.00 ISN#: 9938011525

Virtual Endorsement

DSPACC: [REDACTED]
DSPTR: 07360-003
CSID: 4242495198216403296
TXNID: 1
SCANSES: 213,571,173
ITMSEQ: 2
CHANID: 003
APPCD: S900
TRANSIT: 03296
DSPCUR: CAD
TEFDT: 05/09/24
OPID: 383974706

This is watermarked paper and contains invisible fibres



Hold to light
to verify watermark

Printer ID#1011F-B

Endorsement - Signature or Stamp

BACK/ENDOS

Proc Date: 2024/09/05 \$15,989.00 ISN#: 9938011525

This is **Exhibit "I"** referred to in the Affidavit of Doug Mordy
sworn before me this 26th day of January, 2025.

A handwritten signature in black ink, consisting of a stylized 'L' followed by a series of diagonal strokes.

A Commissioner for taking affidavits in and
for the province of British Columbia

DIRECTION TO PAY

TO: 1069188 B.C. Ltd. (the "Payor")

CC: Felix Payment Systems Ltd. (the "Borrower")

RE: February 9, 2023 Demand Promissory Note between the CA Mordy Legacy Trust (the "Lender") and the Borrower in the principal amount of \$75,000

WHEREAS:

- A. the Lender and Borrower have entered into a demand promissory note dated February 9, 2023 (the "Loan") pursuant to which the Lender has agreed to advance \$75,000 (the "Loan Principal") to the Borrower; and
- B. the Payor has agreed to advance the Loan Principal to the Borrower on behalf of the Lender.

THE UNDERSIGNED HEREBY IRREVOCABLY DIRECTS THAT:

- 1. the Lender hereby authorizes the Payor to disburse the Loan Principal to the Borrower;
- 2. this shall be good and sufficient authority for the Payor acting in accordance with this Direction to Pay;
- 3. the undersigned hereby releases the Payor from all liability in connection with the Payor acting in accordance with this Direction to Pay; and
- 4. the Loan Principal may be paid by the Payor by way of cheque, wire transfer, bank draft, or by such other method as may be agreed to by the Payor and the Lender.

This Direction to Pay may be executed and delivered in counterparts and may be delivered in original or electronic form, each of which when so executed and delivered will be deemed to be an original and when taken together, will constitute the one and same document.

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Dated as of February 9, 2023.

CA MORDY LEGACY TRUST

By: 

Name: Douglas Mordy

Title: Trustee

Acknowledged by 1069188 B.C. Ltd.

1069188 B.C. Ltd.

By: 

Director

DIRECTION TO PAY

TO: Candice Mordy (the "Payor")

CC: Felix Payment Systems Ltd. (the "Borrower")

RE: February 6, 2023 Demand Promissory Note between the CA Mordy Legacy Trust (the "Lender") and the Borrower in the principal amount of \$100,000

WHEREAS:

- A. the Lender and Borrower have entered into a demand promissory note dated February 6, 2023 (the "Loan") pursuant to which the Lender has agreed to advance \$100,000 (the "Loan Principal") to the Borrower; and
- B. the Payor has agreed to advance the Loan Principal to the Borrower on behalf of the Lender.

THE UNDERSIGNED HEREBY IRREVOCABLY DIRECTS THAT:

- 1. the Lender hereby authorizes the Payor to disburse the Loan Principal to the Borrower;
- 2. this shall be good and sufficient authority for the Payor acting in accordance with this Direction to Pay;
- 3. the undersigned hereby releases the Payor from all liability in connection with the Payor acting in accordance with this Direction to Pay; and
- 4. the Loan Principal may be paid by the Payor by way of cheque, wire transfer, bank draft, or by such other method as may be agreed to by the Payor and the Lender.

This Direction to Pay may be executed and delivered in counterparts and may be delivered in original or electronic form, each of which when so executed and delivered will be deemed to be an original and when taken together, will constitute the one and same document.

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Dated as of February 6, 2023.

CA MORDY LEGACY TRUST

By: _____

Name: Douglas Mordy
Title: Trustee

Acknowledged by Candice Mordy

Candice Mordy

CANDICE MORDY

DIRECTION TO PAY

TO: 1069188 B.C. Ltd. (the "Payor")

CC: Felix Payment Systems Ltd. (the "Borrower")

RE: January 10, 2023 Demand Promissory Note between the CA Mordy Legacy Trust (the "Lender") and the Borrower in the principal amount of \$200,000

WHEREAS:

- A. the Lender and Borrower have entered into a demand promissory note dated January 10, 2023 (the "Loan") pursuant to which the Lender has agreed to advance \$200,000 (the "Loan Principal") to the Borrower; and
- B. the Payor has agreed to advance the Loan Principal to the Borrower on behalf of the Lender.

THE UNDERSIGNED HEREBY IRREVOCABLY DIRECTS THAT:

- 1. the Lender hereby authorizes the Payor to disburse the Loan Principal to the Borrower;
- 2. this shall be good and sufficient authority for the Payor acting in accordance with this Direction to Pay;
- 3. the undersigned hereby releases the Payor from all liability in connection with the Payor acting in accordance with this Direction to Pay; and
- 4. the Loan Principal may be paid by the Payor by way of cheque, wire transfer, bank draft, or by such other method as may be agreed to by the Payor and the Lender.

This Direction to Pay may be executed and delivered in counterparts and may be delivered in original or electronic form, each of which when so executed and delivered will be deemed to be an original and when taken together, will constitute the one and same document.

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Dated as of January 10, 2023.

CA MORDY LEGACY TRUST

By: 

Name: Douglas Mordy

Title: Trustee

Acknowledged by 1069188 B.C. Ltd.

1069188 B.C. Ltd.

By: 

Director

DIRECTION TO PAY

TO: Daniel Diebolt (the "Payor")

CC: Felix Payment Systems Ltd. (the "Borrower")

RE: August 6, 2021 Demand Promissory Note between the CA Mordy Legacy Trust (the "Lender") and the Borrower in the principal amount of \$200,000

WHEREAS:

- A. the Lender and Borrower have entered into a demand promissory note dated August 6, 2021 (the "Loan") pursuant to which the Lender has agreed to advance \$200,000 (the "Loan Principal") to the Borrower; and
- B. the Payor has agreed to advance the Loan Principal to the Borrower on behalf of the Lender.

THE UNDERSIGNED HEREBY IRREVOCABLY DIRECTS THAT:

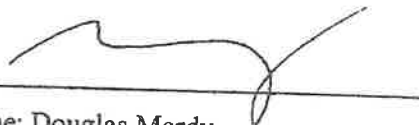
- 1. the Lender hereby authorizes the Payor to disburse the Loan Principal to the Borrower;
- 2. this shall be good and sufficient authority for the Payor acting in accordance with this Direction to Pay;
- 3. the undersigned hereby releases the Payor from all liability in connection with the Payor acting in accordance with this Direction to Pay; and
- 4. the Loan Principal may be paid by the Payor by way of cheque, wire transfer, bank draft, or by such other method as may be agreed to by the Payor and the Lender.

This Direction to Pay may be executed and delivered in counterparts and may be delivered in original or electronic form, each of which when so executed and delivered will be deemed to be an original and when taken together, will constitute the one and same document.

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Dated as of August 6, 2021.

CA MORDY LEGACY TRUST

By: 
Name: Douglas Mordy
Title: Trustee

Acknowledged by Daniel Diebolt

By: 
Name: Daniel Diebolt

This is **Exhibit "J"** referred to in the Affidavit of Doug Mordy
sworn before me this 28th day of January, 2025.



A Commissioner for taking affidavits in and
for the province of British Columbia

DIRECTION TO PAY

TO: 477473 B.C. Ltd. (the "Payor")

CC: Felix Payment Systems Ltd. (the "Borrower")

RE: June 25, 2021 Demand Promissory Note between Jake Boxer (the "Lender") and the Borrower
in the principal amount of \$150,000

WHEREAS:

- A. the Lender and Borrower have entered into a demand promissory note dated June 25, 2021 (the "Loan") pursuant to which the Lender has agreed to advance \$150,000 (the "Loan Principal") to the Borrower; and
- B. the Payor has agreed to advance the Loan Principal to the Borrower on behalf of the Lender.

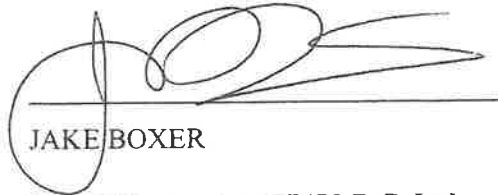
THE UNDERSIGNED HEREBY IRREVOCABLY DIRECTS THAT:

- 1. the Lender hereby authorizes the Payor to disburse the Loan Principal to the Borrower;
- 2. this shall be good and sufficient authority for the Payor acting in accordance with this Direction to Pay;
- 3. the undersigned hereby releases the Payor from all liability in connection with the Payor acting in accordance with this Direction to Pay; and
- 4. the Loan Principal may be paid by the Payor by way of cheque, wire transfer, bank draft, or by such other method as may be agreed to by the Payor and the Lender.

This Direction to Pay may be executed and delivered in counterparts and may be delivered in original or electronic form, each of which when so executed and delivered will be deemed to be an original and when taken together, will constitute the one and same document.

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Dated as of June 25, 2021.



JAKE BOXER

Acknowledged by 477473 B.C. Ltd.

477473 B.C. Ltd.

By: 

Director